

State of New Hampshire HOUSE RECORD

**First Year of the 156th Session of the General Court
Calendar and Journal of the 1999 Session**

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Contains: Public Hearings, Work Sessions, Notices, Reports and Amendments for March 4

HOUSE CALENDAR

NOTICE

MEMBERS OF THE HOUSE:

The House will meet on Thursday, March 4 at 10:00 a.m. Future sessions are tentatively scheduled for March 11 and March 18.

I know the House joins me in offering condolences to the family of Representative Paul St. Hilaire of Berlin who died unexpectedly this week. Paul was serving his third term on the Resources Committee where he was highly regarded by his colleagues. We will all miss him. May he rest in peace.

On a brighter note, I am pleased to announce that Representative Godfrey Howard has agreed to coordinate the House continuing education program again this year. He will be working with Representative Janet Wall to bring us programs that are interesting and relevant to our legislative work. Please reserve Wednesday, March 10 at noon in State House Room 100 for a presentation on the tobacco settlement.

There will be a briefing on the Finance Committee's recommendations for the Claremont bills on Wednesday, March 3 at 3:00 p.m. in Rooms 305 and 307. Come and have your questions answered before the vote on Thursday.

I am filing a memorandum in opposition to the constitutionality of the Senate proposal for a binding referendum on a new taxation plan. If any member would like to join me in signing the memorandum please see Carol Dunning in the Speaker's Reception Area.

Chairmen and Vice Chairmen will meet on Tuesday, March 2 at 9:00 a.m. in Room 201 LOB.

Donna Sytek, Speaker

NOTICE

There will be a Republican Caucus on Thursday, March 4 at 9:00 a.m. in **Rooms 201-203** of the Legislative Office Building. Please note room change.

Rep. Gene G. Chandler, Majority Leader

NOTICE

There will be a Democratic Caucus on Thursday, March 4 at 9:00 a.m. in Rooms 305-307 of the Legislative Office Building.

Rep. Peter H. Burling, Democratic Leader

PARKING NOTICE

If you do not have a reserved parking space in the LOB Garage or a bagged meter reserved street parking space, you are asked to park in the Storrs Street Legislative Parking Garage on Tuesdays, Wednesdays and Thursdays. On Mondays and Fridays (unless otherwise posted), spaces along the outer wall of the upper and lower levels of the LOB Parking Garage are open to all legislators and staff on a space available, first-come basis. This is a clarification, not a change from past policy. As area parking is limited you are asked to refrain from using street parking spaces and utilize the legislative parking garages for visits of any length. We are trying our best to be a fair partner with the City of Concord and good neighbor to state agencies and businesses. One way we can do this is by utilizing our garage space to the fullest. This frees the street parking spaces for area business customers and the public conducting business, obtaining information and attending our meetings. If you have any questions or concerns, please contact Rob Johnson, House Sergeant-at-Arms at 271-3315.

Rob Johnson, Sergeant-at-Arms

HOUSE DEADLINES

House Rule 64:

December 15, 1998, Tuesday

Last day for all members to file LSR's, with complete information.

January 11, 1999, Monday

Last day for sign-off of all Claremont-related bills.

January 25, 1999, Monday

Last day for sign-off of all non-Claremont-related bills.

March 11, 1999, Thursday

Last day to amend House rules by majority vote.

THURSDAY, MARCH 4

CONSENT CALENDAR

COMMERCE

HB 79, relative to reports of shortages to the bank commissioner and to safe deposit box openings. OUGHT TO PASS WITH AMENDMENT

Rep. Sheila T. Francoeur for Commerce: This bill, as amended, will require banking institutions to file with the Bank Commissioner the same reports they currently file with their federal regulators. This bill specifically addressed the suspicious activity reports. It is important that the Banking Department be able to monitor these reports in a timely manner. Vote 17-1.

HB 80, making technical corrections in the banking laws. OUGHT TO PASS WITH AMENDMENT

Rep. Keith R. Herman for Commerce: Several years ago this Legislature passed the bank holding company act. This bill makes corrections to this existing law by removing the word "bank" from the statute so it applies to all holding companies; that is, banks, mutual savings, etc. There was no opposition to this bill. Vote 17-1.

HB 83, prohibiting owners and operators of manufactured housing parks from charging residents 65 years of age and older fees for keeping dogs. INEXPEDIENT TO LEGISLATE

Rep. Jane S. Langley for Commerce: This bill attempts to waive dog pet fees for the elderly. The committee feels the bill is unnecessary as existing law RSA 674:31 enables what this bill attempts to achieve. The committee feels if a dog pet fee is waived it should be for all residents of mobile homes and this is a different issue. Vote 18-0.

HB 201, relative to minimum uninsured motorist liability insurance. INEXPEDIENT TO LEGISLATE

Rep. Stephen G. Avery for Commerce: The committee felt that while we do not have mandatory automobile insurance in New Hampshire, it is important to protect insured motorists from both uninsured and underinsured motorists. This is the fabric that allows the current system to work. Vote 19-0.

HB 210, reinstating the corporate charter of C. A. B. Real Estate, Inc. OUGHT TO PASS

Rep. Tim S. McGough for Commerce: The process in current law to reinstate a corporate charter required specific legislation to do so. This legislation along with HB 218 accomplishes a reinstatement for the two organizations mentioned in the titles. Additional legislation pending this session has been filed to address the requirement for specific legislation in the future. Vote 19-0.

HB 214, changing the membership of and extending the reporting date for the committee to study women's health care. OUGHT TO PASS

Rep. Martha Fuller Clark for Commerce: The committee unanimously agreed with the testimony put forth at the public hearing in support of continuing the work of the women's health care study committee until November 2000 and for enlarging the membership to insure adequate representation so that the work of the committee can move forward in a timely and comprehensive manner. The states of Maine, Vermont and Connecticut are already involved in comparable studies. It is clear that New Hampshire needs to have a better understanding of how it can improve health care services and access for women and girls in this state. Vote 19-0.

HB 218-L, reinstating the corporate charter of Approved Industries, Inc. OUGHT TO PASS

Rep. Stephen G. Avery for Commerce: This is a housekeeping bill that reinstates the corporate charter of Approved Industries, Inc. The reinstatement is retroactive to October 31, 1983, which was when it was forfeited because of non-filing. The corporation has paid all fees and a reinstatement fee. Vote 19-0.

HB 373, making technical corrections to the securities laws. OUGHT TO PASS

Rep. Keith R. Herman for Commerce: This bill removes department rules and places into statute reporting requirements for brokers and dealers. This will allow greater compliance and oversight for licensees. This bill also extends reporting deadlines by one business day should the deadline date fall on a weekend. This courtesy is extended by other agencies including the IRS and should be extended to licensees covered by this RSA. There was no opposition to this bill. Vote 18-0.

HB 429, prohibiting mortgage foreclosures or demands of mortgages during an economic emergency declared by the governor. INEXPEDIENT TO LEGISLATE

Rep. Keith R. Herman for Commerce: The concern of the sponsor is Y2K related. The bill would prevent mortgage holders from foreclosing on homes should the Governor declare a banking emergency if the banking network fails as a result of Y2K computer

problems. While there may be some rational concerns over Y2K issues, the committee is extremely concerned that this bill would only affect mortgages held by state-chartered banks and would offer no protection to the vast majority of out of state and private mortgages. In addition, the Governor's current emergency powers do provide ample protection to bank customers in the event of problems. Vote 17-0.

CRIMINAL JUSTICE AND PUBLIC SAFETY

HB 203, making impaired boating laws consistent with driving while intoxicated laws. OUGHT TO PASS

Rep. Andrew Christie, Jr. for Criminal Justice and Public Safety: This bill makes two changes to the boating laws. First, in 1996, the legislature said all items under RSA 265:82 (driving while intoxicated) would apply to boating, but it did not include the penalty for refusal to take a breath test. Under RSA 270:58, a refusal for a boater means no loss of license, just up to a \$500 fine for the underlying B.W.I. The change in this bill makes it consistent with the driving laws. Thus, ALS applies and restoration fees apply the same as in driving laws. Second, in section 3(a) of the law "or operating" has been added. By doing this, we are requiring an owner or operator to file an accident report when injuries or death occur. Vote 18-0.

HB 215, prohibiting name changes for certain felons. OUGHT TO PASS WITH AMENDMENT

Rep. Frank M. Schanda for Criminal Justice and Public Safety: This bill, as amended by the committee, prohibits a person from changing his/her name if serving a prison sentence, or on probation or parole, or required to register as a sex offender under RSA 651-B. Only the court may override this and only under compelling circumstances. When amending the original bill, the committee also took into consideration the content of a similar pending senate bill, combining the intents. Vote 18-0.

HB 236-FN-L, relative to felonious disarming of a law enforcement officer. OUGHT TO PASS WITH AMENDMENT

Rep. Andrew Christie, Jr. for Criminal Justice and Public Safety: This bill made a new crime of taking a firearm from a law enforcement officer. In its original form it gave enhanced penalties of 10-15 years and 5-10 years for violations of sections II(a) and (b) of the bill. The committee eliminated the enhanced penalties and just made it a class A felony (7 ½-15 years) for II(a) and a class B felony (3 ½-7 years) for II(b). We believed that by choosing to become a police officer you were aware that you were on the front line of crime fighting and did in fact face increased dangers. Another reason for doing what we did was that section III of the bill makes any other sentence received under this section consecutive with any other term of imprisonment imposed with respect to the same original episode. We changed section IV(b) – the definition of a law enforcement officer to that in RSA 630:1,II, the capitol murder statute. This definition includes sheriff, deputy sheriff, state police officer, constable or police officer or any city or town, an official or employee of any prison, jail or corrections institution, a probation-parole officer, or a conservation officer. Lastly, we added an affirmative defense section to cover the taking of a weapon to help defend an injured officer or taken to be secured due to injury. Vote 18-0.

HB 266, increasing the length of license revocation for first-time DWI offenders. INEXPEDIENT TO LEGISLATE

Rep. Andrew Christie, Jr. for Criminal Justice and Public Safety: The subcommittee met twice to discuss this legislation. Members of that committee contacted three judges and two defense attorneys. All five of these professionals agree that the current statute is adequate. The current statute allows license revocation for up to two years at the discretion of the judge. The subcommittees seriously considered recommending ITL, but finally voted re-refer for study in order to further research this bill. The whole committee at executive session moved ITL since the two-year suspension is in place now. Vote 18-0.

HB 272-FN, relative to the use of laser pointing devices. OUGHT TO PASS WITH AMENDMENT

Rep. Robert M. Fesh for Criminal Justice and Public Safety: This bill, as presented to the committee, would have created a new section of law that would make the "illuminating" of a motor vehicle or a window with a laser pointer a Class B misdemeanor. It would elevate the penalty to a Class A misdemeanor if a laser device were to be used to illuminate a police officer. The committee was presented with material from manufacturers of laser pointing devices that contained warnings of possible serious injuries to the eyes of an individual who might be the target of such a device. An amendment was presented to the committee that replaces the entire bill and makes it a violation to "illuminate" an occupied vehicle, window or a person and would confiscate the device upon conviction. These devices are not toys and should be used with care, however, since the most common instances of misuse involve children, it is felt that a fine and confiscation might alert parents that their supervision is needed when there is a lack of responsibility shown by their children. The committee agreed to amend the bill. Vote 18-0.

