

HB 200 - AS INTRODUCED

2025 SESSION

25-0247

07/05

HOUSE BILL            **200**

AN ACT                relative to the procedure for overriding a local tax cap.

SPONSORS:            Rep. Pauer, Hills. 36; Rep. Berezhny, Graf. 11; Rep. Bryer, Rock. 1; Rep. Nalevanko, Ches. 9; Rep. Rollins, Sull. 3; Rep. Spilsbury, Sull. 3; Rep. Bailey, Straf. 2; Rep. Burnham, Straf. 2; Sen. Avard, Dist 12; Sen. Murphy, Dist 16; Sen. Sullivan, Dist 18

COMMITTEE:          Municipal and County Government

---

ANALYSIS

This bill requires a supermajority vote of the legislative body to override a local tax cap.

-----

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to the procedure for overriding a local tax cap.

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

1           1 Municipal Budget Law; Method to Override Local Tax Cap. RSA 32:5-b, III is repealed and  
2 reenacted to read as follows:

3           III. The legislative body may override the cap by the usual procedures applicable to annual  
4 meetings of the legislative body, provided that: when a proposed appropriation will cause the amount  
5 of local taxes raised by the town or district to exceed the tax cap under this section or the total  
6 amount already raised and appropriated has caused the amount of local taxes raised by the town or  
7 district to exceed the tax cap under this section, voting on the appropriation question shall be by  
8 ballot, but the question shall not be placed on the official ballot used to elect officers, except in the  
9 case of a legislative body that uses an official ballot form of meeting under RSA 40:13 or under a  
10 charter adopted pursuant to RSA 49-D. If a 3/5 majority or the super majority as determined under  
11 a charter pursuant to RSA 49-D of those voting on the question vote "yes," the appropriation is  
12 approved. Only votes in the affirmative or negative shall be included in the calculation of the 3/5  
13 majority or the super majority as determined under a charter pursuant to RSA 49-D.

14           (a) For warrant articles proposing bonds, notes, or other multi-year expenditures, only  
15 the first year estimated costs shall be used in counting appropriations for the tax cap under this  
16 section.

17           (b) When using the official ballot form of meeting under RSA 40:13, if the warrant  
18 article for the operating budget results in appropriations exceeding the tax cap under this section  
19 and receives less than 3/5 majority "yes" vote, the adopted operating budget shall be reduced by  
20 appropriations already raised to remain compliant with the tax cap under this section.

21           (c) School districts that have adopted the school administrative unit (SAU) alternative  
22 budget procedure under RSA 194-C:9-b shall place the warrant article for the SAU budget at the  
23 beginning of school district warrant, immediately after any warrant articles proposing bonds or  
24 notes. For school districts using a traditional meeting and when the outcome of the SAU budget vote  
25 is pending on balloting from the other school districts in the SAU, the higher of the school district's  
26 assigned portion of the proposed SAU budget or the school district's assigned portion of the adjusted  
27 SAU budget shall be assumed as raised and appropriated for the purpose of determining when the  
28 override provisions under paragraph III apply.

29           2 Applicability. RSA 32:5-b, as amended by section 1 of this act, shall apply to the local tax caps  
30 adopted prior to the effective date of this act and shall not require local amendment or re-adoption  
31 by the town or district.

**HB 200 - AS INTRODUCED**

**- Page 2 -**

1           3 Effective Date. This act shall take effect 60 days after its passage.