

Senate Election Law and Municipal Affairs Committee
Jessica Bourque 271-2104

HB 284-FN, requiring tax impact statements on municipal warrant articles.

Hearing Date:April 22, 2025

Time Opened:10:07 a.m.

Time Closed:10:34 a.m.

Members of the Committee Present: Senators Long, Gray, Lang and Rochefort

Members of the Committee Absent: Senator Perkins Kwoka

Bill Analysis: This bill requires that municipalities require tax impact statements on budgets and warrant articles and a total tax summary statement.

Sponsors:

Rep. Bernardy

Rep. Porcelli

Rep. Weyler

Rep. P. Brown

Sen. Gannon

Who supports the bill: Rep. JD Bernardy, Rep. Diane Pauer, Eric Pauer, Janan Archibald

Who opposes the bill: Rep. Eleana Colby, Rep. Stephanie Grund, Barrett Christina, Brodie Deshaies

Summary of testimony presented:

Representative JD Bernardy, Rockingham-District 36

- This is a simple bill that will bring transparency to the town ballot.
- The first part of the bill requires that all votes on budgetary matters require the body to advise the voters on how the body voted.
- The second part of the bill requires a good-faith estimate of the tax impact per thousand of property values for the first 5 years.
- The last part requires a summary of the total impact amount if all of the articles passed at the end of the warrant article.

Senator Lang asked about line 3, the change from “may” to “shall.” That part of the bill addresses the town's legislative body. This seems to indicate that the only option for them is to vote “yes.”

- May have been a drafting problem, but the objective is that when any budgetary group meets and their vote is going to be known to the public that it isn't a hidden vote.

Senator Gray said if you change the “to” on line 3 to “on” then you are voting on requiring that to happen.

Senator Gray said on the first line on page 2, “the town shall also require that...” Senator Gray suggested dropping the first part and adding “shall be placed” so it reads: “A total tax summary shall be placed...” because the town doesn't have a choice.

- Rep. Bernardy agreed with Senator Gray.

Senator Gray said he would appreciate Rep. Bernardy and Rep. Pauer working together to create an amendment incorporating HB 284 and HB 138.

Representative Eleana Marie Colby, Merrimack-District

- This requirement is overly burdensome, especially for school districts with multiple towns. For example, Timberlane comprises five municipalities, resulting in 20 impact statements.
- The costs of printing these ballots could be seen as an unfunded mandate.
- When posting the impact statement, towns cannot consider assumed revenue, which defeats the purpose. Communities would have to provide inaccurate information.

Senator Long asked if she could provide an example of something that would be greater than just a few cents.

- In her town, following the re-evaluation, the tax rate changed by nearly \$3.00 per thousand.

Senator Long asked whether something estimated at 21 cents could double after a town reevaluation.

- It could be lower or higher. Many factors may affect the information. For example, veteran and elderly exemptions play a role in the final numbers.
- Does not want to make promises they can't deliver on.

Representative Stephanie Grund, Hillsborough-District 34

- This takes away local control.
- Exeter has six towns in its SAU, so a separate tax impact must be noted for each town. Rep. Grund said it should also be considered when the quantity of information is sufficient and when it becomes excessive.

Brodie Deshaies, NH Municipal Association

- This mandates that the legislative body vote to require governing bodies to add their numerically tallied recommendations to each warrant article. NHMA is unsure how the state can compel a legislative body to vote “yes”.
- Also removes language from the current statute permitting the governing body to provide these tallies if they choose to do so.
- Many school districts do this already.
- Some voters are against these numbers, viewing them as a governing body influencing a vote. Some like it because it is information they can use.
- HB 284 mandates how the impact is written using the dollar amount per \$1,000 of property value. Most towns do it this way, but not all.
- NHMA would support both bills if they were enabling legislation.

Senator Long asked Mr. Deshaies if he sees any problems that could arise with voters who don't understand why they voted for something that was estimated to cost \$1.00 but ended up costing \$1.50 because they aren't updated after the initial estimate.

- NHMA hopes that governing bodies will speak on that at the time of the vote.
- NHMA believes it is important to have complete transparency and accurate information.

Janan Archibald

- While working at the polls, she has overheard many people say, “How did you vote on those warrant articles?” The answer will often be, “I don't know; I just voted yes (or no).” Later, those same names will appear on social media after receiving their tax bills, expressing confusion about why they are so high, because they didn't realize what they had voted on a few months prior.
- Asked where in society we ask people to buy something without telling them the cost.
- Thinks we should give people everything in their power to be informed.

Eric Pauer, Brookline Planning Board

- This would be a game-changer for school districts and towns across the state.
- Taxes are rising, especially school taxes.
- This information is information that the average person can understand.
- Many people ask how much the warrant articles will cost.
- It is crucial for people to understand that it is an estimate and the best available information at the time.

- Suggested that the committee could fix line 3 by deleting the words “vote to”.
- Sometimes you’ll have an adversarial relationship between a school board and a budget committee and a selectboard, and the selectboard could say, “Well, we don’t want the voters to know how the budget committee voted,” so they don’t put that information in because they don’t have to. For the sake of transparency, this would require them to put that information in.

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Date Hearing Report completed: April 25, 2025