HB 282-FN-A, relative to bomb dogs and making an appropriation therefor. RE-REFER TO COMMITTEE

Rep. Andrew Christie, Jr. for Criminal Justice and Public Safety: This bill would appropriate funding for two specially trained bomb dogs. The committee heard that Sen. Gregg has announced that New Hampshire will be receiving federal grants for two dogs. The committee felt that passing this bill might jeopardize this grant and voted to re-refer the bill to await further information. Vote 18-0.

HB 302, relative to paint ball guns. OUGHT TO PASS WITH AMENDMENT

Rep. Robert M. Fesh for Criminal Justice and Public Safety: This bill, as presented to the committee, would have created a new section of law regulating sales of "paint ball" guns to anyone under the age of 18. Paint ball guns are devices that propel small cartridges filled with paint to mark the target by means of compressed air supplied at an approved range under most circumstances. Because the nature of the proposed statute was similar to the current RSA 644:14 relative to Air Rifles, it was voted by the committee to include paint ball guns with air rifles which allows the use of such devices at home only under parental supervision for those under 18 or at an approved range under responsible adult supervision. Anyone who supplies such devices to a person under 18 without written consent of a parent or guardian is guilty of a violation. Vote 18-0.

HB 312, restricting the carrying of firearms in courthouses. RE-REFER TO COMMITTEE

Rep. Andrew Christie, Jr. for Criminal Justice and Public Safety: This bill was to define the "areas used by the court" as it appears in RSA 159:19. It currently is a Class B felony to carry a firearm into an area used by the court. The problem seems to be that there is no consistency in our courthouses as to just what areas are used by the court. Many of our courthouses contain offices of the register of deeds, county attorney and/or country sheriff. An effort by the court to place additional warnings, per RSA 159:19, on various court documents is underway to attempt to minimize those individuals who may appear at a courthouse carrying a firearm. The committee wishes to place the bill into study to allow some time for the court's efforts to bear fruit. Vote 18-0.

HB 323, relative to restricting the decibel level of motor vehicle sound systems. INEXPEDIENT TO LEGISLATE

Rep. Walter J. Mikowski for Criminal Justice and Public Safety: This bill attempts to restrict the decibel level of noise coming from within motor vehicles. The committee agreed that many communities already impose noise ordinances to cover varying situations. Also, it could be difficult to enforce the restriction of 80 decibels without special equipment in all law enforcement vehicles. The committee agreed to leave this a local issue. Vote 16-1.

HB 423, relative to advertisements for sweepstakes and gambling. INEXPEDIENT TO LEGISLATE

Rep. Herbert R. Hansen for Criminal Justice and Public Safety: The sponsor felt that the sweepstakes authority should publish more prominently on all their advertisements the fact that the odds of winning are very much against the purchaser. The committee examined all the current advertising and the odds are published completely on each type of ticket and well within the law. We agree that the advertising is very marketing oriented and in some cases extremely seductive but the odds are shown for all to review. Vote 18-0.

HB 424, relative to fire protection and warning devices. INEXPEDIENT TO LEGISLATE

Rep. Everett A. Weare for Criminal Justice and Public Safety: This bill would mandate that all multi-unit dwellings shall have fire suppression systems consisting of automatic or manually operated fire alarm system, non-battery operated smoke detection system, and automatic water sprinkler system in certain areas that meet the approval of the state fire marshal and sets forth a penalty for violation or non-compliance. This action must be complied with by the year 2010. The sponsor of the bill should be commended for his interest in improving the level of fire protection and safety in multi-unit dwellings. However the state fire codes, life safety code, and building codes adopted in accordance with RSA 541-A are more than adequate to insure proper protection for the buildings and occupants. The proposed penalty is less than that required by present law. The deadline of the year 2010 could possibly cause property owners to insist they be allowed to wait until 2010 until they make the necessary improvement resulting in a 10 year period during which no fire safety improvements are made to buildings. Vote: 18-0

HB 437, establishing a study committee on state reimbursement of municipalities for emergency responses along interstate highways. INEXPEDIENT TO LEGISLATE

Rep. Herbert R. Hansen for Criminal Justice and Public Safety: The purpose of this bill was to establish a committee to study reimbursement of municipalities for emergency responses of their fire, rescue and police equipment on sections of interstate highways that pass through or abut their municipalities. Currently, RSA 151-B:1 addresses the Reimbursement for Public Agency Response Services under circumstances where negligence was responsible for the accident. On all other occasions the committee felt that it was the abutting town's responsibility to provide emergency response in the same manner that they do for

accidents on their own thoroughfares and roads. In addition, to provide reimbursement for incidents handled on the interstate highway system would open up requests for the same treatment for responses on the entire state highway system. Vote 18-0.

HB 447, repealing the laws prohibiting certain promotional games. OUGHT TO PASS

Rep. Herbert R. Hansen for Criminal Justice and Public Safety: The law that is being repealed was passed during 1973 to curb a somewhat punitive practice of the major oil companies that forced service stations to participate in promotional games and drawings. Now the situation is reversed and the service stations want to be able to participate if they so desire. No one appeared at the public hearing to testify against the bill and in December 1997, Massachusetts repealed a similar law. Vote 18-0.

HB 478, prohibiting smoking in all areas of prisons. RE-REFER TO COMMITTEE

Rep. Andrew Christie, Jr. for Criminal Justice and Public Safety: This bill would have prohibited smoking by staff and inmates in all state prison facilities by January 1, 2000. At the public hearing, Corrections Commissioner H. Risley explained that this process had already begun. The target date for smoke free prisons is April 1, 1999, for the women's facility and January 1, 2000 for the Concord men's facility. The new Berlin prison will be smoke free. The State Employee's Association supports the ban. The committee decided to re-refer the bill to watch progress on the administrative handling of this situation before passing legislation, which may not be necessary. Vote 18-0.

EDUCATION

HB 349-FN-L, relative to revising annual grant amounts made for school building aid. RE-REFER TO COMMITTEE

Rep. Robert E. McKinley for Education: The method of funding school building aid is a subject that the Education Committee feels should be studied in depth. This bill, along with HB 273 which covers the same subject, will be studied together. Vote 15-2.

HB 358, relative to the term of office for members of the state board of education. OUGHT TO PASS

Rep. Susan B. Durham for Education: This bill will reduce the term of office for members of the State Board of Education from five years to four years with a maximum of three consecutive terms instead of the current two terms. The intent of these changes is to make it easier to recruit outstanding people to serve on that board. A term of four years seemed to be reasonable. Vote 17-0.

ELECTION LAW

HB 213, relative to voting by prisoners OUGHT TO PASS WITH AMENDMENT

Rep. Robert E. Clegg, Jr. for Election Law: This bill defines, in accordance with the recent court decision, where an incarcerated person may register to vote. The domicile of incarcerated persons shall be that from which they came immediately prior to incarceration. This bill also allows for voting by absentee ballot for incarcerated persons. Vote 15-0.

JUDICIARY

HB 286, establishing a committee to study the issue of an HIV infected person's failure to warn his or her sexual partners that he or she is infected with HIV. INEXPEDIENT TO LEGISLATE

Rep. McKim W. Mitchell for Judiciary: After several subcommittee meetings on HB 286, including one with County Attorney Michael Johnson, it became apparent that prosecutors have tools already in place to deal with an HIV infected person's failure to warn his or her sexual partner of the risk involved. The committee believes we should be looking more into the area of health and education services rather than the criminal or civil aspects which are already in place. HIV shouldn't be the only disease addressed. What should be addressed is: contagious diseases, reporting, public information programs and education. Vote 16-0.

HB 306, relative to discoverability of environmental audit reports. OUGHT TO PASS WITH AMENDMENT

Rep. Robert H. Rowe for Judiciary: This bill was passed so that the wording of RSA 147-E complies with the requirement of the Federal Environmental Protection Agency. Without this amendment DES would lose up to \$7 million in annual funding. NHDES recommended this amendment. The committee felt pressured and uncomfortable having a federal agency holding a club over our head all in the name of federal money. However, during these times, it felt that it was a wise decision to make the

necessary changes. Vote 13-0.

HB 342, repealing certain laws pertaining to adverse possession. INEXPEDIENT TO LEGISLATE

Rep. James W. Craig for Judiciary: This bill was filed merely as a way of stressing its sponsor's primary bill (HB 465) regarding this matter. The sponsor's position in submitting this bill was to make the point that government is not affected by adverse possession but private citizens are. The sponsor asked that the committee find the bill ITL. Vote 16-0.

MUNICIPAL AND COUNTY GOVERNMENT

HB 255, authorizing the appointment or election of the combined office of town clerk-tax collector. INEXPEDIENT TO LEGISLATE

Rep. Robert W. Brundige for Municipal and County Government: The present system of electing the town clerk retains the direct accountability between the town clerk and the voters and it maintains the independence of the town clerk. This system was incorporated into the New Hampshire Constitution and is working well. The Committee agrees "if it ain't broke, don't fix it." Subsequent to the original Committee vote of ITL, the sponsor submitted an amendment to the bill. After discussion of the amendment, the Committee voted 15-0 not to reconsider the original motion. Vote 15-0.

HB 268-L, relative to the rescission of the official ballot form of meeting. OUGHT TO PASS WITH AMENDMENT

Rep. Norma A. Sabella for Municipal and County Government: This bill, as amended, clarifies the adopting question and rescission question of RSA 40:13 (known as SB2). Vote 15-0.

HB 377, relative to staying adoption of zoning ordinances under certain circumstances. INEXPEDIENT TO LEGISLATE

Rep. Linda T. Foster for Municipal and County Government: The design phase of the planning process is informal, non-binding, and not mandatory. RSA 676:12 V grandfathers projects when they are accepted by the board. This meeting has been noticed and the abutters have been notified. This is a more appropriate time to grandfather a project. Vote 13-0.

HB 378, relative to discharge or suspension of county employees. INEXPEDIENT TO LEGISLATE

Rep. Elizabeth S. Hager for Municipal and County Government: The Committee could find no reason why this suggested change was needed. The counties indicated the current language has not presented any problems. Vote 14-0.

HB 384-L, relative to permitting the election of city officers to be held on biennial election day. INEXPEDIENT TO LEGISLATE

Rep. Thomas E. P. Rice for Municipal and County Government: This same proposition was turned down last year for another city. The city of Franklin already has sufficient options. There is great concern about having two or more overcrowded ballots slowing down the voting process to an unacceptable degree, as well as conflicting filing deadlines, absentee balloting, and mixing partisan and non-partisan ballots. Vote 14-0.

