LEGISLATIVE COMMITTEE MINUTES

HB285

Bill as Introduced

HB 285 - AS AMENDED BY THE HOUSE

9Mar2023... 0086h

2023 SESSION

23-0222
02/08

HOUSE BILL *285*

AN ACT authorizing the department of revenue administration to incorporate the New Hampshire equalization manual into the administrative rules and relative to the development of forms or returns by the department.

SPONSORS: Rep. C. McGuire, Merr. 27; Rep. Schmidt, Straf. 14; Sen. Lang, Dist 2

COMMITTEE: Executive Departments and Administration

AMENDED ANALYSIS

This bill allows the department of revenue administration to incorporate by reference the New Hampshire equalization manual into the administrative rules of the department. The bill also allows the department of revenue administration to develop such forms or returns as may be necessary.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT authorizing the department of revenue administration to incorporate the New Hampshire equalization manual into the administrative rules and relative to the development of forms or returns by the department.

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

1 Administrative Procedure Act; Exceptions. Amend RSA 541-A:21, V to read as follows:

V.*(a)* Requirements on forms as specified in RSA 21-J:13-a shall be exempt from RSA 541-A.

(b) The New Hampshire equalization manual, as approved by the New Hampshire assessing standards board, which was established pursuant to RSA 21-J:14-a, may be incorporated by reference into the rules adopted pursuant to RSA 21-J:13, IX.

2 New Subparagraph; Department of Revenue Administration; Development of Forms. Amend RSA 21-J:1, II by inserting after subparagraph (c) the following new subparagraph:

(d) Developing such forms or returns as may be necessary, which forms or returns may be required to be signed under the pains and penalties of perjury.

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

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CHAPTER 33
HB 285 - FINAL VERSION

9Mar2023... 0086h

2023 SESSION

23-0222
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CHAPTER 33
HB 285 - FINAL VERSION

9Mar2023... 0086h

23-0222
02/08

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33:2 New Subparagraph; Department of Revenue Administration; Development of Forms. Amend RSA 21-J:1, II by inserting after subparagraph (c) the following new subparagraph:

(d) Developing such forms or returns as may be necessary, which forms or returns may be required to be signed under the pains and penalties of perjury.

33:3 Effective Date. This act shall take effect 60 days after its passage.

Approved: May 17, 2023
Effective Date: July 16, 2023

Committee Minutes

SENATE CALENDAR NOTICE
Ways and Means

Sen Timothy Lang, Chair
Sen Lou D'Allesandro, Vice Chair
Sen Keith Murphy, Member
Sen Daniel Innis, Member
Sen Cindy Rosenwald, Member

Date: March 22, 2023

HEARINGS

Wednesday	03/29/2023
(Day)	(Date)

Ways and Means	State House 103	9:20 a.m.
(Name of Committee)	(Place)	(Time)

9:20 a.m.	**HB 285**	authorizing the department of revenue administration to incorporate the New Hampshire equalization manual into the administrative rules and relative to the development of forms or returns by the department.
9:30 a.m.	**HB 297**	relative to the state's dedicated funds review.
9:40 a.m.	**HB 440-FN**	relative to the uses of education trust fund.

EXECUTIVE SESSION MAY FOLLOW

Sponsors:

HB 285
Rep. C. McGuire | Rep. P. Schmidt | Sen. Lang

HB 297
Rep. Almy | Rep. Edwards | Sen. Gray | Sen. D'Allesandro

HB 440-FN
Rep. Cordelli

Sonja Caldwell 271-2117

Timothy Lang
Chairman

Senate Ways and Means Committee

Sonja Caldwell 271-2117

HB 285, authorizing the department of revenue administration to incorporate the New Hampshire equalization manual into the administrative rules and relative to the development of forms or returns by the department.

Hearing Date: March 29, 2023

Members of the Committee Present: Senators Lang, D'Allesandro, Innis and Rosenwald

Members of the Committee Absent : Senator Murphy

Bill Analysis: This bill allows the department of revenue administration to incorporate by reference the New Hampshire equalization manual into the administrative rules of the department. The bill also allows the department of revenue administration to develop such forms or returns as may be necessary.

