

CHAPTER 149
HB 1575 - FINAL VERSION

12Mar2026... 0294h

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

AMENDED ANALYSIS

This bill makes the budget committee responsible for the determination of the default budget in any local political subdivision that 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.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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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:

1 149:1 Default Budget Determined by Budget Committee RSA 40:14-b is repealed and reenacted to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 that has
4 adopted the official ballot referenda form of meeting pursuant to RSA 40:14 and has also adopted a
5 municipal budget committee pursuant to RSA 32:14, the determination of the default budget shall be by
6 the budget committee instead of the governing body.

7 149:2 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 of
10 the municipality, and, if the municipality is a town, the budgets of any school district or village district
11 wholly within the town, unless the warrant for such meeting does not propose any appropriation.

12 149:3 Use of Official Ballot; Default Budget. Amend RSA 40:13, IX(b) to read as follows:

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

24 149:4 Use of Official Ballot; Default Budget. Amend RSA 40:13, XI(a)-(b) to read as follows:

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

31 (1) Appropriations contained in the previous year's operating budget;

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1 (2) Reductions and increases to the previous year's operating budget including
2 identification of specific items that constitute a change by account code, and the reasons for each change;

3 (3) One-time expenditures as defined under subparagraph IX(b); and

4 (4) Reductions for eliminated positions and benefit expenditures as defined under
5 subparagraph IX(b).

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

10 149:5 Use of Official Ballot; Default Budget. Amend RSA 40:13, XI-a to read as follows:

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

 149:6 Effective Date. This act shall take effect 60 days after its passage.

Approved: June 13, 2026

Effective Date:

Enacted in accordance with Article 44, Part II of the N.H. Constitution, without the signature of the
governor June 13, 2026