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

ANALYSIS

This bill:

- 1. Funds meals and rooms distributions to cities and towns for the fiscal year ending June 30, 2012 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 50 percent of the funds received for the recording surcharge assessed by registers of deeds to be deposited in the trust fund for the land and community heritage investment program and 50 percent of such surcharge to be deposited in the general fund for the biennium ending June 30, 2013.
- 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. Changes the procedure for the deposit of fuel gas fitter fees collected by the department of safety.
- 7. Requires the workers' compensation administration fund to fund all costs of the administration of workers' compensation under RSA 281-A.
- 8. Requires the commissioner of the department of health and human services to submit a Medicaid state plan amendment to terminate direct and indirect graduate medical education payments to hospitals.
- 9. 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.
 - 10. Repeals the catastrophic illness program.
 - 11. Terminates funding for catastrophic aid payments to hospitals.
- 12. 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.

- 13. 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.
- 14. Requires the department of health and human services to limit benefits for adults with low services utilization of community mental health services, provided that the department shall establish by rule a waiver procedure for authorizing a higher amount, if appropriate.
- 15. Continues county reimbursements for nursing home services at the current level through state fiscal year 2013.
- 16. Repeals the law regarding coverage for services and items covered under the medical assistance program.
- 17. 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.
- 18. 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.
- 19. 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.
- 20. 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.
 - 21. Repeals the prevention programs for juveniles and incentive grants for such programs.
- 22. 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.
- 23. 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.
- 24. 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.
- 25. Establishes 2 temporary special funds in the state treasurer's office to receive and temporarily hold funds for certain New Hampshire hospital programs.
- 26. Suspends the funding for the developmental services waitlist for the biennium ending June 30, 2013.
 - 27. Clarifies the allocation and use of the moneys in the uncompensated care fund.
- 28. Directs the commissioner of the department of health and human services to pursue certain consolidation initiatives 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.

- 29. 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.
 - 30. Repeals the healthy kids corporation.
- 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 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. Continues the motor vehicle registration fee increases enacted in 2009.
- 35. Dedicates \$15,000,000 annually from registration fees and surcharges to the highway and bridge betterment account.
- 36. Authorizes the commissioner of the department of transportation to enter into agreements to lease-purchase vehicles and equipment.
 - 37. Appropriates federal emergency assistance grants to the department of transportation.
 - 38. Authorizes the use of a 2007 rail match appropriation to match federal planning funds.
- 39. Establishes the department of labor restricted fund to fund operations of the department of labor from fees, licenses, certificates, and civil penalties.
 - 40. Eliminates the fund for payment of mediators and guardians ad litem for indigent parents.
- 41. 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.
- 42. Requires that proceeds from the sale of the lakes region facility property be deposited into the revenue stabilization reserve account under RSA 9:13-e.
 - 43. Suspends bumping rights.
- 44. Makes an appropriation for selecting and retaining an independent business processing consultant.
- 45. Provides that employees of the Pease development authority shall not be classified employees of the state.
- 46. 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.
 - 47. Repeals the tax on gambling winnings.
- 48. Authorizes the lottery commission to use monetary incentives to promote increased sales and compensate lottery sales representatives based upon performance.
 - 49. Modifies lottery sales commission rates.
 - 50. Authorizes monetary incentives to liquor commission employees.

- 51. Suspends the deposit of liquor revenues in the alcohol abuse prevention and treatment fund for the biennium ending June 30, 2013.
- 52. Transfers the water quality laboratory services from the department of environmental services to the department of health and human services.
- 53. Adds the board of accountancy, the real estate appraiser board, and the board of manufactured housing to the joint board of licensure and certification.
- 54. Repeals the boxing and wrestling commission and transfers responsibility for boxing, wrestling, and other fighting sports to the racing and charitable gaming commission.
- 55. Increases the research and development tax credit to \$2,000,000 for the biennium ending June 30, 2013.
- 56. Suspends the statutory limitation on highway funds allocated to the department of safety for the biennium ending June 30, 2013.
- 57. Reestablishes the Maine-New Hampshire Interstate Bridge Authority, transfers certain positions within the authority to the Maine and New Hampshire transportation agencies, and amends the Authority's scope of responsibility to include the Sarah Mildred Long Bridge, the I-95 High Level Bridge, and the Memorial Bridge.
- 58. 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.
- 59. 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.
- 60. 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.
- 61. 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.
- 62. Appropriates funds to the department of education for the establishment of a competitive grant program to further the cooperation of school administrative units in the provision of superintendent services.
- 63. Requires that school districts shall be liable for up to 10 times the estimated state average expenditure per pupil for catastrophic special education programs and services.
- 64. 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.
- 65. Repeals the postsecondary education commission and transfers all powers, duties, and programs to the department of education.
- 66. Transfers authority over regulation of private postsecondary career schools from the postsecondary education commission to the department of education.
- 67. 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.

- 68.(a) Provides a grant in the amount of \$2,000 for chartered public school pupils and provides that the funds shall be prorated if the total grant amount is insufficient due to an increase in enrollment.
- (b) Provides \$675 for each third grade pupil who has not tested at the proficient level or above in the reading component of the state assessment and who is not eligible to receive special education, English as a second language, or free or reduced-price meal program funds.
- (c) Beginning July 1, 2013, provides that a municipality's total education grant shall not exceed 105.5 percent of the total education grant received in the previous fiscal year.
- (d) Provides a stabilization grant to certain municipalities in fiscal year 2012 equal to the decrease from the municipality's fiscal year 2011 total education grant, and provides that a municipality shall continue to receive this stabilization grant in fiscal year 2013 and each fiscal year thereafter.
- 69. Requires excess education tax payments for fiscal years 2012 and 2013 to be calculated according to the version of the law currently in effect.
- 70. 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.
- 71. 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.
- 72. Transfers all duties, functions, responsibilities, funding, and authority of the board of veterinary medicine to the department of agriculture, markets, and food.
- 73. Eliminates the state share of retirement system employer contributions for group I and group II members not employed by the state.
- 74. Changes the definitions of earnable compensation and average final compensation used in calculating retirement benefits.
- 75. Increases the monthly contribution for medical benefits paid by retired state employees under age 65.
 - 76. Increases certain group I and group II retirement system member contribution rates.
- 77. Increases retirement ages of group I and group II members for service retirement, disability retirement, vested deferred retirement, and split benefits.
- 78. Provides statutory construction for certain terms relating to publication for statewide circulation.
- 79. 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.
- 80. 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.
- 81. Requires the department of resources and economic development to construct, maintain, repair, and staff rest areas and welcome centers along the state's highways.

- 82. Establishes a bureau of visitor service in the department of resources and economic development.
- 83. Modifies the amount of reimbursement paid to towns and cities for land acquired by the United States for flood control.
- 84. Requires the assessing official to remit a sum to the department of revenue from the receipts of the yield tax.
 - 85. Establishes a new fee for filing a notice of intent to excavate.
- 86. Repeals the current administration and enforcement fee for filing a notice of intent to excavate.
 - 87. Repeals the central tax services unit.
- 88. Adds certain functions of the equalization standards board to the functions of the assessing standards board.
- 89. Increases the functions and responsibilities of the audit division of the department of revenue administration.
- 90. 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.
 - 91. Establishes a moratorium on certificates of need for health care facilities.
 - 92. Requires lapses of legislative branch appropriations to the general fund.
 - 93. Removes the general fund designation for a percentage of the penalty assessment.
- 94. Requires the governor to implement a plan to reduce total appropriations for compensation and benefits.
- 95. 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.
 - 96. Establishes hiring priority for laid off state employees.
- 97. Continues executive orders freezing executive branch hiring, out-of-state travel, and purchases.
- 98. Requires any general fund surplus remaining at the end of fiscal year 2010 to be carried forward on the state surplus statement into the next biennium.

Explanation: Matter added to current law appears in **bold italics**.

Matter removed from current law appears [in brackets and struckthrough.]

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

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand 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 provision of law, for the fiscal year ending June 30, 2012, 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. For the fiscal year ending June 30, 2013, the distribution of revenue to cities and towns shall be pursuant to RSA 78-A:26.
- 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 each fiscal year in the biennium ending June 30, 2013, an amount equal to 50 percent from the recording surcharge assessed by registrars of deeds under RSA 478:17-g, II(a) shall be deposited in the trust fund for the land and community heritage investment program under RSA 227-M:7 and the remaining 50 percent 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 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.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 2 -

- 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:
- 16 263:52 Driver Training Fund.

- 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 driver education program]. Once the driver training course materials, licensing of schools, and certification services have been funded in accordance with the legislative estimates

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 3 -

- [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.

- (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 [emmissioners] 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 Department of Safety; Fuel Gas Fitters; Deposit of Fees. Amend RSA 153:28, I-a to read as follows:
- I-a. The commissioner shall adopt rules establishing application fees for licensure, for renewal, for late renewal, and for reinstatement of licenses under this subdivision. The fee for examination by third parties shall be separate from the fees established by the commissioner. Fees shall be sufficient to produce estimated revenues equal to 125 percent of the direct operating expenses of the previous fiscal year. Fees collected shall be deposited [in the general fund] in the fire standards and training and emergency medical services fund, established in RSA 21-P:12-d, and used for the purposes of operating expenses under this subdivision. Fees collected in excess of actual operating expenses shall be deposited in the general fund as unrestricted revenue.
 - 11 Workers' Compensation; Administration Fund. Amend RSA 281-A:59, III to read as follows:

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 4 -

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 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.

- Department of Health and Human Services; Direct Graduate Medical Education; Termination. 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 terminate the provision of direct graduate medical education payments to hospitals as contemplated at 42 U.S.C. section 1396a(a)(30)(A) to be effective July 1, 2011. 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 are terminated.
- 13 Department of Health and Human Services; Indirect Graduate Medical Education; Termination. 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 terminate the provision of indirect graduate medical education payments to hospitals effective July 1, 2011. 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 terminate.
- 14 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.
 - 15 Repeal. The following are repealed:

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- I. RSA 137-G, relative to the catastrophic illness program.
- 37 II. RSA 6:12, I(b)(145), relative to application of receipts from the catastrophic illness fund.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 5 -

- 1 16 Health and Human Services; Termination of Catastrophic Aid Payment to Hospitals.
 2 Notwithstanding 2009, 144:160 and 2010S, 1:84, the commissioner of the department of health and
 3 human services shall submit a Title XIX Medicaid state plan amendment to the federal Centers for
 4 Medicare and Medicaid Services to terminate all catastrophic aid payments to hospitals effective
 5 July 1, 2011.
 - 17 Department of Health and Human Services; Department of Revenue Administration; Medical Assistance; Memorandum of Understanding.

- 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.
- 18 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 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 6 -

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. Such additional revenues shall be available to the department of health and human services to supplement funds in the following programs and services: provider payments, provider rate increases, and any other program or service that requires deficit reduction or for which revenue has been specifically obtained to improve program operations; provided, that such improvements do not increase eligibility standards or benefit levels.

- 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.
- 19 Department of Health and Human Services, Division of Community Based Care Services, Bureau of Behavioral Health, Mental Health Low Utilizers and Prior Authorization. For the biennium ending June 30, 2013, the department of health and human services shall maintain a limit on benefits of \$4,000 per person per year for adults with low service utilization of community mental health services, as identified in He-M 401.07; provided, that the department also shall establish, by rule under RSA 541-A, a procedure for such persons or community mental health providers to request a waiver of the \$4,000 limit based on legitimate treatment considerations. Upon request by the commissioner of the department of health and human services, the fiscal committee of the general court may authorize a higher per person per year limit.
- 20 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 2011-2013:
 - (1) State fiscal year 2011, \$105,000,000.
- (2) State fiscal year 2012, \$105,000,000.

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- (3) State fiscal year 2013, \$105,000,000.
- (b) The caps on total billings for fiscal years after fiscal year 2013 shall be established by the legislature at least on a biennial basis.
- 21 Repeal of Prospective Repeal. 2007, 263:26, relative to the repeal of RSA 167:18-a, is repealed.
 - 22 Repeal. The following are repealed:

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 7 -

- I. RSA 167:3-h, relative to coverage of services and items under the medical assistance program.
 - II. RSA167:3-c, XIV, relative to rulemaking for a review process for medically necessary services.

- 23 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 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.
- 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.
- 25 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.
- 26 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.
- 30 27 Repeal. RSA 170-G:4, XVI, relative to prevention programs for juveniles, is repealed.
 - 28 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 8 -

- 1 to the child free of charge based on the limited means of the family or based on the program's receipt
- 2 of other funding, including but not limited to funding distributed pursuant to RSA 170 G:4, XVI).
- 3 Payment shall be made pursuant to RSA 169-D:29 only for those programs that have been certified
- 4 pursuant to RSA 170-G:4, XVIII.
- 5 29 Department of Health and Human Services, Division of Community Based Care Services,
- 6 Bureau of Behavioral Health, Services in Region 6. The department of health and human services
- 7 shall contract with the community mental health program designated under He-M 403 to provide all
- 8 Medicaid services to Medicaid-eligible persons with severe mental disabilities in region 6, with the
- 9 exception of community residential services.
- 10 30 Repeal. RSA 151-E:3, III, relative to an assessment tool to determine clinical eligibility for
- 11 nursing facility care, is repealed.
- 12 31 Health and Human Services; Social Services Block Grant Cost of Living Adjustment to
- 13 Income Levels. Notwithstanding any other provision of law, the department of health and human
- 14 services shall raise the income eligibility for elderly and adult clients under the Social Services Block
- 15 Grant program every January, by the percentage amount of the cost of living increase in social
- security benefits on a yearly basis.
- 17 32 Treasury; Establishment of Revolving Funds for New Hampshire Hospital Accounting Units
- 18 05-95-94-940010-9064 and 05-95-94-940010-8028. There shall be established in the state treasury 2
- 19 funds for use as a depository account by the department of health and human services, New
- 20 Hampshire hospital. The funds shall be nonlapsing, continually appropriated to the department,
- 21 and used to receive and temporarily hold funds for the hospital's education programs and emergency
- 22 preparedness events until the funds are disbursed.
- 23 33 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.
 - 34 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
- 28 consist of the moneys collected pursuant to RSA 84-A. Investment earnings of the fund shall be
- 29 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
- 31 follows:

- 32 (a) No less than [50] 40 percent of the moneys paid into the fund shall be utilized to
- 33 support uncompensated care in hospitals in accordance with rules adopted by the commissioner,
- 34 pursuant to RSA 541-A.
- 35 (b) The commissioner is hereby authorized and directed to develop and implement, in
- 36 connection with the payment by the state to hospitals for reimbursement of uncompensated
- 37 care costs for state fiscal year 2012 and thereafter, a schedule of payments for reimbursement

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 9 -

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RSA 84-A and that participate in the state Medicaid program. The reimbursement of uncompensated care costs paid in state fiscal year 2012 and each year thereafter shall be in accordance with the schedule of payments to hospitals [shall] that take effect on [January] 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.
- (f) For fiscal year 2012 and every fiscal year thereafter, 10 percent of the revenue collected under RSA 84-A shall be made available to the department of health and

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 10 -

human services to support medical provider payments and shall not be paid into the general fund.