HB 460, relative to adoption and final approval of master plans for municipalities. INEXPEDIENT TO LEGISLATE

Rep. Anthony F. Simon for Municipal and County Government: This bill would have required legislative body approval of a master plan. The Committee feels that there is no need to affect the master plan process in this way. Vote 13-0.

HB 461-L, relative to inclusion of conservation, preservation, and local water resources management provisions in local master plans. INEXPEDIENT TO LEGISLATE

Rep. Thomas E. P. Rice for Municipal and County Government: This bill constitutes an unfunded mandate and is therefore not constitutional. Vote 14-0.

PUBLIC WORKS AND HIGHWAYS

HB 350-FN, relative to an additional lane on Route 102 in Chester and making an appropriation therefor. INEXPEDIENT TO LEGISLATE

Rep. Charles W. Morse for Public Works and Highways: The committee recognizes the hardship this bill places on the local

school district. However, this bill would set a precedent for future funding. The committee agrees with Department of Transportation testimony that this bill be Inexpedient to Legislate. The committee and the sponsor will continue to pursue with the DOT avenues to find a solution to this problem. A question was raised regarding a 28-a issue, and the committee felt that since this is a new facility all current regulations need to be met. 28-a would apply if this work was required at the existing facility. Vote 16-0.

HB 365, establishing a committee to study the current practice of posting roads and its effect on the economy. OUGHT TO PASS

Rep. John R. Cloutier for Public Works and Highways: The committee majority believes such a study committee is needed after hearing persuasive testimony from the sponsor and a number of concerned citizens. The intent of such a committee would be to inquire how the posting of roads by the state and municipalities could be better and more equitably done so as to possibly lessen any adverse impacts to affected businesses, especially those that rely on trucks. But, the committee should also study if trucks are paying their fair share of any damage to roads in the spring. The Department of Transportation indicated it is in favor of such a study committee. Vote 15-0.

HB 401, relative to the International Trade Corridor and Border Crossing Planning and Development Program. INEXPEDIENT TO LEGISLATE

Rep. Bernard J. Raynowska for Public Works and Highways: This bill was filed prior to the filing of an application for funds under the National Corridor Planning and Development Program. Since that time an application has been completed and forwarded to Washington. Due to the filing, this bill requires something to be done that has already been accomplished. The sponsor is in complete agreement. Vote 15-0.

HB 406-FN-L, relative to certain private rail lines. INEXPEDIENT TO LEGISLATE

Rep. Winston H. McCarty for Public Works and Highways: The committee admires the initiative of the town to be encouraging commercial and industrial development. The committee did believe it would be setting the wrong precedent to spend state monies for railroad crossing signal lights on a newly proposed town road to private land for speculative development. Vote 16-0.

HB 416-FN-L, transferring control of all rest areas on state ways to the city or town in which each rest area is situated. INEXPEDIENT TO LEGISLATE

Rep. John R. Cloutier for Public Works and Highways: The overwhelming committee majority believes this bill is not needed. There was no testimony from any municipalities that wanted to take over the 15 rest stops now owned and operated by the state. Furthermore, under the bill, if any of the municipalities refused to take over such stops, they would be offered to private owners. But, there was no testimony in favor from any potential private owners. Finally, the Transportation Commissioner stated that he believes such stops are now well operated, and that passage of the bill might force the state to reimburse the federal government for any money originally spent in building such stops. Vote 15-0.

HCR 4, urging the U.S. Secretary of Transportation to include U.S. Route 2 as a border corridor highway. OUGHT TO PASS

Rep. Edwin O. Smith for Public Works and Highways: This resolution urges the U.S. Secretary of Transportation to include U.S. Route 2 in a funding portion of the TEA 21 federal highway program. Money for this would come from those funds appropriated for border infrastructure improvement, and not affect other funds coming to the state as a result of TEA 21 funding. The state has nothing to lose, and would receive additional funding if included in the federal program. Vote 15-0.

THURSDAY, MARCH 4

REGULAR CALENDAR

CRIMINAL JUSTICE AND PUBLIC SAFETY

HB 204-FN, relative to driving after license revocation or suspension. OUGHT TO PASS WITH AMENDMENT

Rep. Andrew Christie, Jr. for Criminal Justice and Public Safety: This bill establishes penalties for collisions resulting in injuries or property damage when the collision was caused or contributed to by a driver whose license is under revocation or suspension. Section 1 of this bill makes no changes other than to go to gender neutral language. Section 2 is the new part and

the committee amendment is substantially the same as the original bill but we took out the property damage in excess of \$1000. It now says that if you drive while under revocation or suspension and are in an accident that causes death or injury to any person you shall be guilty of a class B felony. We also added a provision saying if you are suspended pursuant to RSA 263:14 (the 20 day administrative suspension) you shall be guilty of only a misdemeanor. We did this because if you are over 20 years old, you would just pay a fine for these minor-moving violations but if you are under 20, you pay a fine and get suspended. We felt that this was the fairest way to do this. Vote 17-1.

FINANCE

HB 108-FN-A-L, establishing a statewide education property tax to provide equal per student funding for state-mandated education and funding for kindergarten and making an appropriation therefor. MAJORITY: INEXPEDIENT TO LEGISLATE. MINORITY: OUGHT TO PASS WITH AMENDMENT.

Rep. Jeffrey C. MacGillivray for the Majority of Finance: After this statewide property tax bill was recommitted, the sponsor proposed an amendment which incorporated most of the additional revenues used in HB 117 as amended. This reduced the property tax rate to \$9.99 and significantly decreased the impact on "donor towns", and made HB 108 more like HB 117. We again thank the sponsors for their years of work and their ideas, and for their incorporation of the same additional revenues as in HB 117. However, HB 108 still has a larger adequacy number than HB 117, no homestead exemption, no donor town transition grants, and expands the state kindergarten aid program. These differences explain HB 108's higher statewide property tax rate. The committee has decided to recommend HB 117 as amended instead, with its homestead exemption, its donor town transition grants, continuation of the existing kindergarten program, and targeting of the last few hundred dollars of state aid to property-poor communities. Vote 25-1.

Rep. Steve Vaillancourt for the Minority of Finance: The amendment reduces the statewide property tax rate from \$12 to \$9.99 per thousand. This is accomplished by using, as is done in the SMART plan, \$125 million in cigarette tax money. The amendment goes a long way in reducing the "pain" on so-called donor towns. The amount to be transferred from donor to receiver towns has been reduced from \$133 million to \$63 million, as opposed to the \$52 million (prior to any constitutionally questionable give-back grants) in the SMART plan. The advantage to this bill is in the adequacy amount. Unlike the SMART plan which still contains an unrealistic level of \$708 million, this bill sets adequacy at a rate of \$864 million, \$4000 for elementary students and \$4500 for high school students. That's a compromise from the \$966 million we hear on the Senate side. This bill also targets funding to the communities which need help the most. A special weighting of .4 is allowed for students on free or reduced lunches. SMART proponents realized the wisdom of this approach but limited the weighting to .1. Also, unlike SMART, this bill will pass constitutional muster and not cause us to be back here "fixing" things in a few months. Fair and constitutional, this bill solves the Claremont dilemma with an adequate number and without the disruptive influence of an income or sales tax. And it will provide significant property tax relief to three out of four homeowners in the state.

HB 114-FN-A-L, establishing a local property tax education homestead allowance against school taxes on residential real estate, establishing a fund to reimburse municipalities for such exemptions, and making an appropriation therefor. INEXPEDIENT TO LEGISLATE

Rep. William S. Belvin for Finance: As originally crafted the bill's core concept was to provide a homeowner with a local property tax education homestead allowance of 50% of the first \$100,000 of the home's value. The bill was recommitted to consider new amendments to this proposal.

The amendment offered by the bill's sponsors had both a policy and technical component. The policy change was to accelerate the availability of the full homestead allowance to the tax year 2000 from the previous tax year 2008. The technical provisions addressed the mechanics of the Education Homestead Allowance Fund's operations.

After considering the proposed amendment the majority of Finance believes that the significant original concerns remain. The amended bill leaves in place varying local property tax rates which raises constitutional concerns; does not address education adequacy in any form, and relies on unspecified revenue sources to fund the homestead allowance. Vote 25-1.

HB 116-FN-A-L, establishing an alternative consumption tax as a source of funding for education and making an appropriation therefor. RE-REFER TO COMMITTEE

Rep. William S. Belvin for Finance: This bill is based on an Alternative Consumption Tax (ACT) that would apply a 1% tax on New Hampshire goods and services as a revenue base to address Claremont. It then adds a statewide property tax of \$.07 per \$1,000 of assessed valuation as well as other funds from tobacco and utility tax to raise \$829 million for education funding. The

bill was recommitted to allow the sponsors time for additional amendments.

The offered amendment made material changes to the legislation. The statewide property tax rate has been reduced to \$4.74. The ACT funding estimate is now \$327 million net of expenses. The tobacco tax increases proposed in HB 112 is included but the Tobacco State Settlement moneys from the industry are removed from the dedicated education fund. Also removed from the ACT tax are all medical services and HMOs. The distribution formula now includes a poverty weighting based on school lunch program data, and an additional feature is included to encourage education expenditures above the adequacy level through additional state aid to property poor towns. Lastly a collection fee of 3% of the taxes actually collected is included to assist the state's businesses in their collecting and remitting the tax to DRA.

The committee recognizes the sponsor's significant and sincere efforts to assemble a comprehensive proposal to solve the education funding issue. Should there be a need for additional revenue sources, the services base for the ACT tax represents an important option. However, the revenue estimates in this amended version of the bill need additional verification. In order to allow the bill's unique features to remain under consideration, and to improve the revenue estimates' accuracy, the Finance Committee recommends the bill be re-referred to committee. A motion to table the bill will be made to keep this creative option before us. In the meantime, the LBA has been asked to work on the revenue estimates in detail Vote 17-9.

HB 117-FN-A-L, relative to local property taxation and state aid to support an adequate public education and making an appropriation therefor. MAJORITY: OUGHT TO PASS WITH AMENDMENT. MINORITY: INEXPEDIENT TO LEGISLATE

Rep. Neal M. Kurk for the Majority of Finance: HB 117, the SMART plan, as amended by the Committee, fully addresses education funding issues within the existing framework of our current tax system. It does so without an income tax or a sales tax and without expanded gambling. The SMART plan preserves the New Hampshire advantage.

The SMART plan sets the cost of an adequate education at an average of \$3700 per pupil, with a provision for supplementary grants of up to \$400 per pupil to property-poor communities. State building aid, kindergarten aid, and catastrophic special education aid are continued in their present form.

