

HB 1319 - AS INTRODUCED

2026 SESSION

26-2968

09/08

HOUSE BILL **1319**

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

SPONSORS: Rep. Pauer, Hills. 36; Rep. Cambrils, Merr. 4; Rep. Janigian, Rock. 25; Rep. Kofalt, Hills. 32; Rep. Osborne, Rock. 2; Rep. S. Smith, Sull. 3; Rep. Weyler, Rock. 14; Rep. Peternel, Carr. 6; Rep. Vose, Rock. 5; Sen. McGough, Dist 11; Sen. Murphy, Dist 16; Sen. Innis, Dist 7

COMMITTEE: Municipal and County Government

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ANALYSIS

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

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty-Six*

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

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

1 1 New Subdivision; Local Fiscal Accountability Committee for Towns and Schools. Amend RSA  
2 41 by inserting after section 68 the following new subdivision:

3 Local Fiscal Accountability Committee for Towns and Schools  
4 41:69 Adoption.

5 I. This subdivision may be adopted:

6 (a) By any town with a town meeting form of government, including those with a  
7 budgetary town meeting, official ballot town meeting, or representative town meeting pursuant to  
8 RSA 49-D:3, II, II-a, and III, or by a town with an official ballot town council form of government  
9 under which part or all of the annual town operating budget is voted upon by official ballot;

10 (b) By a cooperative school district, in accordance with RSA 195:12-b;

11 (c) By any village district, or district created under RSA 53-A or 53-B, which adopts its  
12 budget at an annual meeting of its voters, and which is located in more than one municipality; or

13 (d) By any school district or village district which adopts its budget at an annual  
14 meeting of its voters but that lies wholly within a municipality that lacks authority to adopt this  
15 subdivision.

16 II. This subdivision may be adopted by a majority vote of those present and voting, under an  
17 article in the warrant for the annual meeting, inserted by the governing body or by petition.

18 III. Voting shall be by official ballot, and the question shall not be amendable by the  
19 legislative body.

20 (a) Except for a town or district that uses an official ballot form of meeting under RSA  
21 40:13 or under a charter adopted pursuant to RSA 49-D, the wording of the question shall be as  
22 follows: "To annually identify efficiencies in local government spending and operations in order to  
23 provide the best value for local taxpayers, shall we adopt the provisions of RSA 41:70 to establish a  
24 local fiscal accountability committee for towns and schools (FACTS) consisting of (number) members-  
25 at-large who are elected, with the initial members elected to one-year terms by the meeting?"

26 (b) This subparagraph applies to a town or district that uses an official ballot form of  
27 meeting under RSA 40:13 or under a charter adopted pursuant to RSA 49-D.

28 (1) If initial local fiscal accountability committees for towns and schools members-at-  
29 large are to be appointed for one-year terms by the moderator, the wording of the question shall be:  
30 "To annually identify efficiencies in local government spending and operations in order to provide

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1 the best value for local taxpayers, shall we adopt the provisions of RSA 41:70 to establish a local  
2 fiscal accountability committee for towns and schools (FACTS) consisting of (number) members-at-  
3 large who are elected, with the initial members appointed to one-year terms by the moderator?"

4 (2) If initial local fiscal accountability committee for towns and schools members-at-  
5 large are to be elected at the next election, the wording of the question shall be: "To annually  
6 identify efficiencies in local government spending and operations in order to provide the best value  
7 for local taxpayers, shall we adopt the provisions of RSA 41:70 to establish a local fiscal  
8 accountability committee for towns and schools (FACTS) consisting of (number) members-at-large  
9 who are elected, with the initial members elected at the next annual meeting?"

10 IV. A town or district which has adopted this subdivision may rescind its adoption in the  
11 manner described in paragraphs II and III, except that the wording of the question shall be: "Shall  
12 we rescind the provisions of RSA 41:70, eliminating the local fiscal accountability committee for  
13 towns and schools (FACTS) which annually identifies efficiencies in local government spending and  
14 operations in order to provide the best value for local taxpayers?"