Sponsors:
Rep. C. McGuire Rep. P. Schmidt Sen. Lang

Who supports the bill: Sen. Lang, Rep. Carol McGuire, Keen Meng Wong (DRA), Rep. Schmidt

Who opposes the bill: No one

Who is neutral on the bill: No one

Summary of testimony presented:

Sen. Innis introduced the bill in the absence of the prime sponsor, stating that it allows the Department of Revenue Administration to incorporate by reference the New Hampshire equalization manual into the administrative rules of the department, and that it also allows the department to develop such forms or returns as may be necessary.

Rep. Schmidt

- The legislature incorporates these things by reference because industry standards have certain language and rewriting everything to meet the 541A style requirements in the manual is a tremendous amount of work and counterproductive.

Keen Meng Wong – Dept. of Revenue Administration Tax Policy Counsel

- The Dept. of Revenue Administration supports the bill. He submitted a letter from the Commissioner.
- The purpose of the bill is to allow the DRA to incorporate the equalization manual into rules.

- Previously the equalization manual was written by reference into the rule, however when they went through this most recent round of rule-making, OLS and JLCAR found that DRA was not able to incorporate by reference and therefore would have to write up the relevant sections of the 68-page manual into rules.
- JLCAR said they could propose this statutory change to allow them to incorporate by reference the relevant sections.
- This will make the process more streamlined and efficient as the equalization manual gets updated on a frequent basis.
- The other section clarifies the requirement for forms submitted to the DRA to be signed under penalty of perjury. The DRA thought they had the authority to require that forms be submitted under the penalty of perjury, however OLS and JLCAR thought the language in statute was insufficient. Therefore, JLCAR allowed them to propose this statutory change to clarify that the forms be signed under penalty of perjury.

sc
Date Hearing Report completed: March 30, 2023

Speakers

SENATE WAYS & MEANS COMMITTEE

Date 03/29/23 Time 9:20 a.m. Public Hearing on **HB285**

((New Title) authorizing the department of revenue administration to incorporate the New Hampshire equalization manual into the administrative rules and relative to the development of forms or returns by the department.)

Please check box(es) that apply.

SPEAKING	FAVOR	OPPOSED	NAME (Please print)	REPRESENTING
☐	☒	☐	Carol McGuire	Merr 27
☒	☒	☐	Keen Meng Wong	DRA
☒	☒	☐	Rep Smith	
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SENATE WAYS & MEANS COMMITTEE

Date 03/29/23 Time 9:20 a.m. Public Hearing on **HB285**

((New Title) authorizing the department of revenue administration to incorporate the New Hampshire equalization manual into the administrative rules and relative to the development of forms or returns by the department.)

Please check box(es) that apply.

SPEAKING	FAVOR	OPPOSED	NAME *(Please print)*	REPRESENTING
☒	☒	☐	Rep. Peter Schmidt	NH House
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Senate Remote Testify

Ways and Means Committee Testify List for Bill HB285 on 2023-03-29

Support: 1 Oppose: 0

Name	Title	Representing	Position
Lang, Senator Tim	An Elected Official	Senate District 2	Support

Testimony

State of New Hampshire
Department of Revenue Administration

109 Pleasant Street
PO Box 457, Concord, NH 03302-0457
Telephone 603-230-5005
www.revenue.nh.gov

Lindsey M. Stepp
Commissioner

Ora M. LeMere
Assistant Commissioner

March 29, 2023

Representative Timothy Lang, Chairperson
Senate Ways & Means Committee
New Hampshire Senate
107 North Main Street
Concord, NH 03301

Re: HB 285, ***authorizing the department of revenue administration to incorporate the New Hampshire equalization manual into the administrative rules.***

Dear Senator Lang and Members of the Committee:

This letter references House Bill 285 – As Introduced and Amendment 2023-0086h, collectively referred to as "the Bill" in the remainder of this letter. The Department of Revenue Administration (DRA) had sought sponsorship of the statutory changes reflected in the Bill to make certain technical changes to the Administrative Procedure Act, RSA 541-A, and to the Department of Revenue Administration statutes, RSA 21-J, in order to aid in tax administration. The Bill does not change the current processes of the DRA but seeks only to provide administrative efficiencies and to provide additional clarity to the statute. We provide this Committee the following explanation of the Bill now that it is before you.

