

HB 613 - AS AMENDED BY THE HOUSE

27Mar2025... 0795h

2025 SESSION

25-0337

07/05

HOUSE BILL

613

AN ACT relative to enabling local political subdivisions to vote and set a reduced default budget option.

SPONSORS: Rep. Harvey-Bolia, Belk. 3; Rep. D. McGuire, Merr. 14; Rep. Osborne, Rock. 2; Rep. Pauer, Hills. 36; Rep. Berry, Hills. 44

COMMITTEE: Municipal and County Government

ANALYSIS

This bill enables local political subdivisions that have adopted the official ballot referendum form of meeting to adopt provisions for an annual choice for a reduced default budget.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to enabling local political subdivisions to vote and set a reduced default budget option.

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

1 1 New Sections; Reduced Default Budget Option; Method of Adopting Reduced Budget Default
2 Option. Amend RSA 40 by inserting after section 14-b the following new sections:

3 40:14-c Reduced Default Budget Option. A local political subdivision which has adopted RSA
4 40:13 may, instead of a vote taken under RSA 40:13, XI(c), vote under this section to adopt a reduced
5 default budget of a percentage to be determined by the local political subdivision.

6 I. The wording of the two-prong, second ballot question concerning the operating budget
7 shall appear consecutively on the ballot, and shall be:

8 (a) "Shall the (local political subdivision) raise and appropriate as an operating budget,
9 not including appropriations by special warrant articles and other appropriations voted separately,
10 the amounts set forth on the budget posted with the warrant or as amended by vote of the first
11 session, for the purposes set forth therein, totaling \$____?"

12 (b) "This question shall be considered only if the previous question is defeated. Shall the
13 (local political subdivision) raise and appropriate as an operating budget, not including
14 appropriations by special warrant articles and other appropriations voted separately, a default
15 budget, totaling \$____, which is the same as last year, with certain adjustments required by prior
16 action of the (local political subdivision) or by law; the (local political subdivision) governing body
17 may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a
18 revised operating budget. Should this question be defeated, the operating budget shall be the
19 reduced default budget of \$____, which is the default budget reduced by (R) percent."

20 II. The wording of the ballot question proposed under subparagraph I(b) shall not be
21 amended by the first session of the annual meeting.

22 40:14-d Method of Adopting Reduced Default Budget Option.

23 I. The provisions of RSA 40:14-c may be adopted by any local political subdivision whose
24 legislative body has adopted RSA 40:13. A 3/5 majority of those voting on the question shall be
25 required to adopt the provisions of RSA 40:14-c. Only votes in the affirmative or negative shall be
26 included in the calculation of the 3/5 majority.

27 II. The question shall be placed on the warrant of the annual or special meeting by the
28 governing body, or by petition under the procedures set out in RSA 39:3, RSA 197:2, or RSA 197:6.

29 III. A public hearing shall be held by the local governing body on the question at least 15
30 days, but not more than 30 days, before the question is to be voted on. In multi-town districts, a

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1 public hearing shall be held in each town embraced by the district, none of which shall be held on the
2 same day. Notice of the hearing shall be posted in at least 2 public places in the town and at least 2
3 public places in each town of multi-town districts, and published in a newspaper of general
4 circulation at least 7 days prior to the date of the hearing.

5 IV. The wording of the question shall be: "Shall we adopt an annual option for a default
6 budget, reduced by (R) percent, instead of the default budget, when the proposed operating budget is
7 defeated, per RSA 40:14-c? A 3/5 majority of those voting on the question shall be required." Only
8 votes in the affirmative or negative shall be included in the calculation of the 3/5 majority. R shall be
9 a number between 1 and 10, inclusive. The question shall not be subject to amendment by the
10 legislative body.

11 V. Voting on the question shall be by official ballot. If a 3/5 majority of those voting on the
12 question vote "yes," RSA 40:14-c shall apply beginning the following fiscal year and for all
13 subsequent years until changed as provided in paragraph VI or rescinded as provided in paragraph
14 VII.

15 VI. Any local political subdivision which has adopted RSA 40:14-c may consider adoption of
16 a new reduced default budget option in the manner described in paragraphs I through V. If the
17 adoption of a new reduced default budget option fails, the existing reduced default budget option
18 shall continue to apply.

19 VII. Any local political subdivision that has adopted RSA 40:14-c may consider rescinding its
20 action in the manner described in paragraphs I-V. The wording of the question shall be: "Shall we
21 rescind the provisions of RSA 40:14-c, known as the reduced default budget option, so that there will
22 no longer be any option for a reduced default budget. A 3/5 majority of those voting on the question
23 shall be required." A 3/5 majority of those voting on the question shall be required to rescind the
24 provisions of this section, except in the case of repeal by charter enactment under RSA 49-D.

25 2 Effective Date. This act shall take effect 60 days after its passage.