- 35 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] house and senate finance committees, the insurance department, and [representatives of] from 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 proposed payment system 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.
- 36 Department of Health and Human Services; Consolidation. For the biennium ending 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 provide regular notice of the progress of these efforts to the committees with jurisdiction over health and human services and finance of the house and senate.
- 37 Department of Health and Human Services; Children's Health Insurance Program. The commissioner of health and human services shall submit a Title XXI state plan amendment to administer the children's health insurance program within the department commencing January 1, 2012. The commissioner may operate the children's health insurance program as a Medicaid expansion if that model demonstrates the greatest efficiency and value.
 - 38 Repeal. The following are repealed:

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- I. RSA 126-H, relative to the healthy kids corporation.
- 30 II. RSA 6:12, I(b)(49), relative to a special fund for the healthy kids corporation.
- 31 39 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.
- 40 Child Protection Act; Liability of Expenses and Hearing on Liability. Amend RSA 169-C:27, I(b) to read as follows:

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 11 -

- (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.
 - 41 Nursing Facility Assessment. Amend RSA 84-C:11, I(d) to read as follows:

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- (d) Any proceeds collected from nursing facilities as defined in RSA 84-C:1, V(a), from the nursing facility quality assessment established in this chapter are 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.
 - 42 Intermediate Care Facilities: Quality Assessment. Amend RSA 84-D:5 to read as follows:
- 84-D:5 Collection and Deposit of Assessment. There is hereby established a nonlapsing ICF separate account in the office of the state treasurer. All funds collected under this chapter and any federal financial participation received by the state as a result of expenditures funded by the ICF quality assessments, and the interest thereon, shall be deposited in this account. Moneys from the account shall not be expended by the state or any state agency for any purpose other than funding ICF expenditures as provided in RSA 151-E:15-a and long-term care services through the department of health and human services.
- 43 New Section; Quality Assessment Expenditures; State Support. Amend RSA 151-E by inserting after section 15-a the following new section:
- 151-E:15-b State Expenditures for Long-Term Care Services. 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.
 - 44 Repeal. 2009, 247-248, relative to motor vehicle registration fees, is repealed.
- 27 45 New Section; Distribution of Registration Fees and Surcharges. Amend RSA 261 by inserting after section 141-b the following new section:
 - 261:141-c Distribution of Registration Fees and Surcharges. From the motor vehicle registration fees and surcharges collected under this subdivision, the department of safety shall dedicate \$15,000,000 for each fiscal year to the highway and bridge betterment account established in RSA 235:23-a.
 - 46 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 to enter into agreements to lease-purchase vehicles and equipment.
- 47 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 12 -

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.

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- 48 Transportation; Policy and Administration. Amend RSA 21-L:5-b, I to read as follows:
- I. There is established within the department a [position] division of policy and administration under the supervision of an unclassified director [of policy and administration]. The commissioner of transportation shall nominate a director of policy and administration for appointment by the governor, with consent of the council. The director shall serve a term of 4 years. The director shall be qualified to hold that position by reason of education and experience.
- 49 Capital Appropriation; Department of Transportation. Amend 2007, 264:1, XIV, C to read as follows:

14 C. Rail - Match* 500,000

*The state funds authorized for rail match may be used by the state to match federal planning funds or as a local match and, if used as a local match, shall not be expended until the local match is acquired.

- 50 New Sections; Department of Labor Nonlapsing Restricted Fund. Amend RSA 273 by inserting after section 1 the following new sections:
- 273:1-a Budget and Accounting. The department of labor shall budget and account for its 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 worker's compensation. All moneys in the election 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.
- 51 New Subparagraph; General Revenue Exceptions. Amend RSA 6:12, I(b) by inserting after subparagraph 304 the following new subparagraph:
- 35 (305) Moneys deposited in the department of labor restricted fund established in RSA 273:1-b.
 - 52 Reference Changes. Amend the following RSA provisions by replacing the words "general

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 13 -

- 1 fund" or "state's general fund" with "department of labor restricted fund established in RSA 273:1-b":
- 2 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,
- 3 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.

- 53 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.
- 9 54 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.
 - 55 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 unrestricted revenue] department of labor restricted fund established in RSA 273:1-b.
 - 56 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.
 - 57 Reference Changed. Amend RSA 281-A:53, I to read as follows:

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 14 -

- 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.
 - 58 Reference Added. Amend RSA 275:57, IV to read as follows:

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- 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.
 - 59 Reference Added. Amend RSA 276-A:7-a to read as follows:
- 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.
 - 60 Reference Changed. Amend RSA 281-A:42, III to read as follows:
- 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.
 - 61 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 15 -

- 1 failure, which shall be deposited into the department of labor restricted fund established in
- 2 RSA 273:1-b. If a managed care program fails to pay such penalty, the commissioner shall recover
- 3 the penalty in a civil action in the superior court of the county of jurisdiction.
 - 62 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.
- 9 63 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.
 - 64 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.]
- 20 65 Liability for Expenses. RSA 461-A:17 is repealed and reenacted to read as follows:
 - 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.
- 24 66 Repeal. The following are repealed:

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- I. RSA 6:12, I(b)(81), relative to general revenue exception.
 - II. RSA 461-A:18, relative to repayment to special fund.
- 27 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 Mediator Fees. RSA 461-A:7, X is repealed and reenacted to read as follows:
- 36 X. The judicial council shall have no responsibility for payment of the costs of a mediator for any party under this section.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 16 -

- 69 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 the judicial council shall have [no responsibility] authority for the payment of the cost of assigned counsel for any party under this chapter.
 - 70 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.]
 - 71 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.
 - 72 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.
 - 73 Termination of Parental Rights. Amend RSA 170-C:13 to read as follows:
 - 170-C:13 Fees and Court Costs.

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- 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.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 17 -

- 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 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.
- 74 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.
- 75 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.

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76 Department of Administrative Services; Closing Negative Balances. The commissioner of administrative services is authorized to establish appropriations for the purpose of eliminating certain negative balances in the accounts of the department of resources and economic development as a result of the prior settlement of such negative balances on prior balance sheets that are now closed, as follows:

 19
 010-035-37020000
 Parks and Recreation Revolving Account
 \$2,220,000

 20
 010-035-37050000
 Cannon Mountain Capital Improvement Account
 \$534,000

 21
 Total:
 \$2,754,000

77 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, except that it shall not be subject to review and approval by the long range capital planning and utilization committee, with advice from the council on resources and development, prior to submission to the governor and council. All proceeds from the sale shall be deposited into the revenue stabilization reserve account under RSA 9:13-e.

78 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(d), prohibiting the layoff of permanent employees while there are temporary fill-in, part-time, or

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 18 -

probationary employees serving in the same class of position within the same division of the agency, is hereby suspended from the effective date of this section to June 30, 2013.

79 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 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.
- 80 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, (ii) collection

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 19 -

of fines, penalties, fees, restitution, remittances, and other moneys due to the state, and (iii) such other finance and accounting functions and transactions the commissioner of administrative services determines would achieve substantial efficiencies from consolidation.

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- 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 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.
- 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.
- 81 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.
 - 82 Pease Development Authority; Employees. Amend RSA 12-G:11 to read as follows:
- 12-G:11 Status of Authority Employees; Entitlement to State Benefits; Reimbursement of Costs.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 20 -

- I. [Except for any classified employee as provided in paragraph IV.] The authority may hire, fix, and pay compensation, prescribe duties and qualifications, and establish personnel policies without regard to any personnel or civil service law or personnel or civil service rule of the state. [Except for any classified employee of the division,] Beginning July 1, 2011, none the employees of the authority shall [not] be classified employees of the state within the meaning of RSA 21-I:49. [Except for any classified employee of the division, any] Every individual employed by the authority shall be an employee at will and shall serve at the pleasure of the authority. The authority shall be responsible for providing workers' compensation for all employees.
- II. Notwithstanding any other provision of law, any nonclassified employee's service with the authority, including employment with the authority prior to the effective date of this paragraph, shall be credited to such employee as continuous state service for all purposes, including without limitation rate of pay, determination of seniority and years of state service, longevity pay, and annual, sick, or other forms of leave.
- III. Notwithstanding the provisions of paragraph I, any individual employed by the authority[, except for any classified employee of the authority,] whose employment calls for 30 hours or more work in a normal calendar week, and whose position is anticipated to have a duration of 6 months or more, shall be entitled to elect to receive such health, dental, life insurance, deferred compensation, and retirement benefits as are afforded to classified employees of the state. Upon election by such individual, the authority shall pay from its revenues the state's share of such benefits. Any remaining costs of health, dental, life insurance, deferred compensation, and retirement benefits which an individual elects to receive pursuant to this section, shall be withheld from such individual's salary as a payroll deduction. Written notice of the availability of these benefit options shall be provided to each individual upon employment by the authority. [This paragraph shall not apply to any classified employee of the division.]
- IV. No later than June 30, 2011, the state classified positions of the port authority shall be transferred to the authority [when the duties, functions, and jurisdiction of the port authority are transferred to the authority]. Any person employed in such a position at the time of such transfer [or at any time subsequent thereto] shall be deemed [a classified] an employee of the division. [All classified employees of the division shall be classified employees of the state of New Hampshire within the meaning of RSA 21 I:49 and shall be subject to all requirements, and be entitled to all benefits and emoluments, of the state personnel system. Nothing herein shall preclude the general court from increasing or decreasing the number of classified positions within the division.]
- V. Any person holding or appointed to the position of chief harbor master or deputy chief harbor master shall be a certified police officer and a group II member of the state retirement system. If such person is not a member of the state retirement system at the time of employment as chief harbor master or deputy chief harbor master, such person shall become immediately upon appointment a member of the retirement system subject to the requirements of such system then in

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 21 -

effect. The change in status of positions in the division of ports and harbors from classified state positions to employment with the authority shall not affect the continued participation of eligible members in the state retirement system.

- VI. Notwithstanding any other provision of law, the authority or the executive director may assign as necessary any employee of the authority with appropriate skills and training to perform any responsibility, task, or duty assigned by statute to the authority or the division, including without limitation, on a temporary basis, any responsibility, task, or duty previously [or otherwise] assigned to any classified employee of the division. To the extent that the wages, salary, benefits, or other expenses, including without limitation reasonable overhead expenses, of any employee of the authority assigned to carry out any responsibility, task, or duty of the division are paid from the fund established under RSA 12-G:36 or revenues of the authority other than division revenues, such fund or other source of revenue shall be reimbursed for the cost of such wages, salary, benefits, and other expenses, including without limitation reasonable overhead expenses, from funds drawn from the fund established under RSA 12-G:37 and, to the extent authorized, from the fund established under RSA 12-G:46. The executive director of the authority, subject to the approval of the board, is authorized to determine and fix, as necessary, rates of reimbursement.
 - 83 Repeal. RSA 12-G:32, relative to Pease development authority operating budget, is repealed.
- 84 Sweepstakes Fund. Amend RSA 284:21-j, I to read as follows:

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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 22 -

- 1 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.

- 87 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.
- 88 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. All sales shall be subject to the rules and regulations of the commission provided:
- 89 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 incentive program shall be implemented through rules adopted by the commission in accordance with RSA 541-A.
- 90 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.
- 91 Liquor Commission; Liquor Revenues to Alcohol Abuse Prevention and Treatment Fund Suspended. Notwithstanding RSA 176:16, II, 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.
- 92 Department of Environmental Services; Water Quality Laboratory Services; Transfer of Functions, Positions, Equipment, Records, and Accounts; Rules Continued.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 23 -

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- 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.
- 93 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:
 - 94 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.
 - 95 Repeal. RSA 125:15-b, relative to access to laboratory data and results, is repealed.
- 96 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 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 24 -

1	of the department of health and human services relative to such access as provided by RSA 125:15-
2	b.]
3	97 Joint Board of Licensure and Certification; Accountants, Real Estate Appraisers, and
4	Manufactured Housing Park Owners Added. Amend RSA 310-A:1, as follows:
5	310-A:1 Joint Board Established. There shall be a joint board of licensure and certification for
6	professional engineers, architects, accountants, land surveyors, foresters, professional geologists,
7	$natural\ scientists,\ landscape\ architects,\ court\ reporters,\ \textit{real\ estate\ appraisers,\ manufactured}$
8	housing park owners, and home inspectors consisting of each of the members of the board of
9	professional engineers, board of architects, state board of licensure for land surveyors, foresters'
10	board, board of professional geologists, the board of natural scientists, the board of landscape
11	architects, the board of court reporters, [and] the board of home inspectors, the board of
12	accountancy, the real estate appraiser board, and the board of manufactured housing.
13	[The joint board shall meet at least quarterly to carry out its duties established under this chapter.]
14	98 New Section; Manufactured Housing Board; Administrative Functions Transferred to Joint
15	Board. Amend RSA 205-A by inserting after section 29 the following new section:
16	205-A:29-a Administrative and Business Processing Functions. All administrative, clerical, and
17	business processing functions of the board shall be transferred to the joint board of licensure and
18	certification, established in RSA 310-A:1, on July 1, 2011.
19	99 New Paragraph; Board of Accountancy; Administrative Functions Transferred to Joint
20	Board. Amend RSA 309-B:4 by inserting after paragraph IX the following new paragraph:
21	X. All administrative, clerical, and business processing functions of the board shall be
22	transferred to the joint board of licensure and certification, established in RSA 310-A:1, on July 1,
23	2011.
24	100 New Paragraph; Real Estate Appraisers Board; Administrative Functions Transferred to
25	Joint Board. Amend RSA 310-B:4 by inserting after paragraph IX the following new paragraph:
26	X. All administrative, clerical, and business processing functions of the board shall be
27	transferred to the joint board of licensure and certification, established in RSA 310-A:1, on July 1,
28	2011.
29	101 Commissions and Boards; Functioning within Department of State. Amend RSA 5:13 to
30	read as follows:
31	5:13 Commissions and Boards Functioning Within Department. The ballot law commission[, the
32	boxing and wrestling commission, the board of accountancy] and the joint board of licensure and
33	certification shall each function within the department of state as a separate organizational entity
34	and with all the powers and duties as heretofore provided, except as otherwise provided by law.
35	102 Repeal. RSA 5:13-b, relative to the attachment of the real estate appraiser board to the

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department of state, is repealed.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 25 -

- 1 103 Repeal. RSA 285:2, 285:3, 285:4, 285:5, 285:6, and 285:7, relative to the boxing and 2 wrestling commission, are repealed. 3 104 Boxing and Wrestling Commission. Transfer of Functions, Positions, Equipment, Records, 4 and Accounts; Rules Continued. I. Notwithstanding any provision of law to the contrary, all of the functions, positions, 5 powers, duties, responsibilities, and funding of the boxing and wrestling commission authorized by 6 7 RSA 285 shall be transferred to the racing and charitable gaming commission on July 1, 2011. The 8 transfer provided in this section shall include all of the equipment, books, papers, and records of the 9 boxing and wrestling commission. 10 II. All existing rules, statutory responsibilities, regulations, and procedures relating to 11 enforcement in effect, in operation, or adopted in or by the boxing and wrestling commission are 12 transferred to the racing and charitable gaming commission, and are declared in effect and shall 13 continue in effect until rescinded, revised, or amended in accordance with applicable law. 14 105 New Paragraph; Racing and Charitable Gaming Commission; Boxing and Wrestling. 15 Amend RSA 284:6-a by inserting after paragraph V the following new paragraph: 16 VI. The racing and charitable gaming commission shall administer RSA 285, relative to 17 boxing, wrestling, and other fighting sports competitions. Members of the racing and charitable 18 gaming commission shall have no financial interest, direct or indirect, in such fighting sports 19 regulated by the commission. 20 106 New Paragraphs; Racing and Charitable Gaming; Rulemaking. Amend RSA 284:12 by 21 inserting after paragraph X the following new paragraphs: 22 XI. The conduct of amateur and professional fighting sports competitions. 23 XII. Requirements and qualifications for licenses, permits, and amateur cards for persons 24involved in fighting sports competitions. 25 XIII. The grounds for revocation or suspension of a license or permit, and the reinstatement 26 of suspended licenses and permits. 27 XIV. A fee schedule for licenses, permits, and amateur cards and for the renewal of licenses 28 and amateur cards. 29 XV. Promoters' bonds. 30 107 Boxing and Wrestling; Chapter Title Amended. The title of RSA 285 is repealed and 31 reenacted to read as follows: 32 CHAPTER 285 33 BOXING AND WRESTLING 34 108 Boxing and Wrestling. Amend RSA 285:1, I to read as follows: 35
 - I. "Commission" means the [boxing and wrestling] racing and charitable gaming commission.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 26 -