15 41:70 Local Fiscal Accountability Committee for Towns and Schools (FACTS) Membership.

16 I. The local fiscal accountability committee for towns and schools (FACTS) shall consist of 3  
17 to 7 members-at-large who shall serve staggered terms of 3 years, except for cooperative school  
18 districts that are organized pursuant to RSA 195:12-b.

19 II. Upon a favorable vote under RSA 41:69, III(a), the meeting shall elect the initial  
20 members for one-year terms by means other than by official ballot. Upon a favorable vote under  
21 RSA 41:69, III(b)(1), the moderator shall appoint members to serve until the next annual meeting, as  
22 provided in RSA 669:17. Upon a favorable vote under RSA 41:69, III(b)(2), initial members shall be  
23 elected at the next annual meeting, as provided in RSA 669:17. The staggering of elected terms shall  
24 begin at the next annual meeting, with one-third of such members chosen to hold office for one year,  
25 one-third for 2 years, and one-third for 3 years, and each year thereafter 1/3 shall be chosen for  
26 terms of 3 years and until their successors are appointed and qualified. If the number of members-  
27 at-large is not divisible by 3, the division shall be as even as possible over the 3 years. Election shall  
28 be by official ballot if the municipality has adopted the official ballot system, as set forth in RSA 669.

29 III. A town or district which has adopted this subdivision may vote by official ballot at any  
30 subsequent annual meeting to change the number of the local fiscal accountability committee for  
31 towns and schools (FACTS) members-at-large, except for a cooperative school district. No such  
32 change shall take effect until the annual meeting following the meeting at which the change was  
33 adopted. Currently elected members-at-large shall continue to serve until the end of their current  
34 term. The wording of the question shall be: "Shall we change the number of fiscal accountability  
35 committee for towns and schools (FACTS) members-at-large from (number) to (number)?"

36 IV. No selectman, town manager, town administrator, town clerk, deputy town clerk, school  
37 district clerk, member of the school board, member of the budget committee, village district

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1 commissioner, full-time employee, or part-time department head of the town, school or village  
2 district or other associated agency shall serve as a member-at-large. Every member-at-large shall be  
3 domiciled in the town or district adopting this subdivision and shall cease to hold office immediately  
4 upon ceasing to be so domiciled.

5 V. One of the members-at-large shall be elected by the members of the fiscal accountability  
6 committee for towns and schools (FACTS) to serve as chair. The committee may elect other officers  
7 as it sees fit. A member-at-large shall cease to hold office immediately upon missing 4 consecutive  
8 scheduled or announced meetings of which that member received reasonable notice, without being  
9 excused by the chair.

10 VI. Vacancies shall be filled by appointment by the fiscal accountability committee for towns  
11 and schools (FACTS). Persons appointed to fill vacancies shall serve until the next annual meeting  
12 at which time a successor shall be elected or appointed to either fill the unexpired term or start a  
13 new term, as the case may be.

14 40:71 Duties and Authority of the Fiscal Accountability Committee for Towns and Schools  
15 (FACTS).

16 In any town or district which has adopted the provisions of this subdivision, the fiscal  
17 accountability committee for towns and schools (FACTS) shall have the following duties and  
18 responsibilities:

19 I. Prepare a fiscal accountability committee for towns and schools and schools (FACTS)  
20 budget proposal showing recommended changes to the proposed budget, and, if the municipality is a  
21 town, the recommended changes to budgets of any school district or village district wholly within the  
22 town, unless the warrant for such meeting does not propose any appropriation. The warrant article  
23 for each operating budget, including those under RSA 40:13, shall include the following information:  
24 "The local fiscal accountability committee for towns and schools (FACTS) recommends a budget of  
25 \$X, (reduction or increase) of \$Y from the proposed budget."

26 II. To confer with the governing body or bodies, budget and finance committees, and with  
27 other officers, department heads and other officials, relative to estimated costs, revenues  
28 anticipated, and services performed to the extent deemed necessary by the local fiscal accountability  
29 committee for towns and schools (FACTS). It shall be the duty of all such officers and other persons  
30 to furnish such pertinent information to the local fiscal accountability committee for towns and  
31 schools.

