

CHAPTER 181
SB 254 – FINAL VERSION

9May2012... 1775h
05/23/12 2351EBA

2012 SESSION

12-2942
10/05

SENATE BILL **254**

AN ACT relative to funding and expenditures from certain municipal special revenue funds.

SPONSORS: Sen. Barnes, Jr., Dist 17; Sen. Boutin, Dist 16

COMMITTEE: Public and Municipal Affairs

ANALYSIS

This bill requires that municipal appropriations from certain statutorily established funds be made by special warrant article.

This bill also provides that the rescission of special revenue funds, including recreation revolving funds, requires the remaining amounts in the funds to be general fund accumulated surplus.

This bill is a request of the department of revenue administration.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twelve

AN ACT relative to funding and expenditures from certain municipal special revenue funds.

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

1 181:1 Municipal Budget Law; Definition of Special Warrant Article. Amend RSA 32:3, VI(c) to
2 read as follows:

3 (c) Calls for an appropriation to ***or from*** a separate fund created pursuant to statute,
4 including but not limited to a capital reserve fund under RSA 35, or trust fund under RSA 31:19-a; or
5 181:2 Special Revenue Funds; Procedure for Adoption; Rescission or Change Added. Amend
6 RSA 31:95-d to read as follows:

7 31:95-d Procedure for Adoption; ***Rescission or Change of Purpose.***

8 I. Any town may adopt the provisions of RSA 31:95-c to restrict revenues, or any portion of
9 such revenues, from a specific source to expenditures for specific purposes in the following manner:

10 (a) In a town, the question shall be placed on the warrant of a special or annual town
11 meeting under the procedures set out in RSA 39:3, and shall be voted on by ballot. The question
12 shall not be placed on the official ballot.

13 (b) The selectmen shall hold a public hearing on the question at least 15 days but not
14 more than 30 days before the question is to be voted on. Notice of the hearing shall be posted in at
15 least 2 public places in the municipality and published in a newspaper of general circulation at least
16 7 days before the hearing.

17 (c) The wording of the question shall be: "Shall we adopt the provisions of RSA 31:95-c
18 to restrict (here insert portion as a fractional or dollar amount) of revenues from (here insert source)
19 to expenditures for the purpose of (here insert purpose)? Such revenues and expenditures shall be
20 accounted for in a special revenue fund to be known as the (...) fund, separate from the general fund.
21 Any surplus in said fund shall not be deemed part of the general fund accumulated surplus and shall
22 be expended only after a vote by the legislative body to appropriate a specific amount from said fund
23 for a specific purpose related to the purpose of the fund or source of the revenue."

24 II. If a majority of those voting on the question vote "Yes", RSA 31:95-c shall apply within
25 the town on a date set by the selectmen.

26 III. If the question is not approved, the question may later be voted upon according to the
27 provisions of RSA 31:95-d, I.

28 IV.(a) Any town which has adopted RSA 31:95-c may consider rescinding its action in the

CHAPTER 181
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- Page 2 -

1 manner described in RSA 31:95-d, I(a) and (b). The wording of the question shall be the same as set
2 out in RSA 31:95-d, I(c), except the word “adopt” shall be changed to “rescind.”

3 (b) If a majority of those voting on the question vote “Yes”, RSA 31:95-c shall not apply
4 within the town, ***and any remaining amounts in the rescinded fund shall become part of the***
5 ***general fund accumulated surplus.***

6 ***V. No change shall be made to a special revenue fund adopted under RSA 31:95-c***
7 ***unless the town has voted to consider changing the source or fractional portion of revenues***
8 ***or specific purpose of expenditures of the fund in the manner described in subparagraphs***
9 ***I(a) and (b) and authorized such change by a vote of 2/3 of all the voters present and voting***
10 ***at an annual town or district meeting.***

11 181:3 Recreation and Parks; Special Fund. Amend RSA 35-B:2, II to read as follows:

12 II. By fees and charges for recreation park services and facilities. All revenue from such fees
13 and charges may be deposited into a special fund established for such purposes pursuant to
14 RSA 31:95-c, or into a recreation revolving fund established by vote of the legislative body. If such a
15 recreation revolving fund is created, the money in the fund shall be allowed to accumulate from year
16 to year, and shall not be considered part of the political subdivision's general surplus. The treasurer
17 of the political subdivision shall have custody of all moneys in such fund, and shall pay out the same
18 only upon order of the recreation or park commission, or other board or body designated by the local
19 legislative body at the time the fund is created. Such funds may be expended only for the purposes of
20 this chapter, and no expenditure shall be made in such a way as to require the expenditure of, or
21 create a liability upon, other town funds which have not been appropriated to that purpose. ***If such***
22 ***recreation revolving fund is rescinded by vote of the legislative body, any remaining***
23 ***amounts in the fund shall become part of the general fund accumulated surplus.***

24 181:4 Effective Date. This act shall take effect 60 days after its passage.

25 Approved: June 11, 2012

26 Effective Date: August 10, 2012