1	109 New Subparagraph; Research and Development Tax Credit. Amend RSA 77-A:5, XIII(a) by
2	inserting after subparagraph (a)(1) the following new subparagraph:
3	(1-a) Notwithstanding subparagraph (1), for the biennium ending June 30, 2013, the
4	aggregate of tax credits issued by the commissioner to all taxpayers claiming the credit shall not
5	exceed \$2,000,000 for any fiscal year, except that any amount of the credit less than \$2,000,000 that
6	is not claimed in the fiscal year ending June 30, 2012 may be claimed in the fiscal year ending June
7	30, 2013.
8	110 State Budget; Allocation of Gross Appropriations from Highway Fund; Suspension of
9	Allocation to Department of Safety. For the biennium ending June 30, 2013, RSA 9:9-b,II, relative to
10	the highway fund allocation to the department of safety, shall be suspended.
11	111 New Sections; Department of Transportation; Interstate Bridge Authority Reestablished.
12	Amend RSA 234 by inserting after section 66 the following new sections:
13	234:67 Statement of Purpose.
14	WHEREAS the State of New Hampshire and the State of Maine jointly own the Sarah Mildred
15	Long Bridge, the Memorial Bridge and the I-95 High Level Bridge (Piscataqua River Bridge) over the
16	Piscataqua river between the city of Portsmouth in New Hampshire and the town of Kittery in
17	Maine; and
18	WHEREAS the State of New Hampshire and the State of Maine passed legislation to form an
19	Interstate Compact and the Interstate Bridge Authority in 1936, as amended in 1981 and 1985; and
20	WHEREAS the State of New Hampshire and the State of Maine decided to repeal the legislation
21	establishing the Interstate Bridge Authority; and
22	WHEREAS New Hampshire submitted legislation specifying that the Interstate Bridge
23	Authority would be dissolved 6 months after approval of Congress (2008, 3:2); and
24	WHEREAS New Hampshire did not seek or receive Congressional approval and the Interstate
25	Bridge Authority was not effectively dissolved; and
26	WHEREAS due to required maintenance, repairs, rehabilitation and/or replacement of the Sarah
27	$\label{eq:midge} \mbox{Mildred Long Bridge, the Memorial Bridge, and the I-95 High Level Bridge, which are jointly owned}$
28	by New Hampshire and Maine, both states seek to continue the Interstate Bridge Authority in order
29	to obtain and properly administer funds for the benefit of these jointly owned bridges; and
30	WHEREAS New Hampshire and Maine intend to re-establish the Interstate Bridge Authority,
31	as previously authorized in 1936, and amended in 1981 and 1985, with updated and amended
32	authority.
33	234:68 Compact. The governor, with the advice and consent of the council, shall appoint 3
34	persons resident in this state, as commissioners upon the part of the state of New Hampshire to
35	enter into, with the state of Maine, by and through the commissioners who may be appointed under
36	or by virtue of the laws of the state of Maine, an agreement or compact in the following form:

37 COMPACT

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 27 -

WHEREAS, the single highway bridge serving as the sole facility for vehicular traffic over and cross the Piscataqua river between the state of New Hampshire and the state of Maine is wholly inadequate to care for and accommodate such traffic over said river between the said 2 states and therefore causes such traffic congestion in and upon the streets and highways of the city of Portsmouth, New Hampshire, and the town of Kittery, Maine, that the lives and property of the citizens of said communities and the travelers on said streets and highways are constantly endangered; and

WHEREAS, the antiquated and obsolete wooden pile bridge serving as the sole facility for railroad traffic over and across the Piscataqua river between the state of New Hampshire and the state of Maine is wholly inadequate to care for and accommodate the railroad traffic between the said 2 states; and

WHEREAS, the narrow draw-span of said wooden pile railroad bridge, the sole facility permitting passage of water traffic up and down said rivers, is wholly inadequate to permit the passage of steamers and vessels of broad beam from the sea inland to serve the large industrial plants now situate on the banks of said river and therefore constitutes an obstacle to further enlargement of these industries and the development of numerous other industrial sites located so that passage through said bridge is absolutely necessary; and

WHEREAS, the only remedy for the conditions now existing is the construction of a bridge across said river which by coordinating the facilities required by vehicular and railroad traffic will remove the obstacle to water traffic; and

WHEREAS, the solution of this problem will result in great economy and benefit not only to the states of Maine and New Hampshire but to the nation and will require the cordial cooperation of the states of New Hampshire and Maine in the encouragement of the investment of capital as well as the formulation and execution of the necessary plans and such result can best be accomplished through the joining of the 2 states of Maine and New Hampshire by and through a common agency.

Now therefore, the said states of New Hampshire and Maine do hereby agree and pledge each to the other as follows:

28 ARTICLE I

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Said states agree to and pledge, each to the other, faithful cooperation in the planning, execution, and construction of a suitable vehicular and railroad bridge with suitable highway approaches thereto and drawn-span therein; holding the same in high trust for the benefit of the nation and of the said 2 states.

33 ARTICLE II

There is hereby created "The Maine-New Hampshire Interstate Bridge Authority," hereinafter referred to as the Authority, which shall be a body corporate and politic having the powers and jurisdiction hereinafter enumerated and such other and additional powers as shall be conferred upon

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 28 -

it by the legislature of either state concurred in by the legislature of the other state or by act or acts of Congress as hereinafter provided.

3 ARTICLE III

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The Authority shall consist of 6 members: the New Hampshire commissioner of the department of transportation, 2 New Hampshire residents from the area of the bridges, the Maine commissioner of transportation, a Maine turnpike authority member, and a Maine resident from the area of the bridges. The New Hampshire members shall chosen by the state of New Hampshire and the Maine members to be chosen by the state of Maine in the manner and for the term fixed and determined from time to time by the legislatures of either state respectively. Any member may be removed or suspended from office as provided by the law of the state from which the member was appointed.

11 ARTICLE IV

The members of the Authority shall, for the purposes of doing business, constitute a board and may adopt suitable rules and regulations for its management.

14 ARTICLE V

The Authority shall constitute a body both corporate and politic with full power and authority (1) to sue and be sued; (2) to have a seal and alter the same at pleasure; (3) to adopt from time to time and amend bylaws covering it procedure, rules and regulations governing use of the bridge and any of the other services made available in connection with said bridge, to publish the same, if such publication is necessary or advisable and to cause records of its proceedings to be kept; (4) to construct, maintain, reconstruct and operate an interstate toll bridge over the Piscataqua river between the city of Portsmouth in New Hampshire and the town of Kittery in Maine and for this purpose; (5) to acquire, hold and dispose of personal property for its purposes; (6) to acquire in the name of the Authority by purchase, condemnation, lease or otherwise, any real property and rights or easements therein, deemed by it necessary or desirable for its purposes, and to use such property; (7) to acquire any such real property by the exercise of the power of condemnation in the manner provided by laws and statutes of the said 2 states or otherwise; (8) to charge and collect fees, fares, and tolls for the use of said bridge and other services made available in connection with the said bridge; (9) to make contracts with the United States, the state of New Hampshire, the state of Maine, public corporations or bodies existing therein, and private corporations and individuals; (10) to accept grants and the cooperation of the United States or any agency thereof in the construction, maintenance, reconstruction, operation and financing of the bridge and its highway approaches and to do any and all things necessary in order to avail itself of such aid and cooperation; (11) to employ such assistants, agents and servants as it shall deem necessary or desirable for its purposes; (12) to exercise any of its powers in the public domain of the United States unless the exercise of such powers is not permitted by the laws of the United States; (13) to borrow money, make and issue negotiable notes, bonds, and other evidences of indebtedness or obligations of the Authority and to secure the payment of such obligations or any part thereof by pledge of any part of the revenue of the

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 29 -

bridge and, (14) to do all other lawful things necessary and incidental to the foregoing powers. All property of the Authority and all property held in the name of either state pursuant to the provisions hereof shall be exempt from levy and sale by virtue of any execution and no execution or other judicial process shall issue against the same. No judgment against the Authority shall be a lien upon its property held in the name of either state pursuant to the provisions hereof. No property now or hereafter vested in or held by either state, by any county, city, town, village, district, township, or other municipality thereof shall be taken by the Authority without the authority and consent of the state, county, town, village, district or township, or other municipality in which it is located; nor shall anything impair or invalidate any bond, indebtedness of either state, any county, city, town, village, district or township, or other municipality nor impair the provisions of law to regulate the payment into sinking funds of revenue derived from municipal property or dedicate the revenues derived from any municipal property to a specific purpose.

13 ARTICLE VI

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The Authority shall have such additional powers and duties as may hereafter be delegated to and imposed upon it from time to time by the action of the legislature of either state concurred in by the legislature of the other. Unless and until otherwise provided, it shall make a biennial report to the legislatures of both states, setting forth in detail the operations and transactions conducted by it pursuant to this agreement and any legislation thereunder. The Authority shall not pledge the credit of either state except by and with the expressed authority of the legislature thereof.

20 ARTICLE VII

Nothing in this agreement or compact is intended or shall be construed to affect the laws now existing which vest jurisdiction over or control of railroads in the public utilities commission of the state of New Hampshire, or the public utilities commission of the state of Maine, or the Interstate Commerce Commission of the United States, or any agency of either state or the United States.

25 ARTICLE VIII

The Authority shall elect from its members a chairman, vice chairman, clerk, and treasurer and may appoint such officers and employees as it may require for the performance of its duties and shall fix and determine by resolution their qualifications and duties.

ARTICLE IX

Expenses incurred by the Authority in the interim between execution of this agreement or compact and the date money received from grants, bonds, or revenues shall be available shall be borne by the said 2 states in equal shares and shall be raised as each state shall determine.

33 ARTICLE X

Unless and until otherwise determined by the action of the legislatures of the 2 states, no action of the Authority shall be binding unless taken at a meeting at which at least 2 members from each state are present and unless 4 votes are cast therefor, 2 from each state. Each state reserves the

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 30 -

right hereafter to provide by law for the exercise of a veto power by the governor thereof over any action of any commissioner appointed therefrom.

3 ARTICLE XI

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Unless and until otherwise determined by the legislatures of the 2 states, the Authority shall not incur any obligations for salaries, office, or other administrative expenses, within the provisions of Article IX, prior to the making of appropriations adequate to meet the same.

7 ARTICLE XII

The Authority is hereby authorized to make suitable rules and regulations not inconsistent with the constitution of the United States or of either state, which shall be binding and effective on all persons and corporations affected thereby.

11 ARTICLE XIII

The 2 states shall provide penalties for violations of any order, rule, or regulation of the Authority, and for the manner of enforcing same.

14 ARTICLE XIV

Definitions. "Transportation facility" shall include railroads, steam or electric, motor truck or other street or highway vehicles, bridges, highways and every kind of transportation facility now in use or hereafter designed for use for the transportation or carriage of persons or property. "Facility" shall include all works, buildings, structures, stations, appliances and appurtenances necessary and convenient for the proper construction, equipment, maintenance and operation of such facility or facilities or any one or more of them. "Real property" shall include land under water, as well as uplands, and all property either now commonly or legally defined as real property or which may hereafter be so defined. "Personal property" shall include choses in action and all other property now commonly or legally defined as personal property or which may hereafter be so defined. "To lease" shall include to rent or to hire. "Rule or regulation" shall include charges, rates, rentals, or tolls fixed or established by the Authority. Wherever action by the legislature of either state is herein referred to, it shall mean an act of the legislature duly adopted in accordance with the provisions of the constitution of the state. "Plural or singular." The singular wherever used herein shall include the plural. "Consent, approval or recommendation of municipality, how given." Wherever herein the consent, approval, or recommendation of a "municipality" is required, the word "municipality" shall be taken to include any city, town or village district. Such consent, approval or recommendation whenever required in the case of the city of Portsmouth shall be deemed to have been given whenever the city council of the city of Portsmouth or any body hereafter succeeding to its duties shall by majority vote pass a resolution expressing such consent, approval, or recommendation; and in the case of the town of Kittery shall be deemed to have been given whenever at a regular town meeting, or special meeting called for that purpose shall by majority of votes of persons present and voting therefor and in all other cases whenever the body authorized to grant consent to the use of the streets or highways of such municipality shall by a majority vote pass such a resolution.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 31 -

1	In Witness Whereof we have hereunto set our hands and seals under chapter of the
2	Laws of of the state of Maine and chapter of the Laws of of the state of New
3	Hampshire this day of 19
4	In the presence of
5	234:69 Effective Date. The said agreement or compact, when signed and sealed by the
6	commissioners of each state as herein provided, and the attorney general of the state of New
7	Hampshire, and the attorney general of the state of Maine, if designated so to act by the state of
8	Maine, shall become binding upon the state of New Hampshire and shall be filed in the office of the
9	secretary of state of New Hampshire.
10	234:70 Vacancy. If a vacancy shall occur by death, resignation, or otherwise of those appointed
11	as commissioners for the state of New Hampshire hereunder, the governor, with the advice and
12	consent of the council, shall fill the same.
13	234:71 Appointment of Interstate Bridge Authority. Upon execution of said agreement or
14	compact by the said commissioners of each state as provided herein and the attorney general of the
15	state of New Hampshire and the attorney general of the state of Maine, if designated so to act by the
16	state of Maine, and the filing of said agreement in the office of the secretary of state of New
17	Hampshire, the governor, with the advice and consent of the council, shall appoint 3 persons resident
18	of this state, one of whom shall be the commissioner of the department of transportation, of the state
19	of New Hampshire, ex officio, to be members of the "Maine-New Hampshire Interstate Bridge
20	Authority" provided for in the agreement or compact. The said members of the Authority are hereby
21	vested with all the powers and charged with all the duties provided for in said agreement or compact
22	and this subdivision.
23	234:72 Approval of Compact. The said members of the Authority of the state of New Hampshire
24	together with the members of the Authority appointed by the state of Maine shall have the power to
25	apply to the Congress of the United States for its consent or approval of the agreement or compact
26	entered into by said states. Providing, however, that in the absence of such consent of Congress or
27	until the same shall have been secured, the said agreement or compact shall be binding on the state
28	of New Hampshire, in all respects permitted by the law of the said 2 states of Maine and New
29	Hampshire, to cooperate for the purposes enumerated in said agreement or compact and in the
30	manner provided therein.
31	234:73 Incorporation; Powers. The "Maine-New Hampshire Interstate Bridge Authority" shall
32	be a corporation in the state of New Hampshire and shall have powers (1) to sue and be sued; (2) to
33	have a seal and alter the same at pleasure; (3) to adopt from time to time and amend bylaws
34	covering its procedures, rules, and regulations governing use of the bridge and any of the other
35	services made available in connection with said bridge, to publish the same, if such publication is
36	necessary or advisable and to cause records of its proceedings to be kept; (4) to construct, maintain,
37	reconstruct, and operate an interstate toll bridge over the Piscataqua river between the city of

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 32 -

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Portsmouth in New Hampshire and the town of Kittery in Maine and for this purpose; (5) to acquire, hold, and dispose of personal property for its purposes; (6) to acquire in the name of the Authority by purchase, condemnation, lease, or otherwise, any real property and rights or easements therein, deemed by it necessary or desirable for its purposes, and to use such property; (7) to acquire any such real property by the exercise of the power of condemnation in the manner provided by laws and statutes of the said 2 states or otherwise; (8) to charge and collect fees, fares, and tolls for the use of said bridge and other services made available in connection with the said bridge; (9) to make contracts with the United States, the state of New Hampshire, the state of Maine, public corporations or bodies existing therein, and private corporations and individuals; (10) to accept grants and the cooperation of the United States or any agency thereof in the construction, maintenance, reconstruction, operation and financing of the bridge and its highway approaches and to do any and all things necessary in order to avail itself of such aid and cooperation; (11) to employ such assistants, agents and servants as it shall deem necessary or desirable for its purposes; (12) to exercise any of its powers in the public domain of the United States unless the exercise of such powers is not permitted by the laws of the United States; (13) to borrow money, make and issue negotiable notes, bonds and other evidences of indebtedness or obligations of the Authority and to secure the payment of such obligations or any part thereof by pledge of any part of the revenue of the bridge and, (14) to do all other lawful things necessary and incidental to the foregoing powers. All property of the Authority and all property held in the name of the state pursuant to the provisions hereof shall be exempt from levy and sale by virtue of any execution and no execution or other judicial process shall be a lien upon its property held pursuant to the provisions hereof.

