

HB 1194 - AS INTRODUCED

2022 SESSION

22-2348

05/10

HOUSE BILL **1194**

AN ACT relative to the procedure for overriding a local tax cap.

SPONSORS: Rep. Pauer, Hills. 26; Rep. Berezchny, Graf. 9; Rep. Baxter, Rock. 20; Rep. Silber, Belk. 2; Rep. Yakubovich, Merr. 24; Sen. Avard, Dist 12

COMMITTEE: Municipal and County Government

ANALYSIS

This bill requires a supermajority vote of the legislative body to override a local tax cap.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT relative to the procedure for overriding a local tax cap.

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

1 1 Municipal Budget Law; Method to Override Local Tax Cap. RSA 32:5-b, III is repealed and
2 reenacted to read as follows:

3 III. The legislative body may override the cap by the usual procedures applicable to annual
4 meetings of the legislative body, provided that: when a proposed appropriation will cause the
5 amount of local taxes raised by the town or district to exceed the tax cap under paragraphs I and I-a
6 or the total amount already raised and appropriated has caused the amount of local taxes raised by
7 the town or district to exceed the tax cap under paragraphs I and I-a, voting on the appropriation
8 question shall be by ballot, but the question shall not be placed on the official ballot used to elect
9 officers, except in the case of a legislative body that uses an official ballot form of meeting under RSA
10 40:13 or under a charter adopted pursuant to RSA 49-D. If a 3/5 majority or the super majority as
11 determined under a charter pursuant to RSA 49-D of those voting on the question vote "yes," the
12 appropriation is approved. Only votes in the affirmative or negative shall be included in the
13 calculation of the 3/5 majority or the super majority as determined under a charter pursuant to RSA
14 49-D.

15 (a) For warrant articles proposing bonds, notes, or other multi-year expenditures, only
16 the first year estimated costs shall be used in counting appropriations for the tax cap under
17 paragraphs I and I-a.

18 (b) When using the official ballot form of meeting under RSA 40:13, if the warrant
19 article for the operating budget results in appropriations exceeding the tax cap under paragraphs I
20 and I-a and receives less than 3/5 majority "yes" vote, the adopted operating budget shall be reduced
21 by appropriations already raised to remain compliant with the tax cap under paragraphs I and I-a.

22 (c) School districts that have adopted the school administrative unit (SAU) alternative
23 budget procedure under RSA 194-C:9-b shall place the warrant article for the SAU budget at the
24 beginning of school district warrant, immediately after any warrant articles proposing bonds or
25 notes. For school districts using a traditional meeting and when the outcome of the SAU budget vote
26 is pending on balloting from the other school districts in the SAU, the higher of the school district's
27 assigned portion of the proposed SAU budget or the school district's assigned portion of the adjusted
28 SAU budget shall be assumed as raised and appropriated for the purpose of determining when the
29 override provisions under paragraph III apply.

30 2 Effective Date. This act shall take effect 60 days after its passage.