The SMART plan funds its \$707 million cost with an \$8.75 per thousand statewide property tax. In effect, this tax replaces part of the school portion of the local property tax. The plan provides for a 25% homestead exemption for a taxpayer's primary residence (capped at \$40,000) and a phased-in, five-year hardship exemption for individuals in donor communities whose school property taxes increase by more than 20% in a year. Additional revenue comes from an \$8.75 statewide tax on utility property; the tobacco tax, including the recently passed increase; the nuclear property tax; Sweepstakes revenues; and the school portion of revenue sharing. As a result, some 180 communities will see their property taxes decrease.

The amendment includes a new property tax transition grant to donor communities. The purpose of the grant is to mitigate the effect of the statewide property tax on low-income property owners. The Committee believes that it is better policy to help property-poor communities without harming property-rich communities. These grants are not like the unconstitutional ABC abatements, because the grants are not abatements of taxes but, like revenue sharing, are appropriations from the general fund. Further, the proposal allows for the community to best decide how the funds can and should be utilized. If the funds are used to reduce property taxes, almost all communities will see their property tax burden decrease.

The plan funds grants of \$46 million to offset the \$52 million of statewide property tax paid in by the donor communities. Municipalities will decide how to use these funds. This new grant program makes the phase-in program unnecessary, and it has been removed from the SMART plan.

The Committee understands the concerns expressed by the municipalities about the administrative impact of the implementation of a statewide property tax. Therefore a formal subcommittee has been established that is committed to working with the NH Municipal Association and others to address and resolve those concerns. Vote 16-10.

Rep. Mary Jane Wallner for the Minority of Finance: After all that's been done, this bill is still fatally flawed by its "inadequate" adequacy figure. It won't do the job at \$3,700 per student.

No one should be confused by that number. It disregards "weighted students." The \$708 million pulled together in this bill really means that the adequacy number for an elementary school student is less than \$3,100, and kindergarten students are left out of the formula entirely. While we can debate the "ultimate" value of the adequacy number, it must be clear that this figure is unrealistic and sadly lacking. It must also be clear that if this bill is brought to the Court, as it surely will be, it will fail review, be found deficient and be struck down.

This bill also funds itself by taking at least \$75 million from the general fund, without identifying where it will come from in the

budget. Given the tightness of the Governor's budget, the use of any sums at this level will have to come from monies for cities and towns or human services. We should not leave ourselves short in the budget process by stealing such massive revenue before the budget process has even begun.

There is no easy fix for this bill because its adequacy number is arbitrarily low, and it generates insufficient new funds. The minority believes the House should reject this bill, and adopt a plan or plans with an appropriate adequacy number, a detailed description of revenue sources, and a source or sources of new revenue sufficient to the task at hand.

The Property Tax Transition Grant which is added in this amended version contains a formula for returning funds to donor communities purportedly to alleviate the harm to low income people. But the formula contained in this bill does not accomplish its intended goal.

The latest amendment, developed last week with the intent of easing the pain of donor communities, could in fact end up hurting donor communities even more. Their payment level is increased from \$48 to \$52 million and should the grant language be struck down as unconstitutional, the entire \$52 million would be due in the first year, because the four year phase-in has been eliminated. Thus, donor towns would owe \$52 million rather than \$12 million. That's far from an easing of the pain.

Local municipalities have been urging the Finance Committee to include provisions in this bill which would address the issues facing communities in collecting a state property tax. Even though we had the extra time, the committee did not address the needs of the municipalities.

JUDICIARY

HB 308, relative to the venue of actions against municipalities. INEXPEDIENT TO LEGISLATE

Rep. McKim W. Mitchell for Judiciary: This bill was introduced at the request of the Municipal Association to require persons filing claims against local municipal agencies to file the claim in the district courts in which the agency is located. The committee felt that for too long we have been eroding individual rights in the name of governmental convenience. Therefore this bill was found inexpedient to legislate. Vote 15-2.

NOTICE OF RECONSIDERATION

This day, Wednesday, the 17th of February, 1999, at 11:05 a.m., Representative Michael S. Rollo, having voted with the prevailing side, did serve notice that today or some other day as limited by House Rules he would ask the House to reconsider its action whereby HB 94, relative to enforcement of the child passenger restraint law, was sent to third reading and passed.

Karen O. Wadsworth, Clerk of the House

LAID ON TABLE

HB 109-FN-A-L, establishing a flat rate education income tax and a statewide education property tax to fund public education and making an appropriation therefor. (Pending question is on ought to pass.)

HR 10, affirming revenue estimates for fiscal year 1999. (Pending question is ordering to third reading.)

COMMITTEE MEETINGS

MONDAY, MARCH 1

FINANCE, Rooms 210-211, LOB

Agency Budget Presentations on Governor's Proposed Budget:

9:00 a.m. Opening Session – Governor Jeanne Shaheen

GENERAL GOVERNMENT

9:30 a.m. Administrative Services

10:00 a.m. SECRETARY OF STATE

Auctioneer Board

Records and Archives

Securities Regulation

ADMINISTRATION OF JUSTICE AND PUBLIC PROTECTION

10:30 a.m. Judicial Branch

NOON BREAK

GENERAL GOVERNMENT

1:00 p.m. Revenue Administration

1:30 p.m. Treasury

1:45 p.m. NH Retirement System

2:15 p.m. Board of Tax and Land Appeals

HEALTH, HUMAN SERVICES AND ELDERLY AFFAIRS, Room 205, LOB

9:30 a.m. ***HB 486-FN-A***, relative to the physician effectiveness program.

10:30 a.m. ***HB 597-FN-A***, making an appropriation to install certain safety equipment in residential care facilities.

11:15 a.m. ***HB 530***, establishing a committee to review the policies and procedures of the joint health council.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

LEGISLATIVE ADMINISTRATION, Room 205, LOB

1:15 p.m. ***HB 603***, relative to the performance audit and oversight committee.

2:00 p.m. ***HB 623-FN***, increasing the mileage reimbursement rate for members of the legislature.

2:30 p.m. ***HB 393-FN-A***, establishing a sunset review process for state agencies and making an appropriation therefor.

3:00 p.m. ***HB 467***, establishing a committee to study the ability of the legislature to obtain accurate testimony.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

MUNICIPAL AND COUNTY GOVERNMENT, Room 301, LOB

10:00 a.m. ***HB 549-LOCAL***, relative to the minimum vote required for bond issues by municipalities.

10:45 a.m. ***HB 521-LOCAL***, exempting initial bond issues from the 10 percent limitation on exceeding appropriations recommended by the budget committee.

11:30 a.m. ***HB 523***, relative to the terms of office of county officers.

- 1:15 p.m. **HB 569**, relative to the tax credit for service-connected total disability.
 - 2:00 p.m. **HB 531**, allowing a governing body to grant a veteran's exemption in certain circumstances.
 - 2:30 p.m. **HB 490**, enabling cities to permit the mayor to vote at city council meetings.
- Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

NEW HAMPSHIRE CONSERVATION NUMBER PLATE ADVISORY COMMITTEE, (RSA 261:97-d), Room 203, LOB

9:00 a.m. Regular meeting.

OIL FUND DISBURSEMENT (RSA 146-D:4), Room 305, LOB

9:30 a.m. Regular meeting.

STATE FEDERAL RELATIONS AND VETERANS AFFAIRS, Room 306, LOB

- 2:30 p.m. **HCR 9**, encouraging greater health care choices for senior citizens throughout NewHampshire.
 - 3:30 p.m. **HCR 8**, urging nonimplementation of the articles of the Kyoto Protocol on global climate change.
- Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

TUESDAY, MARCH 2

CHILDREN AND FAMILY LAW, Room 208, LOB

- 9:00 a.m. Subcommittee work session on **HB 441**, relative to a mother's right to breast-feed.
- Room 206, LOB**
- 9:00 a.m. Subcommittee work session on **HB 90**, removing the prohibition on adoption and foster parenting by homosexual persons.
 - 10:15 a.m. **HB 576-FN-A**, establishing additional staff positions for child impact seminars, and making an appropriation therefor.
 - 10:45 a.m. **HB 622-FN**, relative to a school district's duty to provide education.
 - 1:30 p.m. **HB 588-FN-LOCAL**, relative to county expenditures for children at the youth development center.
 - 3:00 p.m. **HB 565**, relative to the disclosure of certain information by the department of health and human services and relative to the disclosure of the identity of a person filing a report of child abuse or neglect.
- Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

COMMERCE, Room 302, LOB

- 9:30 a.m. Subcommittee work session on **HB 56**, establishing a procedure for reinstating corporate charters that have been expired for more than 3 years.
- 9:45 a.m. Subcommittee work session on **HB 205**, relative to the requirement for posting of bond by an applicant for a writ of replevin.

10:00 a.m. **HB 317**, relative to the display of tobacco products.

11:00 a.m. **HB 369**, relative to tobacco use violations by minors and establishing a committee on teen tobacco use prevention and education.

1:15 p.m. Continued public hearing on **HB 339**, requiring consumer reporting agencies to provide annually to the consumer a free copy, upon request, of a consumer report.

2:15 p.m. **HB 435**, relative to the mail order and catalog business.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

CRIMINAL JUSTICE AND PUBLIC SAFETY, Room 204, LOB

10:00 a.m. **HB 357**, establishing a committee to study and investigate issues related to investigations, trials, convictions, and sentencing of sex offenders.

11:00 a.m. **HB 359**, establishing a committee to study the rights of a private citizen to pursue a criminal investigation if he or she believes it is not being pursued vigorously.

1:30 p.m. **HB 360-FN**, clarifying that any person convicted of a felony in this state is prohibited from owning or possessing firearms and other dangerous weapons.

2:30 p.m. **HB 367**, relative to requesting certifying scientists to appear at DWI hearings.

3:00 p.m. **HB 427**, relative to the laws requiring a prescription to possess hypodermic needles and modifying the drug paraphernalia laws applying to syringes.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

EDUCATION, Room 207, LOB

10:00 a.m. **HB 243**, requiring legislative fiscal committee approval of university system tuition increases.

11:00 a.m. **HB 454**, relative to tuition waivers for veterans at state institutions of higher learning.

11:30 a.m. **HB 265**, relative to the student trustees on the university system of New Hampshire board of trustees.

Room 307, LOB

1:30 p.m. **HCR 3**, urging the federal government to fund 100 percent of the total cost of special education programs and services nationwide.

2:00 p.m. **HB 428**, relative to school administrative units.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

ELECTION LAW, Room 308, LOB

9:30 a.m. Subcommittee work session on **HB 223**, relative to waiver of filing fees and petitions for candidates for federal offices and **HB 375**, relative to substitutions for disqualified candidates and relative to nominations by nomination papers.

10:00 a.m. **HB 411**, requiring ballot clerks to verify the identity of persons receiving ballots by requesting an identification card.

10:30 a.m. **HB 506-FN-LOCAL**, relative to voter registration.

11:00 a.m. **HB 338**, relative to absentee voting procedures.

11:30 a.m. **HB 458**, relative to voter qualifications.