234:74 Bonds Authorized. The Authority is hereby authorized to provide by resolution from time to time for the issuance of bonds for the purpose of paying the costs of such bridge and its highway approaches and the location and equipment thereof. The bonds of the Authority shall not constitute a debt of the state or of any agency or political subdivision thereof, but shall be payable solely from the revenue of the bridge. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this subdivision shall be fully negotiable. In case any of the members of the Authority whose signatures appear on the bonds or coupons shall cease to be such members before the delivery of such bonds, such signatures shall nevertheless be valid and sufficient for all purposes the same as if such members had remained in office until such delivery. The Authority may in the resolution authorizing prospective issues provide as to such bonds: (1) the manner of executing the bonds and coupons; (2) the form and denomination thereof; (3) maturity dates of more than 50 years from the date or dates of issuance; (4) the interest rates hereon; (5) for redemption prior to maturity and the premium payable therefor; (6) the place or places for the payment of interest and principal; (7) for registration if the Authority deems such to be desirable; (8) for the pledge of all or any of the revenue for securing payment; (9) for the replacement of lost, destroyed or mutilated bonds; (10) the setting aside of funds and the regulation and disposition thereof; (11) for

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 33 -

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limitation on the issuance of additional bonds; (12) for the procedure, if any, by which the contract with the bondholder may be abrogated or amended; (13) for the manner of sale and purchase thereof; (14) for covenants against pledging of any of the revenue of the project; (15) for covenants fixing and establishing such prices, rates and charges for the use of said bridge and other services made available in connection with such bridge, so as to provide, at all times, funds which will be sufficient (a) to pay all costs of operation and maintenance of such bridge and its highway approaches together with the necessary repairs thereto; (b) to meet and pay the principal and interest of all of such bonds as they severally become due and payable and (c) for the creating of such revenues for the principal and interest of all such bonds and for the meeting of contingencies and the operation and maintenance of such bridge and its highway approaches, as the Authority shall determine; (16) for such other covenants as to such prices, rates and charges as the Authority shall determine; (17) for covenants as to the rights, liabilities, powers and duties arising upon the breach by the Authority of any covenant, condition, or obligation; (18) for covenants as to the bonds to be issued and as to the issuance of said bonds in escrow and otherwise and as to the use and disposition of the proceeds thereof; (19) for covenants as to the use of its property and the maintenance and replacement thereof and the insurance to be carried thereon and the use and disposition of the insurance money; (20) for limitations upon the exercise of the powers conveyed upon the Authority by this subdivision; (21) for the issuance of such bonds in series thereof and, (22) the performance by the Authority of any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds or in the absolute discretion of the Authority as will tend to make the bonds more marketable, notwithstanding that such acts or things may not be enumerated therein.

234:75 Rights of Bondholders. In the event that the Authority shall make default in the payment of principal or interest on any of the bonds after the same shall fall due and such default shall continue for a period of 60 days, or default in any agreement with the bondholders, the holders of 25 percent in aggregate principal amount of the bonds then outstanding by instrument filed in the office of the secretary of state duly acknowledged, may appoint a trustee to represent the bondholders for the purpose herein provided. Such trustee may, upon the written request of the holders of 25 percent in principal amount of the bonds then outstanding: (1) by mandamus or other suit, action or proceeding at law or in equity enforce the rights of the bondholders; (2) bring suit upon the bonds; (3) enjoin any acts or other things which may be unlawful or in violation of the rights of the bondholders; (4) by notice in writing to the Authority declare all bonds due and payable and if all defaults shall be made good, to annul such declaration and its consequences; (5) by action or suit in equity require the Authority to account as if it were trustee of an expressed trust for the stockholders. Such trustee shall be entitled as a right to the appointment of a receiver who may to the extent that the Authority could itself do, enter and take possession of the facilities of the Authority or any part thereof, the revenue or receipts from which are or may be applicable to the payment of the bonds so in default, and operate and maintain the same and collect and receive all

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 34 -

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revenue thereafter arising therefrom in the same manner as the Authority might do, and shall deposit all such monies in a separate account and apply the same in such manner as the court shall direct. In any suit, action or proceeding by the trustee, the fees, counsel fees and expenses of the trustee and the receiver, if any; and all costs and disbursements allowed by the court shall be a first charge on any revenues and receipts derived by the Authority, the revenues and receipts from which are or may be applicable to the payment of the bonds so in default. Such trustee shall in addition to the foregoing have and possess all the powers necessary and appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of the bondholders in the enforcement and protection of their rights. In addition to other rights and limitations, any bondholder shall have the right by mandamus or other suit, action or proceeding in law or in equity to enforce his or her rights against the Authority, including the right to require the Authority to carry out any agreement or covenant and to perform its duties under this subdivision.

234:76 Interim Certificates. Prior to the issuance of the bonds hereunder the Authority may issue interim certificates in such manner and with such conditions as the Authority may determine to be exchanged for such bonds when issued.

234:77 Revenue. Subject to any agreement with the bondholder(s), all revenue received from the operation of said bridge after deducting the expenses of operation and maintenance, the expenses of the Authority, and the sums necessary to provide for the payment of the principal and the interest on the bonds of the Authority in accordance with the provisions thereof shall be held and invested by the Authority to establish trust funds for the purpose of maintaining and operating said bridge and approaches thereto so that said bridge shall not be a charge upon either state or the United States.

234:78 Interim Expenses. All expenses incurred by the Authority in the interim between the execution of the compact or agreement and the date money received from grants, bonds, or revenues, whichever shall be available first, shall be a charge upon the highway funds in an amount not exceeding \$2,500.

234:79 Federal Permit. No sum shall be expended by the Authority unless and until the Authority shall have received a license or permit satisfactory to the Authority from the United States government to construct, operate, and maintain said bridge and its highway approaches in, on and over the Piscataqua river. Said license shall be for a period of not less than 20 years. The Authority shall have the power to secure an extension or renewal of such license or permit. Provided, however, that the failure of the Authority to receive a permit complying with the requirements of this subdivision shall not in any way affect the validity of any bonds of the Authority or the security therefor.

234:80 Agreement of the State. The state of New Hampshire does pledge to and agree with the holders of the bonds issued by the Authority that the state will not limit or alter the rights hereby vested in the Authority to establish and collect such charges and tolls as may be convenient or necessary to produce sufficient revenue to meet the expenses of the maintenance and operation of

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 35 -

the bridge and its highway approaches and to fulfill the terms of any agreements made with the holders of the bonds issued by the Authority or in any way impair the rights or remedies of the holders of such bonds until such bonds, together with the interest thereon, with interest on any unpaid installments of interest and all costs and expenses in connection with any actions or proceedings or by or in behalf of the bondholders are fully met and discharged.

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234:81 Limitations. No person, partnership, association, or corporation, private or public, and no political subdivision of the state shall be authorized, and it shall be unlawful for them to construct or operate, and the state of New Hampshire hereby agrees that it will not construct or operate, any bridge for purposes similar to those contemplated hereby which will be competitive with the bridge to be erected pursuant to this subdivision, until the bonds issued by the Authority together with the interest thereon with interest on any unpaid installments of interest, and all costs and expenses in connection with all actions or proceedings by or on behalf of the holders of such bonds are fully met and discharged.

234:82 Declaration of Purpose. It is hereby declared that the purposes of this subdivision are public and that the Authority shall be regarded as performing a governmental function in carrying out the provisions of the subdivision.

234:83 Penalties. Any violation of published rules and regulations relating to the bridge, its use or services or any failure or neglect to pay tolls, fares charges, for use of the bridge or other services, made available in connection with said bridge shall be deemed a violation providing, however, that nothing herein contained shall prevent the Authority from collecting payment for use of the bridge or any other service by action at law or in equity.

234:84 Moveable Draw Span. The Maine-New Hampshire Interstate Bridge Authority, created by the compact or agreement between the state Maine and the state of New Hampshire, to which the consent of the Congress of the United States was given by Act approved July 28, 1937 (50 Stat. 538), authorized by this act to proceed with the installation of a moveable draw span on the lower deck level at pier 21 of the Piscataqua River bridge including are necessary river dredging to provide for a moveable railroad span, thus making an opening in the lower deck railroad girders to permit the passage small harbor craft without interfering with passage of vehicles at the highway level, all in accord with the general plans for the bridge as prepared by Harrington & Cortelyou, Consulting Engineers of Kansas City, Missouri under date of January 21, 1964. The Authority is further authorized to pay for the work either out of current revenue from the operation of the bridge, from any trust funds held by the Authority under the provisions of RSA 234:77. The Authority may not spend more than \$400,000 under the provision of this section.

234:85 Compact Amendment. The governor, with the advice and consent of the council, shall enter into, with the state of Maine, by and through the governor of the state of Maine, an agreement or compact substantially in the following form:

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 36 -

1	Whereas, the states of Maine and New Hampshire, with the express consent of the United States
2	Congress, have entered into a compact creating the Maine-New Hampshire Interstate Bridge
3	Authority, which has resulted in the construction, operation, and maintenance of a bridge across the
4	Piscataqua River between Kittery, Maine, and Portsmouth, New Hampshire, and its approach roads;
5	and
6	Whereas, the United States Congress expressly reserved the right to alter or amend the
7	provisions of this compact; and
8	Whereas, the condition of the Maine-New Hampshire Interstate Bridge Authority highway and
9	railroad bridge now serving vehicular and rail traffic over and across the Piscataqua river between
10	the state of New Hampshire and the state of Maine and the approaches to it have been deteriorating
11	at an accelerated rate due to facility age, inflation, and effective declining revenues; and
12	Whereas, the present financial obligations of Maine-New Hampshire Interstate Bridge Authority
13	for maintenance, operation, and repair of the bridge and its approaches have expanded to the extent
14	that the Authority's financial resources face rapid depletion in the near future; and
15	Whereas, the states of Maine and New Hampshire do not have the financial resources to
16	undertake the costs for proper maintenance, operations, and repair on the bridge and its approaches
17	without cooperation with the Maine-New Hampshire Interstate Bridge Authority; and
18	Whereas, the Maine-New Hampshire Interstate Bridge Authority's bridge and road facilities
19	remain critical for national defense and interstate rail and highway transportation and commerce;
20	and
21	Whereas, the realignment of various responsibilities between the Maine-New Hampshire
22	Interstate Bridge Authority and the states of New Hampshire and Maine will allow the Authority to
23	continue to provide adequate highway and rail service for the citizens of both states while providing
24	for the least burdensome financial impact upon the states; and
25	Whereas, the best remedy for the conditions now existing which would have the least long-term
26	financial impact on the states of New Hampshire and Maine is to transfer some of the responsibility
27	of the Maine-New Hampshire Interstate Bridge Authority to the states; and
28	Whereas, such a result can best be accomplished through the joint cooperation of the Maine-New
29	Hampshire Interstate Bridge Authority and the states of Maine and New Hampshire to effectuate
30	such a transfer;
31	Now, therefore, the Maine-New Hampshire interstate Bridge Authority and the states of New
32	Hampshire and Maine do hereby agree and pledge each to the other as follows:
33	ARTICLE I
34	In this compact:
35	I. "Main river structure" means only that portion of the present Maine-New Hampshire

"Main river structure" means only that portion of the present Maine-New Hampshire 36 Interstate Bridge Authority Facility which spans the Piscataqua River from the New Hampshire bridge abutment to the Maine bridge abutment, inclusive, for a distance of 2,880 feet or 0.546 mile.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 37 -

- II. "Approach roads" means those roadway portions of the present Maine-New Hampshire Interstate Bridge Authority Facility known as the U.S. Route 1 Bypass running from the New Hampshire bridge abutment of the main river structure to the U.S. Route 1 Bypass/U.S. Route 1 junction in Portsmouth, New Hampshire, a distance of approximately 2.79 miles, and running from the Maine bridge abutment of the main river structure to the U.S. Route 1 Bypass/U.S. Route 1 junction to Kittery, Maine, a distance of approximately 1.4 miles.
- III. "Grade separation structures" mean 10 structures on the present Maine-New Hampshire Interstate Bridge Authority facility which allow the approach roads to pass either over or under predecessor facilities, namely, at Stark Street, U.S. Route 1, Maplewood Avenue, Middle Road, Hodgson Brook, Islington Street, and at the B and M Railroad, all located in Portsmouth, New Hampshire, and at Route 236, Eliot Road, and an abandoned railroad tunnel, located in Kittery, Maine.
- 13 IV. "Authority" means the Maine-New Hampshire Interstate Bridge Authority.
- V. "Compact" means the compact set forth in Maine Private and Special Laws, Ch. 18, Session of 1937 and New Hampshire RSA 234:68.

16 ARTICLE II

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The Authority shall transfer the approach roads to the main river structure, all grade separation structures on the approach roads, and any of its real property incidental to present or future highway use to the respective states of Maine and New Hampshire. The respective state transportation agencies shall thereafter assume the responsibility for the maintenance, operation, and repair of those grade separation structures and that segment of the approach roads which lie within the territorial limits of each state, except as set forth in Article III herein. The Authority shall retain all responsibilities and obligations for the main river structure from the New Hampshire abutment to the Maine abutment, inclusive.

25 ARTICLE III

The Authority shall be responsible for providing Authority funds to be used in possible combination with federal aid funds through the states of New Hampshire and Maine for capital improvements to the main river structure as well as the transferred approach roads and grade separation structures. The Authority's responsibility for capital improvements on the transferred approach roads and grade separation structures shall be limited to one major capital improvement for each grade separation structure and approach road segment. The specific type of capital improvement and the timing for the performance of each improvement shall be determined by the Authority in conjunction with the joint findings of an annual inspection performed by engineering representatives of each state.

