

Senate Election Law and Municipal Affairs Committee

Jessica Bourque 271-2104

HB 1319, enabling towns, village districts, or school districts to adopt or rescind a local fiscal accountability committee for towns and schools.

Hearing Date: April 28, 2026

Time Opened: 10:34 a.m.

Time Closed: 10:51 a.m.

Members of the Committee Present: Senators Gray, Lang, Rochefort and Long

Members of the Committee Absent: Senator Perkins Kwoka

Bill Analysis: This bill enables a town, village district, or school district to adopt or rescind a local fiscal accountability committee for towns and schools.

Sponsors:

Rep. Pauer

Rep. Cambrils

Rep. Janigian

Rep. Kofalt

Rep. Osborne

Rep. S. Smith

Rep. Weyler

Rep. Peternel

Rep. Vose

Sen. McGough

Sen. Murphy

Sen. Innis

Who supports the bill: Senator Daniel Innis, Rep. Diane Pauer, Cory Stone, Al Brandano, Julie Smith, Leo Plante, Eric Pauer, Russell Hodgkins, Wendy Hunt, Rebekah Woodman, Susan Story, James Farrow, Deborah Farro, Brad Louth

Who opposes the bill: Alan Raff, Brodie Deshaies, Barrett Christina, Meredith Piotrow, Barbara Zaenglein, Eric Zaenglein, Judy Miller, Mary Till, Elizabeth Lewis, A Thomas, Linda Burnap, Amy Erickson, Marlise Bryant, Michael Bryant, Janet Robertson, Abigail Mather, Debra Rodd, Daniel Rodd, Deborah Fexis, Lois Cote, Tami Lanzillo Zeimetz, Ruth O'Neal, Tom Keegan, Barbara Bryce

Who is neutral on the bill: No one

Summary of testimony presented:

Representative Diane Pauer, Hillsborough-District 36

- This would be a local version of the Governor's Commission on Government Efficiency (COGE), which would evaluate policies and potential cost savings and offer alternative recommendations. It would be named the Local Fiscal Accountability Committee for Towns and Schools (FACTS).

- Citizens evaluate potential cost savings on their own, but their assessments are often not taken seriously.
- There is an emphasis on local control in this bill. Municipalities would need to adopt it, and the committee could be tailored to a town's needs. It could also be easily rescinded.
- FACTS would be separate from the existing governing bodies, act as an independent authority, and be able to:
 - Propose warrant articles.
 - Participate in budget hearings.
 - Review proposed budgets and recommend alternatives if any are identified.
 - Provide analysis of spending and local government operations.
 - Publish recommendations on warrant articles.
 - Present and explain recommendations at the annual meeting.
- This is important because it adds value for taxpayers and allows an independent set of eyes to review government operations and budgets.
- FACTS would not replace a budget committee or a governing body. Any recommendation is 'based only' and has no controlling authority.

Senator Lang stated that he believes this is the budget committee's responsibility and questioned the need for a third body.

Rep. Pauer said that to be clear, not all political subdivisions have a budget committee. For example, finance committees are advisory only.

Senator Lang said that on page 3 of the bill, line 24, there would be an additional line in the budget stating, "The FACTS Committee would recommend a budget of X."

Rep. Pauer said that is correct. The FACTS Committee would have time to conduct a deep dive into the budget, unlike a budget committee that doesn't have the time to do so.

Senator Lang said on page 4, lines 5-7 gives FACTS the authority to place changes to the budget on the warrant article.

Rep. Pauer said that is not the intent and not the correct interpretation. FACTS would not own the operating budget as a municipal budget committee does. The intent was that a FACTS committee could place warrants, such as tax impacts and tax caps, or budget caps, and print tax impacts.

Senator Lang asked whether she agreed that, as written, the bill gives them broad authority to reduce or increase budgets and to make recommendations regarding budgets as a warrant article.

Rep. Pauer said that if someone is not familiar with the regulations, they may interpret the language that way and reiterated that there is no statutory authority in

this bill giving the FACTS the authority to place a warrant related to the operating budget.

Brodie Deshaies, NH Municipal Association

- Opposes this legislation.
- This is duplicative of other committees already available to municipalities.
- This appears to be a competing budget versus the one the budget committee formulated after a multi-month process and presented to the legislative body.
- Would require a notation on each special warrant article in the operating budget, including the FACTS committee recommendation. Page 3, lines 33-37, and page 4, lines 1-4.
- There would be no process for the legislative body to restrict the FACTS committee's authority to provide notations on recommendations regarding warrant articles. Legislative bodies are already allowed to do this.
- This would bypass the normal warrant article process, giving FACTS much more power than a budget committee. This should go through the regular process for considering warrant articles.