

Senate Executive Departments and Administration Committee

Kevin Condict 271-7875

SB 180-FN, designating Coos county as a distressed place-based economy.

Hearing Date: February 5, 2025

Time Opened: 9:32 a.m.

Time Closed: 10:15 a.m.

Members of the Committee Present: Senators Pearl, McGough, Gannon, Altschiller and Reardon

Members of the Committee Absent : None

Bill Analysis: This bill designates Coos County as a distressed place-based economy and requires commissioners of state agencies to consult with county commissioners before making regulatory decisions that would affect Coos County.

Sponsors:

Sen. Rochefort

Rep. Durkin

Rep. S. King

Rep. A. Davis

Rep. Ouellet

Rep. Tierney

Who supports the bill: Senator David Rochefort (SD 1), Lori Korzen (Coos 7), Ray Gorman (Coos Comm.), Robert Théberge (Coos Comm.), Ericka Cenaus, Simon Berrio, Adam Finkel, and Daniel Richardson.

Who opposes the bill: Jim Oehler (NH Fish & Game).

Who is neutral on the bill: Alan Hanscom (NHDOT).

Summary of testimony presented:

Senator David Rochefort, Senate District 1

- Sen. Rochefort noted that District 1 is the least economically diverse part of the state.
- He said that SB 180-FN designates Coos County as a distressed place-based economy.
- He noted it's either the first county to go into a recession or the last county to come out of a recession. People also say that Coos County is always in a recession.

- SB 180-FN will provide a statement that acknowledges that Coos County is a distressed part of the state.
- This will allow for when Coos County Commissioners apply for economic development grants, which are often federal grants, they can highlight the fact that the state has designated Coos County as a distressed economy.
- When the grants are scored, this designation will be part of the scoring factor that goes into the process.
- He said the needs and concerns of Coos County are not understood and heard in Concord.
- He said this bill will compel the departments to collaborate and consult with Coos County.

Commissioner Raymond Gorman, District 3 County Commissioner
Commissioner Robert Theberge, County Commissioner

- Commissioner Gorman said the Coos County Commissioners support SB 180-FN.
- He said this legislation will have the practical effect of making the County more competitive for federal grant opportunities.
- He noted Coos County is a geographic area characterized by high levels of poverty, unemployment, low medium-income, a declining population and a lack of diverse employment opportunities.
- He noted, with these problems, Coos County also must deal with a disconnect in Concord.
- He said the actions of Concord bureaucrats are having negative effects on Coos County.
- He said they are dubious of the fiscal note that is attached to the bill and their goal is to not insert the County into the regulatory regime.
- Commissioner Theberge said Coos County is highly dependent on its forest industry. He said there are several people who are destitute in the County. He noted the entire population of the County declined in the previous census.
- Senator Gannon asked what the average home cost in Coos County is.
 - o Commissioner Gorman said the cost of each home varies. He said most families in Coos County who are productive have two jobs. He said the residents earn considerably less than in other counties.
 - o Commissioner Theberge said because of the tariffs the cost of gasoline is almost a dollar higher per gallon.
 - o He noted there is also a high retired population on fixed income that is struggling to meet every day needs.

- Senator Altschiller asked if there were criteria that would help support this designation. She wanted guidance about bringing this designation forth.
 - o Commissioner Gorman said the people who testify afterwards will be able to better explain that.

Representative Laurie Korzen, Coos District 7

- Representative Korzen said SB 180-FN is all about giving the local economy a major boost by speeding up the processes and creating a business-friendly environment.
- She noted this is a practical solution, as they will be able to tailor their economic policies to fit the unique needs of Coos County cities and towns. By passing this bill they can create effective and focused economic growth that will resonate in their communities.
- SB 180-FN would also strengthen the public-private sector partnerships that will help allocate resources better and share knowledge between local business and government entities.
- This collaboration will spark innovative projects that are in sync with the economic needs of the County.
- This bill will ensure that Coos County specific economic conditions are taken into consideration, and boost transparency and accountability.
- Senator Gannon asked how much a starter house would cost up in Coos County.
 - o Rep. Korzen said it depends on where you go. She noted she lives in Berlin and would guess the average price would be around \$150,000.

Erica Cemales

- Ms. Cemales said she is the founder of Backroad Strategies, which is a firm that works with small businesses, municipalities and county governments on local and regional economic development issues.
- She noted that while Coos County has the smallest population, the residents are deeply intertwined in the workforce.
- She said SB 180-FN is not an appeal for sympathy in the North County but a tangible solution to address a real economic challenge.
- She noted that designating Coos County as a distressed placed-based economy could have significant positive impacts that could counter supposed fiscal impacts.
- Economic protection would be a result of this designation. It would also empower local leadership. She stressed the need for partnership with Concord.

- She said one of the biggest challenges has been the breakdown of intergovernmental collaboration. She said not every agency is communicating the best they could be with local governments.
- Senator Altschiller asked if she could explain if the state were to establish this designation, would there be a series of benchmarks to be met to justify this designation.
 - o Ms. Cenales said those formulas are currently at the federal level. She said these grants are extremely competitive and they would like this distinction to help the grant process at the federal level. She noted that cost of living, poverty rate, and median average salary are all statistics that contribute to this designation.
- Senator McGough asked if she thought that some of the language in this legislation would delay regulatory decisions and if the delays would impact the county's ability to do business. He thought the analysis and reporting requirements might add delays to economic development.
 - o Ms. Cenales said they would be happy to work with the agencies to fine tune that section. She noted the County has usually done economic analysis that they pay for themselves but right now they are not seeing it considered.
- Senator McGough asked if some of this language should be taken out.
 - o Ms. Cenales said they can modify the language to ensure there is cooperation and participation. She said this bill will help them get further faster and in less time.
- Senator Gannon asked if the county workforce is there to attract businesses.
 - o Ms. Cenales said they have an incredibly hard-working and resilient workforce. She noted housing is an impediment to getting families up north. She noted they have land to build manufacturing facilities with the opportunity to expand and grow, but they need the workforce housing to go with it.

Allan Hanscom, New Hampshire Department of Transportation

- Mr. Hanscom stated that the Department of Transportation is neutral on SB 180-FN.
- He said DOT interacts with citizens and companies statewide daily primarily for the review and issuance of driveway permits for access to the state highways pursuant to RSA 236:13.

- He said DOT would like a better understanding on how this bill would impact decisions regarding proposed driveway permits, in particular, any that may have an adverse safety implication.
- He said DOT would also like to better understand how interacting with county officials and having to gain their input will impact the timeline to issue a driveway permit. He said this bill could complicate the review process and potentially delay issuance of permits beyond the set time limits.
- He said on line 27 where it states, “without imposing unnecessary burdens on local governments,” the Department would like more insight into that language.
- He said within the reporting section DOT would be unsure how they would analyze interdependent economies, economic development plans or mitigate such opposing actions that would inherently damage Coos based commerce. He said they do not have the knowledge or expertise on staff to do such an analysis.
- The final statement requires that Commissioners shall ensure that such decisions are not incompatible with decisions of other departments. He wondered how that would practically work.

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Date Hearing Report completed: February 11, 2025