35 ARTICLE IV

Authority employees and their positions of employment shall be transferred to the Maine department of transportation and the New Hampshire department of transportation. In effecting

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 38 -

the transfer, the respective state transportation agencies shall endeavor to provide each transferred employee with comparable wages and benefits afforded similarly situated state employees. For retirement benefit purposes, creditable service rendered by the employees shall be the same as if the employment had been rendered as a state employee. If, after review by the board of trustees of the New Hampshire retirement system, it is determined that additional funds are required to finance in full the accrued retirement benefits for present and retired employees of the Authority, the Authority shall provide the funds necessary to fulfill this obligation within a period of time mutually agreeable to the Authority and board of trustees of the New Hampshire retirement system.

9 ARTICLE V

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The Authority shall transfer its equipment necessary for the operation, maintenance, and repair of the transferred approach roads and grade separation structures to the New Hampshire department of transportation and the Maine department of transportation by mutual agreement. The Authority shall contract with the states of Maine and New Hampshire for performance of necessary services on the roadway portion of the main river structure.

15 ARTICLE VI

The respective states and the Authority agree to and pledge, each to the other, continued faithful cooperation in both the implementation and execution of the provisions of this compact amendment in addition to the faithful cooperation of the operation, maintenance, and repair of the facility in the future.

20 ARTICLE VII

The provisions of the compact creating the Maine-New Hampshire Interstate Bridge Authority shall remain in full force and effect except for those provisions inconsistent with the provisions of this compact amendment.

234:86 Additional Legislation. The state of New Hampshire contemplates that corresponding and concurrent legislation will be enacted by the legislature of the state of Maine. Thereafter, the respective state enactments contemplate an act by the United States Congress to ratify the provisions of state enactments. Only when both congressional ratification occurs and the respective state enactments are effective shall the enactments by Maine and New Hampshire become binding upon the respective states.

234:87 Filing of Compact. This compact amendment, when signed and sealed by the governors and attorneys general of each state and ratified by the United States Congress shall be filed in the offices of the secretaries of state for each state.

234:88 Implementation. The states of Maine and New Hampshire shall make every reasonable effort to implement the provisions of this compact amendment as expeditiously as possible, to prevent any undue hardship to or burden upon authority employees or the transportation agencies of the respective states. The states shall endeavor to implement the provisions of this compact amendment within 6 months of the binding date as specified in RSA 234:86.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 39 -

234:89 Severability Clause. If any provision of this compact amendment is held invalid for any reason, the remainder of the amendment shall not be affected by such invalidity. This compact amendment shall be liberally construed to effectuate its purposes.

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234:90 Former Authority Employee Retirement Benefit Obligations. The board of trustees of the New Hampshire retirement system shall accept as members of the system, pursuant to RSA 100-A:3, all Authority employees who, pursuant to Article IV of this compact amendment, transfer to the department of transportation, whether or not the employees are currently members of the New Hampshire retirement system. Acceptance shall be with full credit for service rendered by the employees while employees of the authority and shall be conditional only upon the payment, within a period of time agreeable to the board of trustees of the New Hampshire retirement system, of any funds required to finance in full the accrued retirement benefits of the employees.

234:91 Scope of Authority Relative to Sarah Mildred Long Bridge, I-95 High Level Bridge, and Memorial Bridge.

- I. The Authority's role is amended from operation of the Sarah Mildred Long Bridge to administration of funds for the Sarah Mildred Long Bridge and the I-95 High Level Bridge.
- II. The Authority is further authorized to pursue sustainable funding sources and properly administer and invest funds in a sinking fund for the construction, reconstruction, and rehabilitation of the Sarah Mildred Long Bridge and the I-95 High Level Bridge (Piscataqua River Bridge), such construction, reconstruction, and rehabilitation to be agreed upon by the states of New Hampshire and Maine. The Authority will serve as a financial vehicle to hold, invest, and distribute the sinking fund. Funds received for the benefit of the Sarah Mildred Long Bridge or the I-95 High Level Bridge shall be deposited with the Authority and invested in a separate sinking fund, said funds to be continuously appropriated and non-lapsing, and shall be expended by the Authority for the construction, reconstruction, and rehabilitation of the main spans of the Sarah Mildred Long Bridge and the I-95 High Level Bridge. In the event that sufficient funds are available, the Authority is authorized to use the funds for improvements to the bridge approach spans to the main spans of the 2 bridges.
- III. The responsibilities of the Authority are further expanded to include the Memorial Bridge and the Authority will facilitate cooperative solutions between the 2 states and coordinate the efforts of the respective states' transportation agencies in the repair, rehabilitation, reconstruction, or replacement of the Memorial Bridge.
- IV. The Authority shall make a biennial report to the legislatures of both states, setting forth the operations, transactions, and investments conducted by the Authority regarding the Sarah Mildred Long, I-95 High Level, and Memorial bridges.
- V. This section is effective contingent upon the state of Maine passing similar legislation to re-establish the Authority as a joint effort between the 2 states.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 40 -

1 VI. The re-establishment of the Authority and subsequent amendments do not impinge upon 2 federal powers, and, therefore, Congressional approval is not required for this section. 3 112 Repeal. The following are repealed: 4 I. RSA 234:66, relative to the Portsmouth-Kittery Bridge fund. II. RSA 6:12, I(b)(269), relative to the Portsmouth-Kittery Bridge fund. 5 113 Duties of the Office of Energy and Planning. Amend RSA 4-C:1, II(g)-(i) to read as follows: 6 7 (g) Participate and advise in matters of land use planning regarding [lakes and rivers 8 management programs water resources and floodplain management. 9 (h) Take a leadership role in encouraging smart growth and preserving farmland, open 10 space land, and traditional village centers. 11 (i) Administer the following programs: the statewide comprehensive outdoor recreation 12 plan, the national flood insurance program, the land conservation investment program, [the scenic 13 and cultural byways system, fuel assistance contracts, and weatherization contracts. The office 14 shall employ necessary personnel to administer these programs. In administering fuel assistance 15 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 16 17 information about the Link-Up New Hampshire and Lifeline Telephone Assistance programs, and shall be provided assistance in applying for these programs. 18 19 114 Office of Energy and Planning. Amend RSA 4-C:2, I, to read as follows: 20 I. The office of energy and planning, under the direction of the governor, shall: 21 Assist the governor in preparing, publishing, and revising the comprehensive 22 development plan required under RSA 9-A. 23 (b) Develop and maintain a technical data base of information to support statewide 24policy development and planning. 25 Coordinate and monitor the planning efforts of various state agencies and 26 departments to ensure that program plans published by such agencies are consistent with the 27 policies and priorities established in the comprehensive development plan. 28 $[\frac{(d)}{(c)}]$ Coordinate and monitor the planning efforts of the regional planning 29 commissions to ensure that the plans published by the commissions are consistent, to the extent 30 practical, with the policies and priorities established in the state development plan. 31 115 Repeal. RSA 4-C:4, relative to the coordination of federal funds in the office of energy and 32 planning, is repealed. 33 116 Old Age and Survivors Insurance; Reference Change. Amend RSA 101:2, VI to read as 34 follows: 35 IV. The term "state agency" means the commissioner of health and human services and any

person to which the commissioner has delegated any functions under this chapter, or any other

agency duly designated to administer the provisions of this chapter by the governor and council in

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HB 2-FN-A-LOCAL – AS INTRODUCED - Page 41 -

- 1 accordance with RSA 124:4 [and RSA 4-C:4]; 2 117 Office of Energy and Planning; Rulemaking. Amend RSA 4-C:5 to read as follows: 3 4-C:5 Rulemaking Authority. The director of the office of energy and planning shall adopt rules, 4 as necessary, under RSA 541-A[: L, establishing procedures for grant programs administered by the office. These rules shall 5 6 be adopted for all [federal or] state grant programs administered by the office in which the office has 7 authority to establish requirements or procedures or interpret [federal requirements and] state 8 statutes. These rules shall include, as appropriate: 9 [(a)] I. Application or grant distribution procedures. 10 [(b)] *II*. Criteria and procedures for evaluating applications. 11 [(e)] *III*. Procedures for administration of funds by grantees. 12 [(d)] *IV*. Monitoring and report procedures. 13 (e) V. Appeal procedures for parties dissatisfied with grant decisions. [H. As provided by RSA 4-C:16, I(a).] 14 118 Repeal. The following are repealed: 15 16 I. RSA 4-C:5-a, relative to model ordinances. 17 II. RSA 4-C:6-a, relative to reports on economic development loans and grants. 119 Review of Reports by Department of Resources and Economic Development; Reference 18 19 Change. Amend RSA 12-A:34 to read as follows: 20 12-A:34 Review of Reports Required. For the purpose of ensuring comparability of impact 21 reports on economic development programs issued under [RSA 4 C:6 a,] RSA 12-A:33, and RSA 162-22 A:23-a, the department of resources and economic development, in consultation with the legislative 23 budget assistant, shall periodically review such reports at least once every 5 years and make 24recommendations to be utilized by the agencies making such reports for an improved and consistent 25 methodology for assessing the quantity and quality of jobs created and saved and the growth 26 potential and environmental impacts of such programs. This section shall not apply to promotional 27 literature. 28 120 Repeal. The following are repealed: 29 I. RSA 4-C:19-23, relative to the water protection assistance program. 30 II. RSA 485-C:3, III, relative to cooperation between the department of environmental 31 services and the office of state planning in implementing the water protection assistance program. 32 III. RSA 21-O:3, IX, relative to the office of state planning's role in the water protection 33 assistance program. 34 121 Local Land Use; Master Plan. Amend RSA 674:2, III(d) to read as follows:
 - (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

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HB 2-FN-A-LOCAL – AS INTRODUCED - Page 42 -

- 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.]
- 5 122 Repeal. RSA 4-C:24-28 and RSA 4-C:30, relative to housing and conservation planning, are repealed.
 - 123 Repeal. RSA 125-G, relative to the high-level radioactive waste act, is repealed.
 - 124 Repeal. RSA 673:3-a, relative to land use board member training, is repealed.
 - 125 Office of Energy and Planning; Reference Change. Amend RSA 4-C:8, II to read as follows:
 - II. As requested and in cooperation with regional planning commissions, provide technical assistance and information in support of the planning and growth management efforts of local units of government[, including training requested under RSA 673:3-a]. The office shall encourage municipalities to first seek assistance from established regional planning commissions.
 - 126 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.
 - I. 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.
 - 127 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 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 43 -

1	their parole plan.
2	III. The parole board may impose an extended term of recommittal for greater than
3	90 days if:
4	(a) The prisoner has previously been recommitted for a parole violation; or
5	(b) The prisoner was on parole for a sexual offense as defined in RSA 651-B:1, V
6	or an offense against a child as defined in RSA 651-B:1, VII; and
7	(1) The conduct underlying the parole violation is related to his or her
8	offense or offending pattern; or
9	(2) The prisoner has displayed a combination of dynamic risk factors,
10	including but not limited to, homelessness, loss of supports, substance abuse, or non-
11	compliance with treatment, as determined by the department of corrections sexual offender
12	treatment program staff; or
13	(3) Both subparagraphs (1) and (2); or
14	(c) The nature of the conduct underlying the parole violation constitutes a
15	criminal act or is otherwise so serious as to warrant an extended period of recommittal.
16	IV.(a) A prisoner may be brought before the parole board at any time during the 90-
17	day term of recommittal to determine whether a longer term is warranted if:
18	(1) The prisoner did not meaningfully participate in the evidence-based
19	programming during the 90-day recommittal period; or
20	(2) The prisoner received one or more major disciplinary violations during
21	the 90-day recommittal period.
22	(b) The prisoner shall be provided notice of the hearing and the basis of the
23	parole board's consideration of an extended term.
24	V. The imposition of an extended term of recommittal pursuant to paragraph III or
25	IV shall be supported by written findings and a written order.
26	VI. Any prisoner who is subject to an extended term of recommittal shall, upon
27	request, be entitled to a hearing before the parole board after serving 6 months of his or her
28	term of recommittal and every 6 months thereafter.
29	VII. At the revocation hearing, the parole board may impose a term of recommittal
30	for less than 90 days if:
31	(a) The prisoner has not been previously recommitted for a parole violation;
32	(b) The prisoner was not on parole for a sexual offense as defined in RSA 651-
33	B:1, V or an offense against a child as defined in RSA 651-B:1, VII;
34	(c) The parole violation is not substantially related to his or her offense or
35	offending pattern; and
36	(d) The parole board determines that a lesser period of recommittal will aid in

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 $the\ rehabilitation\ of\ the\ parolee.$

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 44 -

128 Parole of Prisoners; Terms of Release. Amend RSA 651-A:6, I(c) to read as follows:

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(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.

129 Applicability. RSA 651-A:19 as inserted by section 127 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.

Appropriation for Competitive Grant; Superintendent Services; School Administrative Units. There is hereby appropriated the sum of \$500,000 for the fiscal year ending June 30, 2012, and the sum of \$500,000 for the fiscal year ending June 30, 2013 to the department of education for the establishment of a competitive grant program to further the cooperation of school administrative units (SAUs) in the provision of superintendent services as required in RSA 194-C:4. The governor is authorized to draw a warrant for said sums out of any money in the treasury not otherwise appropriated. The commissioner of education is authorized to establish criteria and procedures for a competitive program in which combinations of 2 or more SAUs may apply for monetary grants in an amount of no less than \$25,000. The grants shall be awarded by the commissioner of the department of education, upon the approval of the governor and executive council, in each fiscal year on a competitive basis, to 2 or more SAUs for specific projects and programs that will advance the coordinated delivery of superintendent services among the applying SAUs. The criteria and procedures for this competitive grant program shall be exempt from rulemaking under RSA 541-A. Beginning, July 1, 2013, and annually thereafter, the department of education shall submit to the governor and executive council a report describing the grant program, the grants issued, and the effectiveness of the grants in furthering cooperation of SAUs in providing superintendent services.

131 Special Education; State Aid. Amend RSA 186-C:18, III to read as follows:

III.(a) The state board of education through the commissioner, department of education, shall distribute aid available under this paragraph as entitlement to such school districts as have a special education pupil for whose costs they are responsible, for whom the costs of special education in the fiscal year exceed [3 1/2] 10 times the estimated state average expenditure per pupil for the school year preceding the year of distribution. If in any year, the amount appropriated for

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 45 -

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distribution as catastrophic special education 186-C:18 aid in accordance with this section is insufficient therefor, the appropriation shall be prorated proportionally based on entitlement among the districts entitled to a grant. If there are unexpended funds appropriated under this paragraph at the end of any fiscal year, such funds shall be distributed for court-ordered placements under RSA 186-C:19-b. The state may designate up to \$250,000 of the funds which are appropriated as required by this paragraph, for each fiscal year, to assist those school districts which, under guidelines established by rules of the state board of education, may qualify for emergency assistance for special Upon application to the commissioner of education, and approval by the education costs. commissioner, such funds may be accepted and expended by school districts in accordance with this chapter; provided, however, that if a school district has received emergency assistance funds for certain children with disabilities, it shall not receive catastrophic special education aid for those same children with disabilities. If any of the funds designated for emergency assistance under this paragraph are not used for such emergency assistance purposes, the funds shall be used to assist school districts in meeting catastrophic cost increases in their special education programs as provided by this paragraph.