1:00 p.m. Rescheduled public hearing on **HB 445**, relative to straight ticket voting procedures.

1:30 p.m. Rescheduled public hearing on **HB 547-LOCAL**, changing the state primary election day to the first Saturday after Labor Day.

2:00 p.m. Public hearing on proposed amendment to **HB 64**, relative to changes of registration for undeclared voters. (Copies of the amendment is available from the Sergeant-at-Arms Office.)

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

ENVIRONMENT AND AGRICULTURE, Room 303, LOB

9:00 a.m. Pesticide subcommittee work session on **HB 256**, repealing the preemption of local regulation of pesticides.

10:00 a.m. Rescheduled public hearing on **HB 310**, repealing the authority of the department of agriculture, markets, and food to conduct meat inspections and poultry products inspections.

11:30 a.m. **HB 340**, establishing a committee to study mercury source reduction and recycling issues.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

2:00 p.m. Subcommittee work session on **HB 288**, relative to the committee to study land management, protection of farmland, rural character, environmental quality and sprawl and **HB 239-FN-A**, permitting the development of an industrial hemp industry in New Hampshire and continually appropriating a special fund.

EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 202, LOB

10:00 a.m. **CACR 21**, relative to gender neutral language in the constitution. Providing that all references to persons in part 2 of the constitution shall be gender neutral.

10:30 a.m. **HB 499-FN**, relative to payment by the state of the cost of medical insurance benefits for certain New Hampshire retirement system members.

11:15 a.m. **HB 553-FN-A**, establishing a commission on the status of men, and making an appropriation therefor.

1:00 p.m. **HB 533-FN**, changing the composition of the liquor commission.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

2:30 p.m. Subcommittee work session on **HB 397**, establishing a 4-year term for the commissioner of the department of corrections.

FINANCE, Rooms 210-211, LOB

Agency Budget Presentations on Governor's Proposed Budget

EDUCATION

9:00 a.m. Postsecondary Education Commission

9:30 a.m. DEPARTMENT OF REGIONAL COMMUNITY-TECHNICAL COLLEGES

Office of the Commissioner

NHTC – Manchester/Stratham

NH Technical Institute - Concord

NHTC – Berlin/Laconia

NHTC – Nashua/Claremont

Police Standards and Training Council

Christa McAuliffe Planetarium

ADMINISTRATION OF JUSTICE AND PUBLIC PROTECTION

10:30 a.m. Labor Department

GENERAL GOVERNMENT

11:00 a.m. Insurance Department

ADMINISTRATION OF JUSTICE AND PUBLIC PROTECTION

11:30 a.m. Human Rights Commission

NOON BREAK

1:15 p.m. Department of Employment Security

1:30 p.m. Department of Corrections

3:30 p.m. Bank Commission

4:00 p.m. **HB 644-FN-A-LOCAL**, authorizing the operation of electronic games of chance at pari-mutuel licensee locations.

Executive session on pending legislation to follow.

HEALTH, HUMAN SERVICES AND ELDERLY AFFAIRS, Room 205, LOB

10:00 a.m. **HB 440**, relative to access to copies of patient medical records.

11:00 a.m. **HB 392**, relative to exemptions from required child immunizations.

Rooms 205-207, LOB

1:30 p.m. **HB 456**, establishing a committee to study issues relating to the deaf community in NewHampshire.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

JUDICIARY, Room 208, LOB

10:00 a.m. **HB 568**, establishing a review panel to review judicial officers.

11:00 a.m. **HB 564-FN-LOCAL**, repealing the authority of the chief justice of the supreme court to assign superior court judges to hear cases in the district court, and reducing the judicial branch budget for jury trials in the district courts.

1:15 p.m. **HJR 5**, requiring the attorney general to bring suit or to join with other states bringing suit against the United States Government for violating the United States Constitution and the

NewHampshire constitution by enacting a military firearms ban.

2:15 p.m. **HB 515**, extending the indemnification of persons providing clinical services to the department of health and human services.

3:00 p.m. **HB 612-FN**, relative to compensation paid to jurors.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

Immediately following public hearings, subcommittee work session on **HB 259-FN**, granting a right to trial by jury in any controversy between a person or persons and a state board, commission, or agency when the amount in controversy is at least \$5,000.

LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES, Room 306, LOB

9:00 a.m. Subcommittee work session on **HB 69**, relative to overtime pay for hourly employees.

MUNICIPAL AND COUNTY GOVERNMENT, Room 301, LOB

10:00 a.m. **CACR 6**, relating to municipalities' home rule. Providing that municipalities shall have home rule authority to exercise any powers not specifically prohibited by the state or federal constitutions or any statute.

1:30 p.m. **HB 468**, relative to the home rule powers of municipalities.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

NEW HAMPSHIRE COMMISSION ON THE SMITHSONIAN FESTIVAL OF AMERICAN FOLKLIFE (SJR 20, Chapter 204, Laws of 1996), Room 205, LOB

3:00 p.m. Regular meeting.

PUBLIC WORKS AND HIGHWAYS, Room 201, LOB

10:00 a.m. **HB 417-FN-A**, relative to the rehabilitation of the Walker building at New Hampshire hospital and making an appropriation therefor.

11:00 a.m. **HB 479-A**, making a capital appropriation for siting and design of a new Merrimack district courthouse.

1:00 p.m. **HB 548-A**, making a capital appropriation for the construction of the Plaistow district courthouse.

2:00 p.m. **HB 363-FN**, increasing the bonding limit of the school building authority.

3:00 p.m. **HB 501-FN-A**, relative to the repair of a certain covered railroad bridge in Contoocook village in the town of Hopkinton, and making an appropriation therefor.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

RESOURCES, RECREATION AND DEVELOPMENT, Room 305, LOB

9:00 a.m. Subcommittee work session on **HB 362**, relative to dam safety program violations.

10:00 a.m. **HB 543**, relative to fill and dredge permits for breakwaters.

11:00 a.m. **HB 561-FN**, reducing lab analysis fees of chemical analyses of water.

1:00 p.m. Continued public hearing on **HB 439**, relative to exemptions from the safe drinking water

act.

2:00 p.m. ***HB 546-FN-A***, providing partial funding to support research monitoring groundwater at reclamation sites that have had sludge applied.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

SCIENCE, TECHNOLOGY AND ENERGY, Room 304, LOB

10:00 a.m. ***HB 611***, relative to performance standards for telephone companies providing noncompetitive services.

11:00 a.m. ***HB 645-FN***, relative to funding for the telecommunications assistance program.

1:00 p.m. ***HB 592***, creating a study committee regarding requirements for and usage of methyl t-butyl ether.

1:45 p.m. ***HB 649-FN***, relative to air pollution emissions from small, high-polluting electricity generators.

2:30 p.m. ***HB 625-FN-A***, relative to a mercury emissions reduction and control program.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

STATE FEDERAL RELATIONS AND VETERANS AFFAIRS, Room 306, LOB

10:00 a.m. ***HB 301***, relative to burials and funerals at the New Hampshire state veterans cemetery.

11:00 a.m. ***HB 538***, establishing a committee to study the new construction and repair of New Hampshire commemorative monuments at certain Civil War battle sites.

1:00 p.m. ***HJR 7***, supporting the continued management of the White Mountain National Forest for multiple uses as a part of the National Forest System.

2:00 p.m. ***HCR 10***, requesting Congress to give priority to preserving Social Security and ensuring that it continues as universal and mandatory for all workers.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

TRANSPORTATION, Room 203, LOB

10:00 a.m. ***HB 616-FN-A***, relative to providing tuition funds to students participating in private driver education courses from the driver training fund.

11:00 a.m. ***HB 505-FN***, establishing a special license plate for veterans.

1:00 p.m. ***HB 491***, requiring the department of safety to conduct all qualifying examinations of individuals seeking driver's licenses.

2:00 p.m. ***HB 496-FN-LOCAL***, relative to increasing the minimum number of hours required for novice drivers enrolled in driver's education programs.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

WILDLIFE AND MARINE RESOURCES, Room 307, LOB

10:00 a.m. ***HB 520***, relative to an open season for chukar partridge.

10:30 a.m. **HB 574-FN-A**, establishing a fisheries habitat stamp required for persons obtaining a fishing license and continually appropriating the funds for fisheries habitats.

11:00 a.m. **HB 298-FN**, relative to the authority of the executive director of fish and game to prevent damage to commercial agricultural crops through wildlife reduction or management.

11:30 a.m. **HB 552**, relative to the issuance of crossbow permits to persons with a permanent physical disability.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

WEDNESDAY, MARCH 3

CHILDREN AND FAMILY LAW, Room 206, LOB

9:00 a.m. Subcommittee work session on **HB 324**, repealing certain grounds for granting a divorce for cause.

10:00 a.m. **HB 567**, encouraging alternative dispute resolution in certain domestic relations and CHINS proceedings.

11:00 a.m. **HB 571**, relative to joint legal and physical custody of children.

2:00 p.m. **HB 555**, relative to representation of a child during child interviews.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

COMMERCE, Room 302, LOB

8:30 a.m. Subcommittee work session on **HB 372**, amending the bond issuing powers of the business finance authority.

9:15 a.m. Subcommittee work session on **HB 309**, relative to motor vehicle insurance.

10:00 a.m. **HB 511**, relative to the sale of certain mixed or prepared alcohol products.

10:30 a.m. **HB 443**, allowing certain beverage manufacturers to distribute products directly to retailers.

1:15 p.m. **HB 442**, relative to charitable gift annuities.

2:15 p.m. **HB 638-FN**, authorizing a limited license for certain travel agents.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

CRIMINAL JUSTICE AND PUBLIC SAFETY, Room 204, LOB

10:00 a.m. **HB 508**, relative to the nude photography of 16 and 17 year old subjects.

10:30 a.m. **HB 509**, relative to requirements in order to obtain a private detective license.

11:00 a.m. **HB 513**, relative to approved permissible fireworks.

11:15 a.m. **HB 522**, relative to the public's access to sex offender registry information.

1:30 p.m. **HB 537**, relative to background checks for firearms purchases.

