

CHAPTER 127  
SB 239-FN - FINAL VERSION

2022 SESSION

22-2852  
10/11

SENATE BILL            ***239-FN***

AN ACT                relative to noncompliance with municipal audit requirements.

SPONSORS:           Sen. Giuda, Dist 2; Rep. Major, Rock. 14; Rep. Umberger, Carr. 2

COMMITTEE:        Election Law and Municipal Affairs

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ANALYSIS

This bill requires notification to the department of revenue administration of a completed municipal or county audit and establishes a fine for failure to complete a required audit.

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                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT                      relative to noncompliance with municipal audit requirements.

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

1            127:1 Department of Revenue Administration; Municipal and property Division; Audits. Amend RSA  
2 21-J:15, II-IV to read as follows:

3            II. ~~[Performing]~~ ***Ensuring the performance of*** general municipal and county audits.

4            III. Assisting the commissioner in ~~[his responsibility for]~~ setting municipal tax rates.

5            IV. Establishing a standard technical assistance manual for municipalities ***and political***  
6 ***subdivisions*** on finance and budget matters. This manual shall be available for purchase from the  
7 division. The manual shall cover statutory requirements, administrative rules adopted by the  
8 commissioner, and advice and information for the use of municipalities ***and political subdivisions***. The  
9 manual shall distinguish between those provisions which municipalities ***and political subdivisions*** must  
10 comply with and those elements which are advisory in nature.

11           127:2 Section; Municipal and Property Division. Amend RSA 21-J by inserting after section 20 the  
12 following new section:

13           21-J:20-a Notification Required; Failure to Complete Audit.

14           I. Upon completion of an audit made pursuant to RSA 21-J:19 or RSA 21-J:20, each city, town,  
15 school district, village district, county, or precinct shall provide notification to the department of the  
16 completed audit and a copy such audit shall be sent to the department. If a required audit is not  
17 completed by the due date of such audit, the commissioner may levy a fine of up to \$250 per day for every  
18 day of noncompliance, commencing 90 days after the department has provided written notice to the  
19 municipality, political subdivision, or county of the intent to levy such fine.

20           II. The municipality, political subdivision, or county may petition the commissioner for waiver of  
21 the fine in instances where the failure to complete a statutorily required audit by the due date of such audit  
22 was due to reasonable cause. If a waiver is granted, the municipality, political subdivision, or county shall  
23 within 90 days of receiving the waiver from the department provide the department an executed contract  
24 binding the municipality, political subdivision, or county, to conduct the required audit with an entity  
25 licensed and certified to do so, and within a time frame approved by the commissioner. Fines collected by  
26 the department pursuant to this section shall be deposited in the general fund.

27           127:3 Notice by the Department of Revenue Administration. The department of revenue  
28 administration shall provide written notice of the provisions of RSA 21-J:20-a as inserted by this act to the  
29 governing body of all municipalities, political subdivisions, and counties subject to such statute within 60  
30 days of the effective date of this section in a manner prescribed by the commissioner of the department of  
31 revenue administration.

32           127:4 Effective Date. This act shall take effect upon its passage.

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Approved: May 27, 2022  
Effective Date: May 27, 2022