- (b) The school district shall be liable for [3—1/2] *up to 10* times the estimated state average expenditure per pupil for the school year preceding the year of distribution[, plus 20 percent of the additional cost, up to 10 times the estimated state average expenditure per pupil for the school year preceding the year of distribution].
- (c) The department of education shall be liable for [80 percent of the cost above the 3—1/2 times the estimated state average expenditure per pupil for the school year preceding the year of distribution, up to 10 times the estimated state average expenditure per pupil for the school year preceding the year of distribution. The department of education shall be liable for] all costs in excess of 10 times the estimated state average expenditure per pupil for the school year preceding the year of distribution.
 - 132 Special Education; State Aid. Amend RSA 186-C:18, VIII to read as follows:
- VIII. A school district shall raise, appropriate and expend funds, reflecting the total cost in meeting catastrophic special education student costs as provided under RSA 186-C:18, including the school district and department of education liability. A school district may issue reimbursement anticipation notes as provided for in RSA 198:20-d to be redeemed upon receipt of reimbursement from the state. The department of education shall be liable for the cost of the school districts borrowing of any funds for special education student costs over [3–1/2] 10 times the estimated state average expenditure per pupil for the school year preceding the year of distribution.
- 133 Repeal. RSA 186-C:18, XI, relative to funds for the establishment or support of school district-based programs for children with disabilities who have been in out-of-district programs in the previous school year, is repealed.
 - 134 Applicability. The provisions of RSA 186-C:18 relative to the reimbursement of catastrophic

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 46 -

- aid shall apply to catastrophic special education costs incurred during the 2010-2011 school year and every school year thereafter.
 - 135 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.
 - 136 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.
 - 137 Repeals. The following are repealed:

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- 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 repayment fund in the workforce incentive program under RSA 188-D:18-f through RSA 188-D:18-h.
- 22 III. RSA 6:12, I(b)(241), relative to moneys deposited by the postsecondary education 23 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.
 - V. RSA 6:12, I(b)(244), relative to moneys used for the leveraged incentive grant program established in RSA 188-D:33.
- VI. RSA 6:12, I(b)(245), relative to moneys used for the granite state scholars program established in RSA 188-D:36.
- VII. RSA 6:12, I(b)(247), relative to moneys used for the veterinary/medical/optometric education program established in RSA 200-J.
- VIII. RSA 6:12, I(b)(270), relative to the large animal veterinarian net tuition repayment fund established in RSA 200-J:7.
- IX. RSA 6:12-d, II(k), relative to the surety indemnification accounts of the postsecondary education commission.
- 36 X. RSA 6:38, relative to the New Hampshire excellence in higher education endowment trust fund.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 47 -

1	XI. RSA 188-D, relative to the postsecondary education commission.
2	XII. RSA 195-H:3, VIII, relative to the New Hampshire college tuition savings plan advisory
3	commission's rulemaking authority for the administration of the New Hampshire excellence in
4	higher education endowment trust fund.
5	XIII. RSA 198:40-c, relative to fiscal capacity disparity aid.
6	XIV. RSA 200-J, relative to the veterinary/medical/optometric education program.
7	138 Compensation of Certain State Officers. Amend RSA 94:1-a, I(b) by deleting:
8	EE Postsecondary education commission executive director
9	139 Branches or Extension Courses in This State. Amend RSA 186:13-b to read as follows:
10	186:13-b Branches or Extension Courses in This State. Any out-of-state institution of higher
11	learning planning to establish a branch, branches, or extension courses, in this state, shall apply to
12	the [postsecondary education commission] department of education for an evaluation of its plans.
13	Plans for each such branch, branches, or extension courses shall thereupon be evaluated, and, if
14	approved, the branch, branches, or extension courses shall thereupon be accredited for such period
15	and under such regulations as [said commission] the department may determine. If a branch, or
16	branches, or program of extension courses are disapproved at any time by [said commission] the
17	department all operations and publicity of it shall cease without delay.
18	140 State College and University System. Amend RSA 187-A:20-a, I to read as follows:
19	I. A person who is a New Hampshire resident, who is under 25 years of age, and who enrolls
20	in a program leading to a certificate, associate, or bachelor degree at any public postsecondary
21	institution within the state, approved by the [postsecondary education commission pursuant to
22	RSA 188 D] department of education, shall not be required to pay tuition for attendance at such
23	institution if he or she is the child of a firefighter or police officer who died while in performance of
24	his or her duties, and whose death was found to be compensable pursuant to RSA 281-A.
25	141 Scholarships for Orphans of Veterans. Amend RSA 193:21 to read as follows:
26	193:21 Payment. The amounts payable to recipients shall be determined by the
27	$[{\color{blue} postsecondary \ education \ commission}] \ \textit{department of education}. \ \ \text{The [commission]} \ \textit{department}$
28	shall determine the eligibility in accordance with rules adopted under RSA 541 -A of the children who
29	make application for the benefits provided for in this subdivision[, provided that no member of the
30	commission shall receive any compensation for such service.]
31	142 College Tuition Savings Plan; Commission Established. Amend RSA 195-H:2, I(a)(7) to read
32	as follows:
33	(7) [One member of the postsecondary education commission, appointed by the
34	members of such commission] The commissioner of the department of education, or designee.
35	143 The New England Higher Education Compact; Membership of Board. Amend RSA 200-A:3

200-A:3 Membership of Board. There shall be 8 resident members from New Hampshire on

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to read as follows:

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 48 -

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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. 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.

144 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 commission] 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 49 -

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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.

145 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.

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 enrollment, whichever shall first occur, provided, however, that if the recipient continues without interruption his medical education and/or his 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. 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.

146 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.

147 CART Provider and Sign Language Interpreter Net Tuition Program. Amend RSA 200-M:2

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 50 -

1 and 3 to read as follows:

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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 fourth year of work, and an additional 30 percent after the fifth year of work.

148 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 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 chapter] 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.

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

200-M:5 Administration; Rulemaking. The [postsecondary education commission] department 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 51 -

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1	education shall annually report to the general court on the effectiveness of this program.
2	150 Nurse Practice Act; Education Programs. Amend RSA 326-B:32, I(b)(1) to read as follows:
3	(1) Seek and receive approval from the [postsecondary education commission
4	department of education prior to applying for approval from the board.
5	151 Nurse Practice Act; Education Programs. Amend RSA 326-B:32, I(c) to read as follows:
6	(c) The board shall approve, disapprove, or withdraw approval for nursing assistant
7	education programs that meet or fail to meet the requirements of this chapter and the rules adopted
8	by the board. The board shall require that nursing assistant education programs seek and received
9	approval from the [postsecondary education commission] department of education prior to
10	applying for approval from the board.
11	152 Higher Education Corporations; Terms Defined. Amend RSA 292:8-b, I to read as follows:
12	I. ["Commission" means the postsecondary education commission, established by RSA 188
13	$rac{ ext{D-}}{ ext{D}}$ "Department" means the department of education established in RSA 21-N.
14	153 Higher Education Corporations. Amend RSA 292:8-c through RSA 292:8-h to read as
15	follows:
16	292:8-c Organization. The articles of agreement for the purpose of organizing a corporation for
17	the establishment of an institution for postsecondary education or higher learning shall be submitted
18	to the $[postsecondary\ education\ commission]$ $department$ for its consent for said incorporation.
19	292:8-d Approval. No articles of agreement for the incorporation of institutions for
20	postsecondary or higher education shall be recorded in the office of the secretary of state unless or
21	until consent for said incorporation has been obtained from the [eommission] department.
22	292:8-e General Statement. The [eommission] department shall approve as a corporation of
23	higher learning only such institutions as have been evaluated according to procedures and standards
24	established by the [eommission] department.
25	292:8-f Submission of Plans. Any person desiring to establish an institution of higher learning
26	shall submit to the [eommission] department, at the time approval is requested for its articles of
27	incorporation, its plans, which shall be evaluated by the $[eommission]$ $department$ prior to granting
28	its certificate. Such evaluation shall include among other things the adequacy of the buildings or
29	proposed buildings, instructional facilities and provisions for safety and well-being of its students
30	the qualifications of the faculty, the character of the program of studies and the adequacy of financia
31	resources.
32	292:8-g Limitation on Name. Notwithstanding the provisions of RSA 292:3 no person, school
33	association, or corporation shall use in any way the term "junior college" or "college" or "university"
34	in connection with an institution, or use any other name, title or descriptive matter tending to
35	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,

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HB 2-FN-A-LOCAL – AS INTRODUCED - Page 52 -

- 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 [eommission] department prior to being filed in the office of the secretary of state.
 - 292:8-h Granting of Degrees.

- I. This section shall apply to all educational institutions within the state granting degrees or seeking to do so, except the following:
- 8 (a) Any institution now granting degrees which has been in continuous operation since 9 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.
- 21 154 Higher Education Corporations; Freedom From Liability. Amend RSA 292:8-ee and 22 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 [commission] 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 [eommission] department shall conduct a special reevaluation of any educational institution, if:
- 37 (a) The institution is sold or transferred to, or merged with, another entity; or

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 53 -

(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.
 - 155 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.
 - 156 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 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.
- 157 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 54 -

1	trust fund established in RSA 6:38.] The commission shall consist of the following members:
2	158 Post-Secondary Education Commission; Transfer of Powers, Duties, and Programs to the
3	Department of Education.
4	I. Notwithstanding any law, the following programs are hereby transferred to the
5	department of education as of July 1, 2011:
6	(a) Scholarships for orphans of veterans pursuant to RSA 193:19-21;
7	(b) Scholarships awarded under New England board of higher education compact
8	pursuant to RSA 200-A;
9	(c) College access challenge grant;
10	(d) Provision of closed school transcripts pursuant to RSA 292:8-kk;
11	(e) Private postsecondary career school licensing pursuant to RSA 188-D:19-28;
12	(f) Tuition reimbursement through the student tuition guarantee fund pursuant to RSA
13	188-D:20-b;
14	(g) The Paul Douglas scholarship program;
15	(h) Veterans Education Services pursuant to RSA 188-D:24;
16	(i) Approval of new educational programs pursuant to RSA 188-D:8 and RSA 292:8-b
17	through RSA 292:8-kk.
18	II. The transfer required in this section shall include all of the equipment, books, papers,
19	and records of the postsecondary education commission. All existing rules, statutory responsibilities,
20	regulations, and procedures relating to the transferred programs in effect, in operation, or adopted in
21	or by the postsecondary education commission are hereby transferred to the department of education
22	and are declared in effect and shall continue in effect until rescinded, revised, or amended in
23	accordance with applicable law.
24	159 New Subparagraphs; Department of Education; Establishment and General Functions.
25	Amend RSA 21-N:2, II by inserting after subparagraph (c) the following new subparagraphs:
26	(d) Administration of scholarships for orphans of veterans program pursuant to
27	RSA 193:19-21.
28	(e) Administration of scholarships under the New England higher education compact
29	pursuant to RSA 200-A.
30	(f) Administration of the college access challenge grant program.
31	(g) Preservation and provision of closed school transcripts under RSA 292:8-kk.
32	(h) Administration and oversight of the licensing of private postsecondary career schools
33	pursuant to RSA 188-G.
34	(i) Administration of the student tuition guarantee fund pursuant to RSA 188-G:4.
35	(j) Administration of the Paul Douglas scholarship program.

(l) Administration of the approval of new programs of study at approved institutions of

(k) Administration of veterans education and services pursuant to RSA 188-G:12.

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HB 2-FN-A-LOCAL – AS INTRODUCED - Page 55 -

1	higher learning under 292:8-b through RSA 292:8-kk.
2	160 New Chapter; Private Postsecondary Career Schools. Amend RSA by inserting after
3	chapter 188-F the following new chapter:
4	CHAPTER 188-G
5	PRIVATE POSTSECONDARY CAREER SCHOOLS
6	188-G:1 Definitions; Exclusions.
7	I. In this chapter:
8	(a) "Alternative delivery" means a mode of instruction, which does not involve face-to
9	face instruction between instructor and student in the same geographic location. This mode o
10	instruction shall include Internet, televised, video, telephonic, and correspondence media.
11	(b) "Commissioner" means the commissioner of the department of education.
12	(c) "Conference" or "seminar" means a scheduled meeting of 2 or more persons for
13	discussing matters of common concern and where, if training or education is offered, it shall be
14	incidental to the purpose of the conference.
15	(d) "Department" means the department of education.
16	(e) "Entity" means any individual, firm, partnership, association, corporation
17	organization, trust, school, or other legal entity or combination of these entities.
18	(f) "Operating balance" means the amount of funds necessary for indemnification as
19	determined by the commissioner.
20	(g) "Physical presence" means any physical location, place of contact, telephone
21	exchange, or mail drop in this state, and if an individual is conducting one or more of the following
22	activities within this state:
23	(1) Advertising.
24	(2) Solicitation of potential students.
25	(3) Enrollment of students.
26	(4) Providing student services.
27	(5) Student mentoring.
28	(6) Instruction of students.
29	(h) "Private postsecondary career school" means any for-profit or nonprofit
30	postsecondary career entity maintaining a physical presence in this state providing education or
31	training for tuition or a fee that enhances a person's occupational skills, or provides continuing
32	education or certification, or fulfills a training or education requirement in one's employment, career
33	trade, profession, or occupation. Schools that offer resident or non-resident programs, including
34	programs using modes of alternative delivery, beyond the secondary school level to an entity shall be
35	included in this definition regardless of the fact that the school's tuition and fees from education and
36	training programs constitute only a part of the school's revenue.
37	(i) "Vendor" means an entity that promotes or exchanges goods or services for money.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 56 -

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(j) "Workshop" means a brief, intensive education or training program that focuses on developing techniques and skills in a particular area. II. "Private postsecondary career school" shall not include: (a) Schools authorized to grant degrees pursuant to RSA 292. (b) Schools specifically licensed as an education or training school by a state agency other than the department of education. (c) Schools operated by a business organization exclusively for the training of that business' own employees and at no charge to its employees. (d) Schools offering noncredit courses exclusively for avocational purposes. (e) Schools established, operated, and governed by the state of New Hampshire or any of its political subdivisions, or any other state or its political subdivisions. Noncredit courses or programs sponsored by recognized trade, business, or professional organizations solely for the instruction of their members that do not prepare or qualify individuals for employment in any occupation or trade. (g) Schools that offer programs and courses exclusively on federal military installations. (h) Companies, individuals, or other legal entities that offer training at seminars, workshops, or conferences, if: (1) Any training or education offered is incidental to the purpose of the seminar, workshop, or conference; and (2) The attendee receiving the training is not awarded any form of a certificate, diploma, or credit including continuing education units for having received the training. (i) Vendors that offer incidental training associated with the purchase of a product from 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. (j) An individual or facility training students under 14 C.F.R. part 91 or 14 C.F.R. part 141, or receiving flight or ground instruction required by the Federal Aviation Administration. (k) Entities offering only training courses at a total cost, including tuition and all other fees and charges of not more than \$800 per course for which no payment, including a deposit, is required or collected prior to the first day of the course. This subparagraph shall not apply to entities that use alternative delivery methods. (l) Entities offering training in the trades that have been approved by a state agency with appropriate jurisdiction, including but not limited to the plumbers' board, the electricians' board, the office of the state fire marshal, and the division of fire standards and training and emergency medical services. (m) Computer technology vendors that offer fee based training on courses of instruction in the use of hardware or software if the course is offered to purchasers of such hardware or

software, or to the purchaser's employees, by a person who manufactures and sells, develops and

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 57 -

- sells, or supports the hardware or software, and if the seller is not primarily engaged in the business of providing courses of instruction in the use of the hardware or software.
 - (n) Entities that license software, the content of which is focused on training or education, if the entity:
 - (1) Is primarily engaged in the business of licensing software;
 - (2) Licenses its software primarily to other legal entities, and not directly to an end user or individual student;
- (3) Does not confer degrees, diplomas, continuing education units, or any other form of credit in connection with the software that it licenses;
 - (4) Is not accredited and does not seek accreditation in connection with the software that it licenses or the content it offers; and
- (5) Does not offer an admissions process, financial aid, career advice, or job placement in connection with the software that it licenses.
 - 188-G:2 Licenses and Fees.