32 III. To participate the public hearings required under RSA 32:5, I.

33 IV. To forward copies of the final the fiscal accountability committee for towns and schools  
34 and schools (FACTS) budget proposals to the clerk or clerks, and in addition, to deliver 2 copies of  
35 such budget proposals and the fiscal accountability committee for towns and schools and schools  
36 (FACTS) recommendations on the operating budget warrant article and special warrant articles to  
37 the respective governing body or bodies at least 20 days before the date set for the annual or special

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1 meeting, to be posted with the warrant. Each fiscal accountability committee for towns and schools  
2 and schools (FACTS) recommendation shall include the vote of the fiscal accountability committee  
3 for towns and schools and schools (FACTS) with the respective warrant article. The final FACTS  
4 budget shall be posted by the governing body with the certified copies of the budget and warrant.

5 V. The local fiscal accountability committee for towns and schools (FACTS) shall have the  
6 authority to place a warrant article on the warrant, with submission to the governing body using the  
7 same deadline as for petitioned warrant articles.

8 VI. At the annual meeting, the local fiscal accountability committee for towns and schools  
9 (FACTS) shall be given the opportunity to explain their recommendation on each warrant article.

10 VII. At the annual meeting, any voter may propose adoption of the fiscal accountability  
11 committee for towns and schools (FACTS) budget proposal as an amendment to the warrant article  
12 for the budget, including total appropriations, deletions of any purpose, or reducing the amount  
13 appropriated for that purpose to zero pursuant to RSA 32:10.

14 VIII. If the local fiscal accountability committee for towns and schools (FACTS) covers a  
15 school district, the local fiscal accountability committee for towns and schools (FACTS) shall be given  
16 the opportunity to provide their recommendation at the public hearing on the school administrative  
17 unit budget if held pursuant to RSA 194-C:10 covering the school district.

18 IX. Any person or persons violating the provisions of this section, RSA 41:69, or RSA 41:70  
19 shall be subject to removal from office on proper petition brought before the superior court. Such  
20 petition shall take precedence over other actions pending in the court and shall be heard and decided  
21 as speedily as possible.

22 2 New Section; Local Fiscal accountability Committee for Towns and Schools (FACTS). Amend  
23 RSA 195 by inserting after section 12-a the following new section:

24 195:12-b Local Fiscal Accountability Committee for Towns and Schools (FACTS).

25 A cooperative school district at an annual meeting may vote to establish a local fiscal  
26 accountability committee for towns and schools (FACTS) and may rescind such action in a like  
27 manner, pursuant to RSA 41:69 and subject to the provisions of this paragraph. The local fiscal  
28 accountability committee for towns and schools (FACTS) shall have the same number of members as  
29 the cooperative district school board instead of the membership available under RSA 41:70, I. The  
30 terms of office and manner of election of members, and appointment by the local fiscal accountability  
31 committee for towns and schools (FACTS) for vacant positions, shall be determined in the same  
32 manner as for the cooperative school board. If the school board is reapportioned pursuant to RSA  
33 195:19-b, the local fiscal accountability committee for towns and schools (FACTS) shall be  
34 reorganized in the same manner.

35 3 New Paragraph; Optional Officers to be Elected by Ballot: Interim Officers. Amend RSA  
36 669:16 by inserting after paragraph VII the following new paragraph:

37 VIII. Local fiscal accountability committee for towns and schools (FACTS) members.

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1           4 New Section; School District Elections; Local Fiscal Accountability Committee for Towns and  
2 Schools (FACTS) Members. Amend RSA 671 by inserting after section 10 the following new section:

3           671:10-a Local Fiscal Accountability Committee for Towns and Schools (FACTS) Members. The  
4 voters of any cooperative school district which has voted at a previous meeting to elect a local fiscal  
5 accountability committee for towns and schools (FACTS) under RSA 195:12-b shall elect members of  
6 the local fiscal accountability committee for towns and schools (FACTS) as provided in RSA 195:12-b.

7           5 Effective Date. This act shall take effect 60 days after its passage.