2:00 p.m. **HB 584-FN**, relative to administrative license suspensions.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

EDUCATION, Room 207, LOB

- 9:00 a.m. Subcommittee work session on **HB 304**, relative to the confidentiality of criminal history records checks.
- 10:00 a.m. **HB 311-FN-A**, relative to grants made under the New Hampshire incentive program and making an appropriation therefor.
- 11:00 a.m. **HB 497-FN-A**, relative to family literacy planning grants and making an appropriation therefor.
- 1:00 p.m. **HB 483-FN-LOCAL**, relative to restricting the authority of the state board of education to adopt minimum standards for public school approval.
- 2:30 p.m. **HB 488**, relative to the definition of certain disabilities in the provision of special education services.
- Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

ENVIRONMENT AND AGRICULTURE, Room 303, LOB

- 9:00 a.m. Rescheduled subcommittee work session on **HB 52**, exempting certain currants and gooseberries resistant to the white pine blister rust organism from restrictions on planting in control areas and **HB 291**, establishing a study committee for seed sterilization technology or "terminator" technology.
- Representatives Hall**
- 10:00 a.m. **HB 335**, prohibiting the land application of sludge in reclamation areas.
- 10:30 a.m. **HB 334**, restricting the land application of sludge, septage, and solid wastes.
- 11:00 a.m. **HB 370-LOCAL**, prohibiting wastewater treatment plants from excluding towns that regulate sludge disposal within their borders from using such facilities and requiring disclosure by sellers of sludge applications to land.
- 11:15 a.m. **HB 504**, establishing a sludge advisory board and relative to sludge quality standards.
- 11:30 a.m. **HB 472**, relative to establishing metal limits on land-applied sludge.
- 11:45 a.m. Rescheduled public hearing on **HB 222**, preempting local regulation of biosolids or sludge disposal by landfilling or landspreading.
- Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

Room 303, LOB

- 3:00 p.m. Rescheduled subcommittee work session on **HB 51**, providing for registration of equipment used in the production of maple products and allowing the commissioner of the department of agriculture markets and food to adopt rules relative to standards for such equipment.

EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 202, LOB

- 9:00 a.m. Subcommittee work session on **HB 348-FN**, privatizing the sale of liquor.
- 10:00 a.m. **HB 516**, exempting the New Hampshire retirement system from rulemaking for procedures concerning the retirement fund investment objectives and guidelines.

10:30 a.m. **HB 524**, increasing the membership on the board of professional engineers.

11:00 a.m. **HB 481-FN**, relative to penalties for unlicensed practice of regulated occupations and professions.

11:30 a.m. **HB 535**, establishing a committee to study the creation of a department of natural resources.

1:00 p.m. **HB 599-FN-A**, relative to initiating a centralized voter checklist and making an appropriation therefor.

1:30 p.m. **HB 601**, allowing the assistant commissioner of corrections to act on behalf of the commissioner in the commissioner's absence, establishing a term of appointment for the commissioner of corrections, and correcting out-of-date references and phraseology pertaining to the department of corrections.

2:00 p.m. **HB 598-FN**, relative to the licensure of x-ray technicians.

2:45 p.m. **HB 484**, relative to the registration of alternative providers of naturopathic care.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

FINANCE, Rooms 210-211, LOB

Agency Budget Presentations on Governor's Proposed Budget:

HEALTH AND SOCIAL SERVICES

9:00 a.m. HEALTH AND HUMAN SERVICES

Office of the Commissioner

Office of Health Management

Office of Family Services

Division of Children Youth and Families

Division of Family Assistance

Division of Community Support and Long Term Care

Division of Behavioral Health

Division of Developmental Services

Division of Elderly and Adult Services

NOON BREAK

RESOURCE PROTECTION AND DEVELOPMENT

1:00 p.m. Resources and Economic Development

1:45 p.m. Pease Development Authority

2:15 p.m. Port Authority

HEALTH, HUMAN SERVICES AND ELDERLY AFFAIRS, Room 205, LOB

9:30 a.m. **HB 618-FN-A**, establishing a voucher program for smoking cessation and continually appropriating a special fund.

10:30 a.m. **HB 624-FN**, establishing a health care quality commission.

1:15 p.m. **HB 615-FN-A**, establishing a brain and spinal cord injury trust fund and continually appropriating a special fund.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

JOINT COMMITTEE ON ADDRESS, Room 208, LOB

3:00 p.m. Organizational meeting on **HA 1**, for the removal of David A. Brock, chief justice of the New Hampshire supreme court, from his said office.

JUDICIARY, Room 208, LOB

9:30 a.m. **HB 551**, relative to employers who are subject to state law against discrimination.

11:00 a.m. **HB 382**, making the law against discrimination by employers applicable to charitable and educational organizations.

1:00 p.m. **HB 470**, relative to settlement of personal actions.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES, Room 306, LOB

9:00 a.m. **HB 636-FN**, relative to public safety employee collective bargaining negotiations under the public employee labor relations act.

1:00 p.m. **HB 471**, exempting family owned and operated businesses from certain requirements in the workers' compensation act relative to safety programs.

2:00 p.m. **HB 578**, relative to a recovery against a third party related to a workers' compensation claim.

3:00 p.m. **HB 606-FN**, relative to compensation for law enforcement officers who are injured in the line of duty.

4:00 p.m. **HB 512**, relative to limiting work hours for 16 and 17-year old persons enrolled in school.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

MUNICIPAL AND COUNTY GOVERNMENT, Room 301, LOB

10:00 a.m. **HB 507-LOCAL**, relative to the taxability of certain appurtenant land to a taxable building.

10:30 a.m. **HB 394-LOCAL**, enabling towns, cities, and village districts to assess property taxes for certain services on charitable organizations.

1:30 p.m. **HB 562**, relative to the date of decision for appeals of zoning matters.

2:00 p.m. **HB 550-LOCAL**, relative to the date town reports must be made available in towns which have adopted the official ballot referenda form of meeting.

2:30 p.m. **HB 385**, increasing the time window for holding the first session of a town meeting in political subdivisions which have adopted the official ballot.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

PUBLIC WORKS AND HIGHWAYS, Room 201, LOB

- 9:30 a.m. **HB 279-FN-A**, relative to refinancing the cost and rehabilitation of the Cheshire Bridge.
- 10:15 a.m. **HB 655-FN-A**, making an appropriation from the highway fund to pay the interest and principal on bonds issued for the Cheshire Bridge.
- 11:15 a.m. **HB 462**, relative to public/private partnership projects in the department of transportation.
- 1:15 p.m. **HB 413-FN-A**, relative to the renovation of regional vocational education centers, and making an appropriation therefor.
- 2:00 p.m. **HB 621-FN-LOCAL**, reducing the tolls on New Hampshire highways by 25 cents.
- 2:30 p.m. **HB 482**, relative to a study of tolls on the turnpike system.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

RESOURCES, RECREATION AND DEVELOPMENT, Room 305, LOB

- 9:30 a.m. **HB 585**, relative to preserving the use of state park lands for their original purposes.
- 10:00 a.m. **HB 539-FN**, relative to public access to Squam Lake.
- 11:00 a.m. **HB 580-FN-A-LOCAL**, creating a new tourism district and making an appropriation therefor.
- 1:00 p.m. **HB 421**, relative to penalty provisions for the law regarding exotic aquatic weeds.
- 2:00 p.m. **HB 594**, prohibiting the introduction of zebra mussels and other exotic aquatic animals in New Hampshire.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

SCIENCE, TECHNOLOGY AND ENERGY, Room 304, LOB

- 10:00 a.m. **HB 464**, relative to economic development and retention rates and special contracts.
- 11:00 a.m. **HB 581-LOCAL**, relative to deposits on water meters.
- 1:00 p.m. **HJR 8**, urging the Federal Energy Regulatory Commission to change the structure of the New England Individual Service Organization
- 1:30 p.m. **HJR 9**, urging the United States Congress and federal Environmental Protection Agency to eliminate federal requirements for oxygenate additives for gasoline.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

TRANSPORTATION, Room 203, LOB

- 9:00 a.m. **HB 559-FN-A**, authorizing vanity plates or decals for OHRV registrations.
- 9:45 a.m. **HB 589-FN-LOCAL**, mandating a cap on municipal registration fees for recreational vehicles.
- 11:00 a.m. **HB 453**, requiring certain vehicles that transport children to school or school-related activities to meet the minimum safety standards for school buses.

1:00 p.m. **HB 477-FN**, changing certain requirements for temporary plates on motor vehicles.

1:30 p.m. Continued public hearing on **HB 409**, establishing a committee to study transportation of bulk unpackaged food products for livestock and human consumption.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

WILDLIFE AND MARINE RESOURCES, Room 307, LOB

9:30 a.m. **HB 629**, relative to establishing weekly "no hunting" days.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

THURSDAY, MARCH 4

FINANCE, Rooms 210-211, LOB

Following the House Session, executive session on pending legislation.

FRIDAY, MARCH 5

BOARD OF CLAIMS (RSA 541-B:3), Room 202, LOB

8:30 a.m. Regular meeting.

FINANCE, Rooms 210-211, LOB

Agency Budget Presentations on Governor's Proposed Budget:

EDUCATION

9:00 a.m. Department of Education

HEALTH AND SOCIAL SERVICES

10:30 a.m. Department of Youth Development Services

EDUCATION

11:15 a.m. NH Sweepstakes Commission

NOON BREAK

HEALTH AND SOCIAL SERVICES

1:00 p.m. Veterans Council

EDUCATION

1:30 p.m. HIGHER EDUCATION – UNIVERSITY SYSTEM

UNH - Durham

Keene State College

Plymouth State College

UNH - Manchester

Extension work in Counties

TRANSPORTATION

2:30 p.m. Department of Transportation

SCIENCE, TECHNOLOGY AND ENERGY, Room 302, LOB (Please note room change.)

11:00 a.m. Air quality Subcommittee work session on ***HB 625-FN-A***, relative to a mercury emissions reduction and control program, if needed.

MONDAY, MARCH 8

BRAIN AND SPINAL CORD INJURY ADVISORY COUNCIL (RSA 137-K:2), Room 205, LOB

2:00 p.m. Regular meeting.

DEVELOPMENTAL DISABILITY WAITLIST FUND ALLOCATION OVERSIGHT COMMITTEE, (RSA 171-A:1-b), Room 204, LOB

12:30 p.m. Regular meeting.

EDUCATION, Rooms 205-207, LOB

9:00 a.m. ***HB 633-FN-LOCAL***, establishing parental choice scholarships.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

FINANCE, Rooms 210-211, LOB

Agency Budget Presentations on Governor's Proposed Budget:

GENERAL GOVERNMENT

EXECUTIVE OFFICE

9:00 a.m. Office of the Governor

9:15 a.m. Energy and Community Services

9:30 a.m. State Planning Office

9:45 a.m. Commission on Disability

ADMINISTRATION OF JUSTICE AND PUBLIC PROTECTION

10:00 a.m. Adjutant General

10:30 a.m. Agriculture, Markets and Food

Veterinary Examiners Board

11:00 a.m. Department of Justice

NOON BREAK

1:00 p.m. Office of Emergency Management

1:15 p.m. Pari-Mutuel Commission

1:30 p.m. Highway Safety

1:45 p.m. Judicial Council

Marital Mediator Board

GENERAL GOVERNMENT

2:15 p.m. Cultural Affairs

RESOURCE PROTECTION AND DEVELOPMENT

2:45 p.m. Department of Environmental Services

Office of the Commissioner

Division of Water

Division of Air Resources

Division of Waste Management

Plumbers Board

Oil Fund Disbursement Board

JUDICIARY, Room 208, LOB

10:00 a.m. **HB 660**, authorizing the New Hampshire Bar Association to assess bar dues and authorizing the supreme court to assess attorneys for professional conduct and public protection fund fees.