- 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.
- 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.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 58 -

- 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.
- 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.

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- 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.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 59 -

- (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.
- 188-G:7 Waiting Period. Every contract that purports to bind any entity to pay money to a private postsecondary career school in return for training shall be construed to be a home solicitation sales contract under RSA 361-B and shall be subject to the provisions of RSA 361-B.
- 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' education and benefits.
- 188-G:9 Use of Fees. Notwithstanding any provision of law to the contrary, all license fees collected under the provisions of this chapter shall be retained by the department of education for 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.

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- I. Whoever violates any provision of this chapter shall be guilty of a misdemeanor if a 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 60 -

1 request the attorney general, or other appropriate official having jurisdiction, to provide appropriate 2 relief. 3 III. The commissioner, upon verifying that a school is operating without a license, shall 4 issue a cease and desist order to such school. IV. The department of education shall be notified whenever a cease and desist order is 5 6 issued to a school, or if a school fails to provide the services required under a contract with any entity 7 causing the bond to be forfeited, or if a school is required to have a license but is operating without a 8 license. 9 188-G:12 Veterans Education and Services Approval. The department of education may approve 10 for veterans' education and services any institution licensed under this chapter. The department 11 may adopt rules, under RSA 541-A, relative to the procedures for approval of institutions for 12 veterans' education and benefits. 13 Application of Receipts; Funds Collected by the Department of Education. 14 RSA 6:12, I(b)(228) to read as follows: 15 (228) Fees [deposited in the postsecondary education vocational school licensing fund under RSA 188 D:25 collected by the department of education pursuant to RSA 188-G:9. 16 17 162 Application of Receipts; Student Tuition Guaranty Fund. Amend RSA 6:12, I(b)(233) to read as follows: 18 (233)19 Moneys deposited in the student tuition guaranty fund established in RSA [188 D:20 b] 188-G:4. 20 21 163 New Subparagraphs; Department of Education; Rulemaking. Amend RSA 21-N:9, II by 22 inserting after subparagraph (bb) the following new subparagraphs: 23 (cc) Licensing of private postsecondary career schools in New Hampshire pursuant to 24RSA 188-G. 25 (dd) Procedures and standards for the evaluation and classification of educational 26institutions. 27 Procedures and standards for authorization to grant specific degrees under (ee) RSA 292:8-h. 28 29 Criteria and standards for the evaluation and approval of nonpublic educational (ff) 30 institutions. 31 (gg) The establishment and collection of fees for direct and indirect costs related to the 32 degree-granting authority associated with in-state and out-of-state visits, reviews, and requests from 33 postsecondary educational institutions. 34 164 Appropriation; Limitation; Virtual Learning Academy Charter School. Notwithstanding the 35 memorandum of agreement between the New Hampshire department of education and the Virtual 36 Learning Academy Charter School (VLACS) dated December 22, 2010, the total expenditure for aid

for the fiscal years ending June 30, 2012 and June 30, 2013 for VLACS students shall not exceed

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 61 -

- \$3,161,000 regardless of enrollment. Any revised memorandum of agreement between the department of education and the VLACS shall specifically provide that aid to students is subject to the appropriation of funds by the legislature.

 165 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 to RSA 194-B:3-a, the state shall pay tuition pursuant to RSA 198:40-a [and RSA 198:40-e] plus an additional grant of \$2,000 directly to the chartered public school for each pupil who is a resident of this state in attendance at such chartered public school, except as provided in subparagraph (e).
 - 166 New Subparagraph; Chartered Public Schools; Funding. Amend RSA 194-B:11, I by inserting after subparagraph (d) the following new subparagraph:
 - (e) Notwithstanding subparagraphs I(b) and (c), total state expenditures on chartered public schools established under RSA 194-B shall not exceed \$9,071,941 in each of state fiscal years 2012 and 2013. In the event that enrollment increases to the extent that the appropriation of \$9,071,941 in each fiscal year of the 2012-2013 biennium is insufficient to pay for the additional grant of \$2,000 per pupil, the additional grant shall be prorated on a per student basis among the total number of chartered public school pupils.
 - 167 School Money; Cost of an Opportunity for an Adequate Education. Amend RSA 198:40-a to read as follows:
 - 198:40-a Cost of an Opportunity for an Adequate Education.

- I. Beginning July 1, 2009, and for every biennium thereafter, the annual cost of providing the opportunity for an adequate education as defined in RSA 193-E:2-a shall be \$3,450 per pupil attending a public school, plus any applicable differentiated aid for which a pupil is eligible. Differentiated aid shall be [ealculated as follows:
- (a) An additional \$431 per pupil in kindergarten through grade 12 eligible for the federal free and reduced price meal program who attends a public school in which less than 12 percent of the pupils reported in the school's ADMA in the determination year are eligible for the federal free and reduced price meal program.
- (b) An additional \$863 per pupil in a public school in which at least 12 percent but less than 24 percent of pupils reported in the school's ADMA in the determination year, are eligible for the federal free or reduced price meal program.
- (e) An additional \$1,725 per pupil in a public school in which at least 24 percent but less than 36 percent of pupils reported in the school's ADMA in the determination year, are eligible for the federal free or reduced price meal program.
- (d) An additional \$2,588 per pupil in a public school in which at least 36 percent but less than 48 percent of the pupils reported in the school's ADMA in the determination year, are eligible for the federal free or reduced price meal program.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 62 -

(e) An additional \$3,450 per pupil in a public school in which 48 percent or more of the
pupils reported in the school's ADMA in the determination year, are eligible for the federal free or
reduced price meal program] in the amount of \$1,725 for each pupil in the public school's
ADMA in the determination year who is in kindergarten through grade 12 and who is
eligible for the federal free and reduced-price meal program.

- II. In addition to the amount in paragraph I, an additional \$675 for each pupil reported in the public school's ADMA in the determination year who is an English language learner and who is receiving English language instruction.
- II-a. An additional \$675 for each third grade pupil in the public school's ADMA in the determination year who has not tested at the proficient level or above in the reading component of the state assessment and who is not eligible to receive special education, English as a second language, or free or reduced-price meal program funds in the determination year.
- III. In addition to the amounts in paragraphs I [and], II, and II-a, an additional \$1,856 for each pupil reported in the public school's ADMA in the determination year who is receiving special education.
- IV.(a) The sum total calculated under paragraphs I-III of this section shall be used to determine the cost of an adequate education which shall be used in each year of the biennium.
- (b) The department shall allocate the cost of an adequate education for each municipality by totaling the cost of an adequate education as determined in RSA 198:40-a, I-III for all children who reside in that municipality.
- (c) 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 cost of an adequate education for the pupils in each school within its jurisdiction sorted by the pupil's municipality of residence. In addition, the department shall furnish to each school district a report showing the cost of an adequate education for pupils who are residents of that school district sorted by a pupil's school of attendance.
- 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.
 - 168 School Money; Determination of Grants. Amend RSA 198:41 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:

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 63 -

- (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
- (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.
- III.(a) For the [fiscal years beginning July 1, 2009 and July 1, 2010] biennium ending June 30, 2013, the department of education shall not [:
- (a)] distribute a total education grant on behalf of all pupils who reside in a municipality that exceeds that municipality's total education grant [for the 2009 fiscal year] in the second year of the previous biennium [by more than 15 percent; or
- (b) Reduce the total state aid for an adequate education provided on behalf of all pupils who reside in a municipality to an amount less than that municipality's total state aid for an adequate education received in the 2009 fiscal year]
- (b) Beginning July 1, 2013, and each fiscal year thereafter, the department of education shall not distribute a total education grant on behalf of all pupils who reside in a municipality that exceeds 105.5 percent of the total education grant distributed to such municipality in the previous fiscal year.
- IV.(a) For fiscal year 2012, the department of education shall identify all municipalities in which the fiscal year 2012 total education grant will be less than the fiscal year 2011 total education grant. The department shall distribute a stabilization grant to each of those municipalities equal to 100 percent of the decrease.
- (b) For fiscal year 2013, and each fiscal year thereafter, the department of education shall distribute a total education grant to each municipality in an amount equal to the total education grant for the fiscal year in which the grant is calculated plus the amount of the fiscal year 2012 stabilization grant, if any, distributed to the municipality.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 64 -

169 New Section; School Money; Severability. Amend RSA 198 by inserting after section 43 the following new section:

198:43-a Severability. If any provision of RSA 198:38 through RSA 198:43 or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of RSA 198:38 through RSA 198:43 which can be given effect without the invalid provision or application, and to this end, such provisions are declared to be severable.

170 School Money; Consumer Price Index Adjustment. Amend RSA 198:40-d to read as follows:

198:40-d Consumer Price Index Adjustment. Beginning July 1, [2011] 2013 and every biennium thereafter, the department of education shall adjust the sum of the amounts determined under RSA 198:40-a based on the average change in the Consumer Price Index for All Urban Consumers, Northeast Region, using the "services less medical care services" special aggregate index, as published by the Bureau of Labor Statistics, United States Department of Labor. The average change shall be calculated using the 3 calendar years ending 18 months before the beginning of the biennium for which the calculation is to be performed.

171 Commissioner's Warrant. Amend RSA 76:8, II to read as follows:

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II. The commissioner shall issue a warrant under the commissioner's hand and official seal for the amount computed in paragraph I to the selectmen or assessors of each municipality by December 15 directing them to assess such sum and pay it to the municipality for the use of the school district or districts and, if there is an excess education tax payment due pursuant to RSA 198:46, directing them to assess the amount of the excess payment and pay it to the department of revenue administration for deposit in the education trust fund]. Such sums shall be assessed at such times as may be prescribed for other taxes assessed by such selectmen or assessors of the municipality.

172 Excess Education Tax Payments. Amend RSA 198:46, I to read as follows:

I. A municipality in which education property tax revenue collected exceeds the amount necessary to fund the cost of an adequate education in a fiscal year, as determined in RSA 198:40-a, shall collect and remit such excess to the department of revenue administration on or before March 15 of the tax year in which the excess occurs. For fiscal years 2010 [and], 2011, 2012, and 2013, the version of RSA 198:41, II effective for the fiscal year ending June 30, 2009 shall be used to determine excess.

173 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:

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 65 -

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- 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 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.
- 174 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.
- 36 175 Veterinary Board. Transfer of Functions, Positions, Equipment, Records, and Accounts; 37 Rules Continued.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 66 -

- I. All of the functions, positions, powers, duties, responsibilities, and funding of the veterinary board of medicine authorized by RSA 332-B shall be transferred to the department of agriculture markets and food on July 1, 2011. The transfer provided in this section shall include all of the equipment, books, papers, and records of the veterinary board of medicine.
- II. All existing rules, statutory responsibilities, regulations, and procedures relating to enforcement in effect, in operation, or adopted in or by the veterinary board of medicine are transferred to the department of agriculture, markets, and food, and are declared in effect and shall continue in effect until rescinded, revised, or amended in accordance with applicable law.
- 176 Repeal. The following are repealed:

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- I. RSA 332-B:3, relative to compensation for the veterinary board.
- II. RSA 332-B:3-a, relative to temporary membership on the veterinary board.
- 12 III. RSA 332-B:4, relative to qualifications for membership on the veterinary board.
- 13 IV. RSA 332-B:5, relative to meetings and duties of the veterinary board.
- 14 177 New Paragraph; Department of Agriculture Markets and Food; General Functions. Amend 15 RSA 425:2 by inserting after paragraph VI the following new paragraph:
 - VII. Administer the veterinary practice act under RSA 332-B.
- 17 New Paragraph; Department of Agriculture, Markets and Food; Duties of the 18 Commissioner. Amend RSA 425:4 by inserting after paragraph VIII the following new paragraph:
- 19 IX. The commissioner shall establish within the department a division of veterinary 20 medicine to administer the veterinary practice act under RSA 332-B.
- 21 179 Veterinary Board; Inspection Services. Amend RSA 318:9-a to read as follows:
 - 318:9-a Payment for Inspectional Services. For the purpose of providing inspectional services under this chapter and RSA 318-B:25, the pharmacy board shall enter into separate agreements with the board of medicine, the [board of veterinary medicine] department of agriculture, markets, and food, the board of podiatry, the board of registration in optometry, the board of dental examiners, and the board of nursing providing for each such board to compensate the pharmacy board for such inspectional services. The agreements shall provide for payment based upon a per capita charge for each person registered with each such board as a percentage of the total number of persons subject to inspection under this chapter and RSA 318-B:25. The fees received from agreements under this section shall be deposited with the treasurer as restricted revenue by the pharmacy board, and shall be included in the computation of fees to be established for the following fiscal year.
 - 180 Supervision of Clerical Personnel of Veterinary Examiners. Amend RSA 425:14 to read as follows:
- 35 425:14 Supervision of Clerical Personnel of Veterinary Examiners. The commissioner of agriculture, markets, and food shall exercise general supervision over the clerical personnel of the [state board of veterinary medicine] department of agriculture, markets, and food who work

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 67 -

1	within his office.
2	181 Animal Husbandry; Veterinarians. Amend RSA 436:85 to read as follows:
3	436:85 Veterinarians. Any veterinarian who violates any of the provisions relating to the sale
4	and use of tuberculin, in addition to fines and penalties prescribed, shall be reported to the [state
5	board of veterinary medicine] department of agriculture, markets, and food. The board, after
6	hearing, may revoke the license of the veterinarian for a period not to exceed one year; provided that
7	this section shall not limit the power otherwise conferred upon said board.
8	182 Members of Professional Standards Review. Amend RSA 507:8-c, I(h) to read as follows:
9	(h) In the case of veterinarians, by an agency of the federal or state government, or a
10	political subdivision thereof, or by a society or association affiliated with the New Hampshire
11	Veterinary Medical Association or the American Veterinary Medical Association or the [board of
12	veterinary medicine] department of agriculture, markets, and food.
13	183 New Hampshire Veterinary Practice Act; Definitions. Amend RSA 332-B:1,VIII to read as
14	follows:
15	VIII. ["Board"] "Department" means the [board of veterinary medicine] department of
16	agriculture, markets, and food established in [RSA 332 B:3] RSA 425.
17	184 Veterinary Practice Act; Powers of the Department. Amend RSA 332-B:7, V-a-VI to read as
18	follows:
19	[V a. With the approval of the attorney general and the governor and council, compensate
20	the board's counsel, assistants and investigators appointed in connection with its activities under
21	this chapter on a warrant of the governor out of any money in the treasury not otherwise
22	appropriated. Any sums so expended shall be included in the computation of fees established for the
23	subsequent fiscal year under RSA 332-B:7, III.
24	VI. Employ full time or part time professional, clerical or special personnel necessary to
25	effectuate the provisions of this chapter and purchase or rent necessary office space, equipment and
26	supplies within the limits of appropriations made therefor.
27	VII. Appoint from its own membership one or more of the members to act as representatives
28	of the board at any meeting within or without the state where such representation is deemed
29	desirable.
30	VIII.] VI. By and through the department of justice, office of the attorney general
31	bring proceedings in the courts for the enforcement of this chapter or any regulations made pursuant
32	thereto.
33	185 Veterinary Practice Act; Temporary Permit. Amend RSA 332-B:12 to read as follows:
34	332-B:12 Temporary Permit. The [board] department may issue without examination a
35	temporary permit to practice veterinary medicine in this state to any person who is a graduate of a
36	veterinary college recognized as provided for in RSA 332-B:9 for a period not to exceed one year,

providing that the person write the next available set of examinations and also providing said person

