

Amendment to SB 643-FN

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT requiring municipalities to hold a public hearing and conduct a roll call vote when  
4 seeking to override a tax or spending cap.

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6 Amend the bill by replacing all after the enacting clause with the following:

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8 1 Statement of Findings. The general court hereby finds that:

9 I. There is a compelling state interest in promoting transparency, accountability, and citizen  
10 participation when municipalities consider overriding locally adopted tax or spending caps.

11 II. Local tax caps and spending caps, whether adopted under RSA 32, RSA 49-C, or RSA 49-  
12 D, reflect the will of the voters to place limits on the growth of local government.

13 III. In cities and towns governed by elected councils, budgetary and override decisions are  
14 made by a governing body acting as the legislative authority, rather than directly by the voters.

15 IV. Taxpayers are entitled to clear and timely information regarding when and how elected  
16 officials vote to override such caps, particularly when such decisions may directly affect property tax  
17 rates.

18 V. Enhanced procedural safeguards, including advance notice, public hearings, and recorded  
19 roll call votes, are appropriate when override decisions are made by elected governing bodies.

20 2 New Section; Towns, Cities, Village Districts, and Unincorporated Places; Municipal Budget  
21 Law; Override Procedures. Amend RSA 32 by inserting after section 5-h the following new section:

22 I. This section shall apply only to:

23 (a) Cities; and

24 (b) Towns in which the governing body is an elected town council authorized by charter  
25 or statute to adopt the municipal operating budget.

26 II. This section shall not apply to:

27 (a) Towns operating under a traditional town meeting form of government;

28 (b) Towns operating under the official ballot referendum form of town meeting pursuant  
29 to RSA 40:13; or

30 (c) Village districts or other special districts.

31 III. Before any vote to override a tax or spending cap by a municipality subject to this  
32 section may be held, the governing body shall:

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1 (a) Hold a public hearing on the proposed override and provide notice of such hearing in  
2 accordance with RSA 32:5, I, and other applicable law, except that such notice shall be provided at  
3 least 30 days in advance of the hearing;

4 (b) Provide at such hearing a public comment period of at least 60 minutes in duration,  
5 during which any resident may address the proposed override; and

6 (c) Record the final vote of the governing body on the proposed override as a roll call  
7 vote, with each member's name and vote entered into the official record.

8 IV. The results of the roll call vote, including the name of each member of the governing  
9 body and how such member voted, shall be published on, or included with, the next property tax bill  
10 issued by the municipality. Such disclosure shall be presented in a clear and prominent manner.

11 V. Nothing in this section shall be construed to:

12 (a) Alter the authority of voters at a town meeting or official ballot referendum to  
13 approve or reject a tax or spending cap override;

14 (b) Impose procedural requirements on deliberative sessions conducted pursuant to RSA  
15 40:13; or

16 (c) Modify any charter provision governing the adoption of municipal budgets or override  
17 votes.

18 3 Effective Date. This act shall take effect 60 days after its passage.

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AMENDED ANALYSIS

This bill requires municipalities to hold a public hearing and conduct a roll call vote when seeking to override a tax or spending cap.