11:00 a.m. **HB 667**, relative to the quorum required for sessions of the supreme court.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

PERINATAL ALCOHOL TOBACCO AND OTHER DRUG USE TASK FORCE (RSA 132:19), Room 104, LOB

9:00 a.m. Regular meeting.

PUBLIC WORKS AND HIGHWAYS, Room 201, LOB

Capital Budget Hearings on HB 25-A, making appropriations for capital improvements.

9:30 a.m. Christa McAuliffe Planetarium.

10:30 a.m. NH Technical College System.

11:30 a.m. Emergency Management.

1:00 p.m. Health and Human Services

2:00 p.m. Youth Development Center

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

TUESDAY, MARCH 9

COMMERCE, Room 302, LOB

10:00 a.m. **HB 450**, prohibiting a prepayment penalty on a second mortgage home loan which has been in existence for 4 years.

11:00 a.m. **HB 451**, relative to payments of first and second home mortgages.

1:15 p.m. **HB 526**, limiting fees charged by financial institutions for use of electronic customer service terminals.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

ENVIRONMENT AND AGRICULTURE, Room 303, LOB

10:00 a.m. **HB 510-FN**, relative to monitoring aerial spraying of herbicides.

11:00 a.m. Rescheduled public hearing on **HB 395-FN-A**, establishing a pilot program of matching grants and optional local tax exemptions to preserve historic agricultural structures in New Hampshire and making an appropriation therefor.

1:00 p.m. Rescheduled public hearing on **HB 410**, relative to the enforcement authority of the department of environmental services.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 202, LOB

9:30 a.m. **HB 586**, clarifying certain terms relative to the practice of chiropractic.

11:15 a.m. **HB 613-FN-LOCAL**, consolidating the pari-mutuel commission and sweepstakes commission into a gaming commission.

1:15 p.m. **HB 620-FN**, relative to election of vested deferred retirement status for inactive members of the retirement system.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

PUBLIC WORKS AND HIGHWAYS, Room 201, LOB

Capital Budget Hearings on HB 25-A, making appropriations for capital improvements.

9:00 a.m. University System.

9:45 a.m. Department of Environmental Services.

10:15 a.m. Fish and Game.

11:30 a.m. Adjutant General.

1:00 p.m. Administrative Services and Court Facilities.

2:30 p.m. Department of Agriculture.

3:00 p.m. Liquor Commission.

3:30 p.m. Department of Education.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

WEDNESDAY, MARCH 10

CHILDREN AND FAMILY LAW, Room 206, LOB

10:15 a.m. **HB 628**, relative to the relocation of the principal residence of a child.

11:00 a.m. **HB 540**, relative to court diversion programs.

1:00 p.m. **HB 607**, relative to the contents of the certificate of divorce.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

COMMERCE, Room 302, LOB

9:00 a.m. Subcommittee work session on **HB 422**, relative to advertising by rent-to-own businesses.

10:00 a.m. **HB 408**, relative to drug formularies under managed care entities.

11:00 a.m. **HB 637-FN**, including persons who make medical decisions as practicing medicine.

1:15 p.m. **HB 602-FN**, establishing the office of the health insurance consumer advocate.

2:00 p.m. **HB 434**, providing that health care providers shall determine the appropriate course of patient treatment.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

CRIMINAL JUSTICE AND PUBLIC SAFETY, Room 204, LOB

9:00 a.m. Rescheduled subcommittee work session on **HB 345-FN**, relative to harassment via the Internet.

10:00 a.m. Rescheduled subcommittee work session on **HB 436-LOCAL**, relative to uncompensated public service by prisoners.

10:30 a.m. Rescheduled subcommittee work session on **HB 87-FN**, relative to penalties for marijuana possession and **HB 202**, legalizing the possession and cultivation of marijuana for medicinal purposes.

1:00 p.m. Rescheduled public hearing on **HB 631-FN**, authorizing the department of safety to issue photographic identification cards to persons required to have criminal background checks for employment or other lawful purposes.

1:30 p.m. Rescheduled public hearing on **HB 652-FN**, relative to victims' assistance, penalty assessments on criminal offenses, and establishing a victims fund which is continually appropriated for district court victim-witness programs.

2:00 p.m. **HB 715-FN-A-LOCAL**, granting responsibility for court security and custody and control of prisoners while in a courthouse to the county sheriff and abolishing certain court security officer positions.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

ELECTION LAW, Room 308, LOB

9:30 a.m. **HB 315**, permitting the distribution of certain campaign materials at polling places.

10:00 a.m. **HB 316**, relative to political party expenditures.

10:30 a.m. **HB 390-LOCAL**, relative to lengthening the polling hours in towns.

11:00 a.m. **HB 389**, relative to procedures for apportioning state representatives among counties and among legislative districts.

11:30 a.m. Rescheduled public hearing on **HB 534**, eliminating party designations in the election of

party officers.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

ENVIRONMENT AND AGRICULTURE, Room 303, LOB

9:30 a.m. **HB 379**, setting up a study committee to study issues pertaining to the Sullivan county regional refuse disposal district.

10:30 a.m. **HB 380**, repealing the Interstate Solid Waste Compact.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

1:00 p.m. Subcommittee work session on **HB 97**, establishing a right to farm act and **HB 225**, relative to the definitions of the terms "farm," "agriculture," and "farming."

EXECUTIVE DEPARTMENTS AND ADMINISTRATION, Room 202, LOB

9:30 a.m. **HB 626-FN**, relative to revising the laws regulating accountancy.

10:15 a.m. **HB 634-FN**, eliminating the requirement that retirement system disability recipients notify the board of trustees of unreduced social security disability benefits.

10:30 a.m. Continued public hearing on **HB 412-FN**, relative to the state treasurer and increasing the limit on state indebtedness.

10:45 a.m. **HB 635-FN-LOCAL**, establishing January 4, 2000 as a legal holiday in the state to be known as "Year 2000 Day."

11:30 a.m. **HB 643-FN-A-LOCAL**, transferring the regulation of emergency medical services from the department of health and human services to the department of safety.

1:15 p.m. **HB 646-FN**, relative to the vesting period for New Hampshire retirement system benefits.

2:15 p.m. **HB 650-FN-A**, relative to alcohol and drug abuse prevention and making an appropriation therefor.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

FINANCE, Rooms 210-211, LOB

Agency Budget Presentations on Governor's Proposed Budget:

ADMINISTRATION OF JUSTICE AND PUBLIC PROTECTION

8:45 a.m. Department of Safety

Electricians Board

9:30 a.m. Public Utilities Commission

9:45 a.m. PUC – Consumer Advocate

HEALTH AND SOCIAL SERVICES

10:00 a.m. Veterans Home

ADMINISTRATION OF JUSTICE AND PUBLIC PROTECTION

10:30 a.m. Liquor Commission

RESOURCE PROTECTION AND DEVELOPMENT

11:00 a.m. Fish and Game

FINANCE - (DIVISION I), Room 212, LOB

1:30 p.m. Work and executive session on the budget.

FINANCE - (DIVISION II), ROOM 209, LOB

1:30 p.m. Work and executive session on revenues and pending legislation.

FINANCE - (DIVISION III), ROOMS 210-211, LOB

1:30 p.m. Work session on the budget.

HEALTH, HUMAN SERVICES AND ELDERLY AFFAIRS, Rooms 205-207, LOB

9:30 a.m. **HB 419-FN**, repealing the certificate of need law.

10:30 a.m. **HB 545-FN**, relative to ambulatory surgical facilities.

1:15 p.m. **HB 657-FN**, relative to the health services planning and review board.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

JUDICIARY, Room 208, LOB

9:30 a.m. Rescheduled public hearing on **HB 361**, requiring the suspension of attorneys who do not abide by a client's decision whether to accept an offer of settlement.

10:30 a.m. Rescheduled public hearing on **HB 570**, restricting a presiding judge's authority to interrupt jury deliberations.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES, Room 306, LOB

9:00 a.m. **HB 485-FN**, relative to the calculation of unemployment compensation benefits.

10:00 a.m. **HB 579-FN**, relative to eligibility for unemployment benefits for certain persons commensurate with their attachment to the workforce.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

PUBLIC WORKS AND HIGHWAYS, Room 201, LOB

Capital Budget Hearings on HB 25-A, making appropriations for capital improvements.

9:00 a.m. Department of Safety.

9:45 a.m. Corrections.

10:15 a.m. Department of Resources and Economic Development.

10:45 a.m. Department of Transportation.

1:00 p.m. Port Authority.

1:30 p.m. **HB 617-FN-A-LOCAL**, relative to funding and monitoring seacoast harbor issues.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

TRANSPORTATION, Room 203, LOB

9:00 a.m. **HB 554**, relative to driver education reciprocity.

9:30 a.m. **HB 566**, relative to the supervision of the driver education program.

10:30 a.m. **HJR 6**, encouraging the revitalization of the northern rail line from Concord to Lebanon.

11:30 a.m. **HB 560-FN**, relative to the suspension or revocation of youth operators' licenses.

1:00 p.m. **HB 525-FN**, relative to prisoner of war license plates.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

THURSDAY, MARCH 11

CAPITAL BUDGET OVERVIEW COMMITTEE (RSA 17-J:2), Room 201, LOB

8:30 a.m. Regular meeting.

ENVIRONMENT AND AGRICULTURE, Room 303, LOB

9:30 a.m. **HB 556-FN**, relative to transporting hazardous waste.

10:30 a.m. **HB 557-FN**, relative to hazardous waste permitting and container identification.

11:30 a.m. **HB 558-FN**, relative to solid waste management.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

FRIDAY, MARCH 12

FINANCE - (DIVISION I), Room 212, LOB

9:30 a.m. Work and executive session on the budget.

OSTEOPOROSIS ADVISORY COUNCIL (RSA 126-I:3), Room 205, LOB

9:00 a.m. Regular meeting.

MONDAY, MARCH 15

FINANCE - (DIVISION I), Room 212, LOB

9:30 a.m. Work and executive session on the budget.

HEALTH AND HUMAN SERVICES OVERSIGHT COMMITTEE, (RSA 126-A:13), Room 205, LOB

1:30 p.m. Regular meeting. Ronald Adcock, Health and Human Services Ombudsman, will give an update on his office, as to how it interacts with the New Hampshire citizens. All are invited to attend.

NEW PUBLIC-PRIVATE PARTNERSHIP TO CONSERVE NEW HAMPSHIRE'S NATURAL, CULTURAL, AND HISTORICAL RESOURCES FEASIBILITY STUDY COMMISSION (SB 493, Chapter 161:2, Laws of 1998), Room 307, LOB

1:00 p.m. Regular meeting.

TUESDAY, MARCH 16

COMMERCE, Room 302, LOB

10:00 a.m. **HB 517**, relative to insurance coverage for alcoholism treatment.