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 68 -

1 is employed by and practices the profession under the supervision of a duly licensed veterinarian 2 practicing in the state. A temporary permit may be summarily revoked by [a majority vote of the 3 board the commissioner of the department of agriculture, markets, and food. 4 186 Veterinary Practice Act; Investigations. Amend RSA 332-B:15, III(b) to read as follows: (b) Witness fees and mileage expenses need not be tendered in advance if the subpoena 5 is annotated: "Fees Guaranteed by the [N.H. Veterinary Board] Department of Agriculture, 6 7 Markets, and Food." 8 187 Veterinary Practice Act; Temporary Permit. Amend RSA 332-B:16, II to read as follows: II.(a) [Any member of the board, or any other qualified person appointed by the board,] The 9 10 commissioner of the department of agriculture, markets, and food may act as the presiding 11 officer in an adjudicatory proceeding and may issue oaths or affirmations to witnesses, rule on 12 evidentiary and other procedural matters, and prepare a proposal for decision as provided by 13 RSA 541-A:34, without regard to any quorum requirements otherwise applicable to [board] 14 department action or activities. 15 (b) If a non-board member acts as a presiding officer, but does not prepare a proposal for decision, that person may participate in board deliberations only to the extent of providing technical 16 17 assistance to the board in preparing its final decision. 18 (e) If any person acting as a presiding officer prepares a proposal for decision, that 19 person shall not participate in the [board's deliberations] decision. 20 188 Veterinary Practice Act; Hearings, Decisions, and Appeals. Amend RSA 332-B:16, VI-VII to 21 read as follows: 22 VI. Final decisions in adjudicatory proceedings shall be made by a [majority of the board 23 members eligible to participate in the decision hearings officer designated by the commissioner 24of agriculture, markets, and food. Such decisions shall not be made public until they have been 25 reduced to writing, signed by [a representative of the board] the hearings officer, and served upon 26 the parties. 27 VII. Final disciplinary actions taken by the [beard] hearings officer may be appealed to the 28 supreme court pursuant to RSA 541, and shall not be subject to stay pending appeal. 29 189 Veterinary Practice Act; Physical Therapy. Amend RSA 332-B:20, I to read as follows: 30 Any physical therapist practicing physical therapy on any animal shall meet the 31 requirements of this section and any additional requirements set by the board of veterinarians 32 department pursuant to RSA 332-B:7-a, XIV and shall be certified by the [board of veterinary 33 medicine] department. 34 190 Change "board" to "department." Amend the following RSA provisions by replacing "board"

with "department": RSA 332-B:6; section heading and introductory paragraph of RSA 332-B:7; introductory paragraph of RSA 332-B:7-a; RSA 332-B:9; RSA 332-B:10; RSA 332-B:11; RSA 332-B:13; RSA 332-B:14; RSA 332-B:15; RSA 332-B:15-a; RSA 332-B:16; RSA 332-B:16-a; RSA 332-B:17;

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HB 2-FN-A-LOCAL – AS INTRODUCED - Page 69 -

and RSA 332-B:19; III and V.

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- 191 Retirement System; Employer Contributions; Non-State Employees; State Share Eliminated. Amend RSA 100-A:16, II(b) and (c) to read as follows:
- (b) The contributions of each employer for benefits under the retirement system on account of group II members shall consist of a percentage of the earnable compensation of its members to be known as the "normal contribution," and an additional amount to be known as the "accrued liability contribution;" provided that beginning with state fiscal year 2012 and for each state fiscal year thereafter, any employer, other than the state, shall pay 70 percent of such total contributions for state fiscal year 2010, and 30 percent thereof shall be paid by the state for state fiscal year 2010, and that beginning with state fiscal year 2011 any employer, other than the state, shall pay 75 percent of such total contributions, and 25 percent thereof shall be paid by the state, and that beginning with state fiscal year 2012, and every state fiscal year thereafter, any employer, other than the state, shall pay 65 percent of such total contributions, and 35 percent thereof shall be paid by the state; and provided that, in the case of compensation attributable to extra or special duty, the employer shall pay the full amount of such total contributions; and provided further that, in case of group II members employed by the state, the state shall pay both normal and accrued liability contributions.]. The rate percent of such normal contribution, including contributions on behalf of group II members whose group II creditable service is in excess of 40 years, in each instance shall be fixed on the basis of the liabilities of the system with respect to the particular members of the various member classifications as shown by actuarial valuations, except as provided in subparagraphs (h) and (i).
- (c) The contributions of each employer for benefits under the retirement system on account of group I members shall consist of a percentage of the earnable compensation of its members to be known as the "normal contribution," and an additional amount to be known as the "accrued liability contribution;" provided that beginning with state fiscal year 2012 and for each state fiscal year thereafter, [in the case of teachers,] any employer[, other than the state, shall pay 70 percent of such total contributions for state fiscal year 2010, and 30 percent thereof shall be paid by the state for state fiscal year 2010, and that beginning with state fiscal year 2011 any employer, other than the state, shall pay 75 percent of such total contributions, and 25 percent thereof shall be paid by the state, and that beginning with state fiscal year 2012, and every state fiscal year thereafter, any employer, other than the state, shall pay 65 percent of such total contributions, and 35 percent thereof shall be paid by the state; and provided further that in case of teacher members employed by the state the state] shall pay both normal and accrued liability contributions. The rate percent of such normal contribution in each instance shall be fixed on the basis of the liabilities of the system with respect to the particular members of the various member classifications as shown by actuarial valuation, except as provided in subparagraphs (h) and (i).

192 Retiree Medical Benefits; Beneficiary Contributions Increased. Amend RSA 100-A:54, III to

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 70 -

read as follows:

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III. The retirement system shall either 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, or notify the department of administrative services, which shall invoice and collect from the retired state employees, the premium contribution amounts of [\$65] \$100 per month for each such retiree and [\$65] \$100 per month for each applicable spouse; provided that the charge to each household shall not exceed [\$130] \$200 per month. [Deducted] Amounts deducted or received upon invoicing, [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, and shall be deposited in the employee and retiree benefit risk management fund. In 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. For any retired state employee who fails to pay in full within 90 days of receipt of an invoice for such contribution amount, the department of administrative services shall terminate coverage for the retired state employee and notify the retirement system of such termination.

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

XVII. "Earnable compensation" shall mean:

(a) For [all] members who commenced service prior to July 1, 2011 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 noncash 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 71 -

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36 37 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 members who commenced service on and after July 1, 2011 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, 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 full base rate of compensation plus overtime and holiday pay 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 other compensation received in the final 12 months of employment 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 72 -

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.

194 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 commenced service before July 1, 2011, 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 commenced service on or after July 1, 2011, "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.

195 Financing; Contribution Rates; Group II Member Payroll Deduction. Amend RSA 100-A:16, I(a) 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. 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 *hired on or before June 30, 2011,* 5.00
- Employees of the state hired on or before June 30, 2009, 5.00
- Employees of the state hired after June 30, 2009, 7.00
- Teachers hired on or before June 30, 2011, 5.00

- Permanent Policemen *hired on or before June 30, 2011,* 9.30
- Permanent Firemen *hired on or before June 30, 2011,* 9.30
- 29 Group I members hired after June 30, 2011, 7.00
- 30 Group II members hired after June 30, 2011, 11.30

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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 73 -

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.

196 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 vested deferred state retiree is a member of group II who commenced service 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.

In addition, if the vested deferred state retiree is a member of group II who commenced service 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 50 years of age.

197 Service Retirement; Group II. Amend RSA 100-A:5 to read as follows:

100-A:5 Service Retirement Benefits.

I. Group I Members.

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(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 commenced service before*

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 74 -

- July 1, 2011 or age 65 if the member commenced service 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 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 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 commenced service before July 1, 2011 or the age of 65 if the member commenced service 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 commenced service before July 1, 2011 or 65 years of age if the member commenced service 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.]

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- II. Group II Members.
- (a) Any group II member in service, who commenced service 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 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 75 -

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
- (2) For members who commenced service 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 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 commenced service 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 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.]

198 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 commenced service before July 1, 2011 or the age of 65 if the member commenced service 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;

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 76 -

(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;

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- (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.
- age 60 if the member commenced service before July 1, 2011 or the age of 65 if the member commenced service 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.
 - 199 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 commenced service before July 1, 2011 or the age of 65 if the member commenced service 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 commenced service before July 1, 2011 or the age of 65 if the member

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 77 -

commenced service 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.

200 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 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 commenced service 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 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.
 - 201 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 commenced service 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 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.
 - 202 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 78 -

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 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.

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

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- (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 commenced service before July 1, 2011 or the age of 65 if the member commenced service 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.
- 204 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 commenced service before July 1, 2011 or 65 years if the member commenced service or after July 1, 2011.
- II. For a member who commenced service 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 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.
- 205 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 commenced group II service prior to July 1, 2011 or at least 50 for members who commenced group II service 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 79 -

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

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

- (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 commenced service before July 1, 2011 or at least 65 years of age at the time of retirement if the employee commenced services on or after July 1, 2011; or
 - 207 Statutory Construction; Publication of Notice. Amend RSA 21:32 to read as follows:
 - 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.
- 208 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 exempt from the requirements of RSA 4:40. The value of any land acquired shall be based upon an independent appraisal.
- 209 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 80 -

- 1 northbound and southbound rest areas in the town of Hampton on Interstate Route 95. Each
- 2 turnpike service plaza shall be a full service rest area that may include a fueling station, food, and
- 3 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 exempt from the requirements of 4
- RSA 4:40. All proceeds from the sale and/or development of land for this purpose shall be deposited 5
- 6 into the revenue stabilization reserve account under RSA 9:13-e.
- 210 New Section; Rest Areas and Welcome Centers. Amend RSA 12-A by inserting after section 8 43-a the following new section:
- 9 12-A:43-b Rest Areas and Welcome Centers.

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- 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.
- Notwithstanding paragraph I, the department of transportation and the liquor II. 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.
- 211 Repeal. RSA 228:106, relative to the bureau of visitor service, is repealed.
- 212 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 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 81 -

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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.
- 213 New Subparagraph; Notice of Intent to Cut. Amend RSA 79:10, I by inserting after subparagraph (g) the following new subparagraph:
- (h) The assessing officials shall remit to the department of revenue administration a sum of \$150 from the receipts of the yield tax assessed and collected for every certificate issued by the department under subparagraph (d) to cover the costs of the department's administration and enforcement of this chapter.
 - 214 Disposition of the Excavation Tax. Amend RSA 72-B:11 to read as follows:
 - 72-B:11 Disposition of the Excavation Tax.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 82 -

I. The excavation tax collected in the incorporated towns and cities under RSA 72-B:4 shall be paid by the tax collectors into their respective treasuries for the general use of the city or town except as provided in paragraph III.

- II. The taxes assessed under RSA 72-B:4 in any unincorporated place shall be collected by the county commissioners of the county in which the place is located and paid by them to the county treasurer. The county commissioners shall have the same powers in collecting the taxes as provided under RSA 80 and RSA 81. All taxes collected by the counties under RSA 72-B:4 shall be credited to the unincorporated place from which the excavation tax was collected and shall be used against the unincorporated place's share for the county tax for the ensuing year *except as provided in paragraph III*.
- III. There shall be remitted to the department an amount of \$150 for each original notice of intent to excavate that shall be paid to the department by the assessing officials and county treasurer from the receipts of the tax collected under this chapter. The amount shall be deposited into a revolving fund within the department to be used by the department for the administration and enforcement of the provisions of this chapter and for the education of municipal officials regarding this chapter. It may also be used to educate state personnel responsible for the administration and enforcement of this chapter.
- 215 Repeal. RSA 72-B:16, relative to administrative and enforcement fee, is repealed.
- 20 216 Excavation Tax and Taxation of Excavation Area. Amend RSA 72-B:1, I(c) to read as 21 follows:
 - (c) Any excavation upon a parcel of land which does not exceed 1,000 cubic yards within 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].
 - 217 Repeal. RSA 21-J:6-c, relative to the central tax services unit, is repealed.
- 27 218 Assistant Director of Document Processing Deleted. Amend RSA 21-J:5, IV to read as 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.
 - 219 Unclassified Salaries. Amend RSA 94:1-a by deleting:
 - FF Department of revenue administration director of document processing
- 34 220 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 of document processing[, under the supervision of an unclassified director of document processing who shall be responsible] for processing all tax returns filed with the department.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 83 -

221 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.

Department of Revenue Administration; Consolidation of Functions. Beginning July 1, 2011, the functions and responsibilities of the central tax services unit under RSA 21-J:6-c and the resolution group of the documents processing division under RSA 21-J:12 shall be consolidated into the division of audits under RSA 21-J:7.

223 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.

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 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.

225 Moratorium; Institutional Health Services.

I. No certificate of need for a health care facility shall be granted by the health services planning and review board until July 1, 2013 or until an act of the legislature takes effect which redesigns the certificate of need review and approval process, whichever is earlier. The purpose of the moratorium shall be to enable the commissioner of insurance to undertake and complete a comprehensive review of health care facility needs in New Hampshire, and to enable the governor and the general court to consider the results of that review in undertaking further action to ensure that the public interest in health care facility planning is being achieved in accordance with the legislative findings in RSA 151-C:1.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 84 -

- II. The moratorium established under paragraph I shall not apply to nursing home facilities, skilled nursing facilities, intermediate care facilities, or rehabilitation facilities for which a moratorium is established under RSA 151-C:4.
- 4 226 Operating Budget; Lapse of Appropriations; Legislative Branch. Amend the following accounting units of HB 1-A of the 2011 legislative session by deleting the following Organizational
- 6 Note "All funds appropriated to the legislative branch shall not lapse at June 30, 2011,
- 7 June 30, 2012, and June 30, 2013":
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- 12 01-04-04-0430-4654
- 13 01-04-04-0430-1164
- 14 01-04-04-0430-1165
- 15 01-04-04-0440-1270
- 16 01-04-04-0450-1221
- 17 01-04-04-0450-1222
- 18 227 Penalty Assessment; Waiver of Penalty. Amend RSA 188-F:31, IV as follows:
- 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] 66.66 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].
 - 228 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.
 - 229 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

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 85 -

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.

230 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.

231 Rehiring of Laid Off State Employees.

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- 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.
- 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 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.
- 232 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.
- 233 General Fund Balance. Notwithstanding RSA 9:13-e, II, any surplus in the general fund at the end of the state fiscal year ending June 30, 2011 shall be carried forward on the state surplus

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 86 -

- 1 statement into the next biennium. Any surplus in the general fund at the end of the state fiscal year
- 2 ending June 30, 2013 shall be deposited into the revenue stabilization account in accordance with
- 3 RSA 9:13-e.
- 4 234 Effective Date.
- 5 I. Sections 8, 12, 13, 15, 16, 32, 44-46, 48, 49, 86-91, 109, and 127-129 of this act shall take 6 effect upon its passage.
- 7 II. Sections 97-102 of this act shall take effect October 1, 2011.
- 8 III. Sections 26-29, 31, 39, and 82-83 of this act shall take effect January 1, 2012.
- 9 IV. Section 172 of this act shall take effect July 1, 2013.
- 10 V. The remainder of this act shall take effect July 1, 2011.

HB 2-FN-A-LOCAL – AS INTRODUCED - Page 87 -

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.