

HB 1575 - VERSION ADOPTED BY BOTH BODIES

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2026 SESSION

26-2888

09/07

HOUSE BILL **1575**

AN ACT relative to the determination of the default budget by the budget committee.

SPONSORS: Rep. Boehm, Hills. 38; Rep. Rice, Hills. 38; Rep. Lascelles, Hills. 14

COMMITTEE: Municipal and County Government

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AMENDED ANALYSIS

This bill makes the budget committee responsible for the determination of the default budget in any local political subdivision which has adopted the official ballot referenda form of meeting pursuant to RSA 40:14 and has also adopted a municipal budget committee pursuant to RSA 32:14.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to the determination of the default budget by the budget committee.

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

1 1 Default Budget Determined by Budget Committee RSA 40:14-b is repealed and reenacted to  
2 read as follows:

3 40:14-b Default Budget Determined by Budget Committee. In a local political subdivision which  
4 has adopted the official ballot referenda form of meeting pursuant to RSA 40:14 and has also  
5 adopted a municipal budget committee pursuant to RSA 32:14, the determination of the default  
6 budget shall be by the budget committee instead of the governing body.

7 2 Duties and Authority of the Budget Committee. Amend RSA 32:16, I to read as follows:

8 I. To prepare the budget as provided in RSA 32:5[.] and [~~if authorized under RSA 40:14-b,~~] a  
9 default budget under RSA 40:13, IX(b) for submission to each annual or special meeting of the voters  
10 of the municipality, and, if the municipality is a town, the budgets of any school district or village  
11 district wholly within the town, unless the warrant for such meeting does not propose any  
12 appropriation.

13 3 Use of Official Ballot; Default Budget. Amend RSA 40:13, IX(b) to read as follows:

14 (b) "Default budget" as used in this subdivision means the amount of the same  
15 appropriations as contained in the operating budget authorized for the previous year, reduced and  
16 increased, as the case may be, by debt service, contracts, and other obligations previously incurred or  
17 mandated by law, and reduced by one-time expenditures contained in the operating budget and by  
18 salaries and benefits of positions that have been eliminated in the proposed budget. For the  
19 purposes of this paragraph, one-time expenditures shall be appropriations not likely to recur in the  
20 succeeding budget, and eliminated positions shall not include vacant positions under recruitment or  
21 positions redefined in the proposed operating budget, as determined by the governing body, unless  
22 the provisions of RSA 40:14-b [~~are adopted~~] **apply**, of the local political subdivision. In calculating  
23 the default budget amount, the governing body shall follow the statutory formula which may result  
24 in a higher or lower amount than the proposed operating budget.

25 4 Use of Official Ballot; Default Budget. Amend RSA 40:13, XI(a)-(b) to read as follows:

26 XI.(a) The default budget shall be disclosed and presented for questions and discussion at  
27 the first budget hearing held pursuant to RSA 32:5 or RSA 197:6. The governing body, unless the  
28 provisions of RSA 40:14-b **apply** [~~are adopted~~], shall complete a default budget form created by the  
29 department of revenue administration to demonstrate how the default budget amount was  
30 calculated. The line item details for changes under subparagraph (2) shall be available for

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1 inspection by voters. The form and associated calculations shall, at a minimum, include the  
2 following:

- 3 (1) Appropriations contained in the previous year's operating budget;
- 4 (2) Reductions and increases to the previous year's operating budget including  
5 identification of specific items that constitute a change by account code, and the reasons for each  
6 change;
- 7 (3) One-time expenditures as defined under subparagraph IX(b); and
- 8 (4) Reductions for eliminated positions and benefit expenditures as defined under  
9 subparagraph IX(b).

10 (b) This amount shall not be amended by the legislative body. However, this amount  
11 may be adjusted by the governing body, unless the provisions of RSA 40:14-b ~~[are adopted]~~ **apply**,  
12 acting on relevant new information at any time before the ballots are printed, provided the  
13 governing body, unless the provisions of RSA 40:14-b ~~[are adopted]~~ **apply**, completes an amended  
14 default budget form.

15 5 Use of Official Ballot; Default Budget. Amend RSA 40:13, XI-a to read as follows:

16 XI-a. If a political subdivision maintains a separate fund for the revenues and expenditures  
17 related to the operation, maintenance, and improvement of a water or sewer system, and if any  
18 appropriation for such fund is to be raised through user fees or charges and is included in a warrant  
19 article separate from the operating budget, the warrant article may include a default amount for  
20 such appropriation, which shall be deemed to have been approved if the proposed appropriation is  
21 not approved. The default amount shall be determined by the governing body, or by the budget  
22 committee if ~~[the political subdivision has adopted the provisions of]~~ RSA 40:14-b **applies**, and shall  
23 equal the amount of the same appropriation for the preceding fiscal year, reduced and increased, as  
24 the case may be, by debt service, contracts, and other obligations previously incurred or mandated by  
25 law, and reduced by one-time expenditures contained in the previous year's appropriation. The  
26 warrant article shall state the default amount for the appropriation and shall state that if the  
27 appropriation proposed in the article is not approved, the default amount shall be deemed to have  
28 been approved.

29 6 Effective Date. This act shall take effect 60 days after its passage.