Section 1

The Commissioner of the DRA, as stipulated in RSA 21-J:3, XIII of the Department of Revenue Administration statutes, shall annually equalize the valuation of the property assessed in municipalities within the State. The equalization procedure is provided in RSA 21-J:9-a and the promulgated administrative rules in Rev 2800, Equalization of Assessment for Each Town, City, and Unincorporated Place Within the State.

The Equalization Manual provides standards for equalization. RSA 21-J:14-b provides that the Assessing Standards Board (ASB) shall develop standards for equalization and shall review, revise, and approve the Equalization Manual. RSA 21-J:14-b, V requires the ASB to consider standards of the International Association of Assessing Officials and any other standards that are consistent with the work of the ASB. RSA 21-J:14-b, VI requires the ASB to annually review the ratio study procedures and recommends them to the DRA. The ASB shall hold public forums prior to adoption of any recommendations. The Equalization Manual is published by the DRA and readily available to the public.

Section 1 of the Bill amends RSA 541-A:21, V of the Administrative Procedure Act, to allow the DRA's administrative rules to incorporate by reference, relevant sections of the Equalization

Manual. The current Equalization Manual is a 68 page document and it is periodically revised by the ASB. The passing of Section 1 of the Bill avoids the need for the relevant sections of the Equalization Manual to be duplicated in the Rev 2800 rules and also avoids the need for the DRA to amend and readopt the Rev 2800 rules each time the ASB revises and adopts changes to the Equalization Manual.

Section 2

The DRA's ability to develop forms to collect information in the administration of the DRA's general function and responsibilities of overseeing and collecting state taxes is provided in the various tax statutes. RSA 21-J:39, II(d) prohibits any person to willfully submit forms made under the penalties of perjury, that the person does not believe to be true and correct as to every material matter. Through the rule making process, the Office of Legislative Services (OLS) believes that the DRA still requires additional statutory support to require the DRA's forms to be signed under pains and penalties of perjury. Section 2 of the Bill amends RSA 21-J:1, II to add clarity to this concern raised by the OLS.

The DRA appreciates your consideration of HB 285 and recommends a vote of Ought to Pass.

Sincerely,

Lindsey M. Stepp

Lindsey M. Stepp
Commissioner

Voting Sheets

Senate Ways & Means Committee

EXECUTIVE SESSION RECORD

2023-2024 Session

Bill # HB285

Hearing date: 3-29-23

Executive Session date: 3-29

Motion of: OTP **Vote:** 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Lang, Chair	☐	☐	☐	☐	☐
Sen. D'Allesandro, VC	☐	☐	☐	☐	☐
Sen. Murphy	☐	☐	☐	☐	☐
Sen. Innis	☐	☑	☐	☐	☐
Sen. Rosenwald	☐	☐	☑	☐	☐

Motion of: Consent **Vote:** 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Lang, Chair	☐	☐	☐	☐	☐
Sen. D'Allesandro VC	☐	☐	☐	☐	☐
Sen. Murphy	☐	☐	☐	☐	☐
Sen. Innis	☐	☐	☑	☐	☐
Sen. Rosenwald	☐	☑	☐	☐	☐

Motion of: _____ **Vote:** _____

Committee Member	Present	Made by	Second	Yes	No
Sen. Lang, Chair	☐	☐	☐	☐	☐
Sen. D'Allesandro, VC	☐	☐	☐	☐	☐
Sen. Murphy	☐	☐	☐	☐	☐
Sen. Innis	☐	☐	☐	☐	☐
Sen. Rosenwald	☐	☐	☐	☐	☐

Reported out by: Rosenwald

Notes: _____

Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE
FOR THE CONSENT CALENDAR

Wednesday, March 29, 2023

THE COMMITTEE ON Ways and Means

to which was referred **HB 285**

AN ACT authorizing the department of revenue administration to incorporate the New Hampshire equalization manual into the administrative rules and relative to the development of forms or returns by the department.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS

BY A VOTE OF: 5-0

Senator Cindy Rosenwald
For the Committee

This bill allows the Department of Revenue Administration to incorporate by reference the New Hampshire equalization manual into the department's administrative rules. The manual is voluminous and frequently updated, therefore allowing the department to incorporate by reference the relevant sections, the process will be streamlined and much more efficient. The bill also amends RSA 21-J:1, II to clarify that forms returned to the department are required to be signed under the penalty of perjury.

Sonja Caldwell 271-2117

HB285

Bill Details

Title: (New Title) authorizing the department of revenue administration to incorporate the New Hampshire equalization manual into the administrative rules and relative to the development of forms or returns by the department.

Sponsors: ***(Prime)*** Carol McGuire (R), Schmidt (D), Lang (r)

LSR Number: **23-0222**
General Status: **SIGNED BY GOVERNOR**
Chapter Number: **33**
House:
Committee: Executive Departments and Administration
Due Out: 3/16/2023
Status: PASSED/ADOPTED WITH AMENDMENT
Senate:
Committee: Ways and Means
Floor Date: 4/13/2023
Status: PASSED/ADOPTED

Body	Description
H	Introduced (in recess of) 01/05/2023 and referred to Executive Departments and Administration **HJ 3** P. 9
H	Public Hearing: 02/01/2023 10:30 am LOB 306-308
H	Public Hearing on Amendment # 2023-0086h: 02/01/2023 10:45 am LOB 306-308
H	Executive Session: 02/01/2023 10:45 am LOB 306-308
H	Committee Report: Ought to Pass with Amendment # 2023-0086h (NT) 02/01/2023 (Vote 18-0; CC) **HC 14**
H	Amendment # 2023-0086h: AA VV 03/09/2023 **HJ 8**
H	Ought to Pass with Amendment 2023-0086h: MA VV 03/09/2023 **HJ 8**
S	Introduced 03/09/2023 and Referred to Ways and Means; **SJ 10**
S	Hearing: 03/29/2023, Room 103, SH, 09:20 am; **SC 15**
S	Committee Report: Ought to Pass, 04/13/2023; Vote 5-0; CC; **SC 17**
S	Ought to Pass: MA, VV; OT3rdg; 04/13/2023; **SJ 13**
S	Enrolled Adopted, VV, (In recess 05/11/2023); **SJ 15**
H	Enrolled (in recess of) 05/04/2023
H	Signed by Governor Sununu 05/17/2023; Chapter 33; Eff: 07/16/2023

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: HB285 **Senate Committee:** Ways & Means

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

✓ Final docket found on Bill Status

Bill Hearing Documents: {Legislative Aides}

✓ Bill version as it came to the committee

✓ All Calendar Notices

✓ Hearing Sign-up sheet(s)

✓ Prepared testimony, presentations, & other submissions handed in at the public hearing

✓ Hearing Report

___ Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: {Legislative Aides}

All amendments considered in committee (including those not adopted):

___ - amendment # _____ ___ - amendment # _____

___ - amendment # _____ ___ - amendment # _____

✓ Executive Session Sheet

✓ Committee Report

Floor Action Documents: {Clerk's Office}

All floor amendments considered by the body during session (only if they are offered to the senate):

___ - amendment # _____ ___ - amendment # _____

___ - amendment # _____ ___ - amendment # _____

Post Floor Action: (if applicable) {Clerk's Office}

___ Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):

___ Enrolled Bill Amendment(s)

___ Governor's Veto Message

All available versions of the bill: {Clerk's Office}

___ as amended by the senate ___ as amended by the house

N/A final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

SLC 7-25-23

Committee Aide **Date**

Senate Clerk's Office AL