11:00 a.m. **HB 473**, relative to small group health insurance.

1:15 p.m. **HB 351**, relative to liability for property taxes on manufactured housing when the manufactured housing is moved.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

ELECTION LAW, Room 308, LOB

10:00 a.m. **CACR 12**, relating to a 4-year term for the office of governor. Providing that beginning in the year 2002, the governor shall be elected every 4 years.

10:45 a.m. Rescheduled public hearing on **HB 493-FN**, relative to alteration of sample ballots.

11:15 a.m. **CACR 14**, relating to increasing the executive council membership and the number of executive council districts. Providing that the executive council shall be increased from 5 to 10 members, and the number of executive council districts shall be increased from 5 to 10.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

PUBLIC WORKS AND HIGHWAYS, Room 201, LOB

10:30 a.m. **HB 627-FN-A**, relative to establishing a differential between special fuel and gasoline taxes.

1:00 p.m. **HB 630-FN-LOCAL**, relative to the Skyhaven airport transfer plan.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

WEDNESDAY, MARCH 17

COMMERCE, Room 302, LOB

10:00 a.m. **HB 371**, relative to warranty coverage and liability for loss under a motor vehicle lease.

11:00 a.m. **HB 469**, raising the medical payments coverage under automobile insurance policies.

1:15 p.m. **HB 528**, adding penalty provisions to the unfair claim settlement practices by insurers law.

2:15 p.m. **HB 563**, relative to names of limited liability partnerships and companies.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

EDUCATION, Room 207, LOB

9:30 a.m. Rescheduled public hearing on **HB 577**, relative to the power of a school district to expend catastrophic special education funds.

10:00 a.m. Rescheduled public hearing on **HB 498-FN**, establishing a special education catastrophic

aid fund.

11:00 a.m. Rescheduled public hearing on ***HB 518-FN-LOCAL***, relative to a joint maintenance agreement to build a single high school involving the towns of Northwood, Nottingham, and Strafford.

1:15 p.m. Rescheduled public hearing on ***HB 514-LOCAL***, establishing open enrollment provisions in the school districts of the state.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

JUDICIARY, Room 208, LOB

9:30 a.m. ***CACR 22***, relative to 7-year terms for state judges. Providing that all state judges appointed on or after January 1, 2001 be commissioned for 7-year terms, which may be renewed.

1:00 p.m. ***CACR 13***, relating to the administrative office of the courts. Providing that there shall be an independent administrative office of the courts; that rulemaking authority shall be transferred from the chief justice of the supreme court to the administrative office of the courts; and that the actions of the administrative office of the courts shall be subject to the approval of the legislature.

Executive session on pending legislation may be held throughout the day, time permitting, from the time the committee is initially convened.

LONG-RANGE CAPITAL PLANNING AND UTILIZATION (RSA 17-M), Room 201, LOB

8:30 a.m. Regular meeting.

FRIDAY, MARCH 19

ADMINISTRATIVE RULES (RSA 541-A:2), Rooms 306-308, LOB

9:00 a.m. Regular meeting.

BOARD OF MANUFACTURED HOUSING (RSA 205-A:25), Room 203, LOB

1:00 p.m. Complaint hearing.

WORKERS' COMPENSATION ADVISORY COUNCIL (RSA 281-A:62), Room 307, LOB

9:00 a.m. Rescheduled regular meeting.

WEDNESDAY, MARCH 24

COMMERCE, Room 302, LOB

8:30 a.m. Subcommittee work session on ***HB 371***, relative to warranty coverage and liability for loss under a motor vehicle lease.

MONDAY, MARCH 29

OIL FUND DISBURSEMENT (RSA 146-D:4), Room 305, LOB

9:30 a.m. Regular meeting.

OFFICIAL NOTICES

COUNTY DELEGATION NOTICE

The Belknap County Delegation will hold a public hearing on the proposed 1999 budget, March 1 at 7:00 p.m. and the final public hearing to approve the budget on March 22 at 7:00 p.m. at the Belknap County Complex, 34 County Drive, Laconia.

Rep. Robert H. Turner, Vice Chairman

Belknap County Delegation

COUNTY DELEGATION NOTICE

The Cheshire County Delegation will meet Monday, March 1st at 7:00 p.m. at the County Courthouse in Keene for the purpose of voting on the 1999 Cheshire County Budget.

Rep. Stephen G. Avery, Chairman

Cheshire County Executive Committee

COUNTY DELEGATION NOTICE

Merrimack County Executive Committee will meet on the following dates:

Monday, March 1 at 9:00 a.m. in the lower level conference room of the County Administration Building, 4 Court Street, Concord. The purpose of the meeting is to review the 1999 County Attorney, Medical Referee, Sheriff and Dispatch Budgets.

Friday, March 5 at 9:00 a.m. in the lower level conference room of the County Administration Building, 4 Court Street, Concord. The purpose of the meeting is to review the 1999 Delegation, Treasurer, Administration, Concord Complex Maintenance, Registry of Deeds and Miscellaneous Budgets.

Friday, March 5 at 10:30 a.m. in the lower level conference room of the County Administration Building, 4 Court Street, Concord. The purpose of the meeting is to review the 1999 Corrections/Merrimack County Academy Program Budgets.

Monday, March 8 at 9:00 a.m. in the lower level conference room of the County Administration Building, 4 Court Street, Concord. The purpose of the meeting is to review the 1999 Nursing Home and Residential Properties Budgets.

Friday, March 12 at 9:00 a.m. (tentatively) in the lower level conference room of the County Administration Building, 4 Court Street, Concord. The purpose of the meeting is to vote on the approval of the total County Budget.

Rep. Ray F. Langer, Chairman

Merrimack County Executive Committee

COUNTY DELEGATION NOTICE

The Sullivan County Delegation will meet on Monday, March 1 at 7:00 p.m. at the Town Hall in Newport to receive the report on the Newport Landfill. Members of the House Environment and Agriculture Committee will be present to receive comments on HB 446, HB 379 and HB 380. These bills pertain to issues concerning Sullivan County Regional Disposal District.

Rep. Gordon B. Flint, Sr., Chairman

Sullivan County Delegation

The New Hampshire Supreme Court has announced that typewritten memoranda on the questions presented by the request of the Senate for an opinion of the justices on the constitutionality of **SB 51-FN-A-LOCAL**, which concerns establishing a referendum for a new taxation plan to fund public education, may be furnished by any legislator, attorney, organization, interested party or member of the public on or before March 1, 1999. An original and twelve copies of any memorandum must be filed with the clerk's office.

Date: February 12, 1999 Howard J. Zibel, Clerk of the Supreme Court

A summary of the December meeting of the Judicial Conduct Committee is available at the Sergeant-at-Arms counter for those who are interested.

Rep. Donna Sytek, Speaker

REVISED AMENDED FISCAL NOTES

The following HBs have a revised or amended fiscal note: HBs 108, 109, 116, 118, 119, 120, 124 and 237.

Leo J. Callahan, Assistant Clerk

Members should be aware that several items have recently been added to our web site "www.state.nh.us". One item is Bill Status Searching for the current session. Also, as bills are introduced, a copy of the text is put on the site and linked to bill status and to a title list. These bill copies will be updated with the latest versions as the bills get amended. We also have downloadable files of all members' names and addresses in several popular formats. Users also have the ability to search across all 1999 LSR's by number, word in the title or by sponsor. Although we have done much work, we still have more to do in the areas of Bill Status, Roster and Who Is My Legislator.

On another subject, some members are concerned about the phasing out of the Dial-Up-Wang system. This system and the software applications we developed are not Year 2000 compliant. We are currently rewriting these applications for the Windows and Web environments. The Wang system will continue to be updated through the current session with member information, Wang E-mail and the calendars and journals. However, Bill Status and the Text of the Bills will not be available on this machine as we move toward phasing it out. I will continue to help find solutions for those members who will be impacted by the loss of the Wang system.

Stan Kelly, Manager, General Court Information Systems

NH Senators and Representatives may receive complimentary ski privileges at Cannon Mountain for themselves and one guest upon presentation of proper credentials at the ticket window. The elected official must be present to personally present the credentials unless prior arrangement has been made with Commissioner George Bald at the Department of Resources and Economic Development. (*Lift tickets are to be picked up at Guest Services or the ticket Window at Cannon.*)

Rep. Gene G. Chandler

When the House Clerk's Office is aware of House Members who are hospitalized or homebound by serious illness, we will publish a list of names and addresses so that their colleagues who so desire may send cards and greetings.

Norma A. Sabella, 4 Birchwood Drive, Derry, New Hampshire 03038-3937

Stanley N. Searles, Sr., 129 Dracut Road, Hudson, New Hampshire 03051-5423

Karen O. Wadsworth, Clerk of the House

MEMBERS' NOTICES

The following notices are published in the House record as a courtesy to the member(s) requesting publication. These are not official public notices and will be limited to legislative policy or social activities and political meetings or events. Publication should not be construed as support for either the events listed or the view espoused by the individual or organization sponsoring the event.

Members of the Environment and Agriculture Committee will be in Newport, March 1 at 7:00 p.m. at the Newport Opera House to receive comments on HB 446, HB 379, HB 380. These bills pertain to issues concerning the Sullivan County regional disposal district.

Reps. John G. Tuthill and Amy E. Robb-Theroux

The next meeting of Manchester City Democrats will be Monday, March 1 at 7:00 p.m. in the Aldermanic Chambers of City Hall. An update on the Claremont situation will be provided.

Rep. Steve Vaillancourt

The newly formed Legislative Caucus for Quality Health Care has rescheduled the meeting with Blue Cross/Blue Shield of NH and Anthem, Inc. officials regarding the sale of BC/BS of NH for Friday, March 5 from 10:30 a.m. to noon (location to be announced). If you have any questions, please contact me at 669-4250.

Rep. Linda L. Garrish

Legislators for Limited Spending will meet on Tuesday, March 2, Tuesday, March 16 and Tuesday, March 30 at 8:30 a.m. in the Upham Walker House.

Rep. Sylvia A. Holley

The Legislative Caucus for Young Children will meet on Tuesday, March 2 from noon to 1:00 p.m. in the Upham Walker House. Guests will be Dr. Margaret Copeland, Administrator, Child Development Bureau and Nancy Rollins, Director, Division of Children, Youth and Families to discuss NH child care policy. Bring your lunch.

Reps. Susan B. Durham

The 1999 Legislative Reception hosted by the New Hampshire Lodging and Restaurant Association will be held on Tuesday, March 2 from 5:00 to 8:00 p.m. at the Executive Courtyard Conference Center, 1199 South Mammoth Road, Manchester. RSVP only if attending by February 26 to 228-9585.

Rep. Stephen G. Avery

Hampton Democratic Committee is having a Jefferson-Jackson pot luck dinner March 3 from 6:00 to 8:00 p.m. at the Lane Memorial Library. Tickets are \$10. If you want to come please contact Rep. Jane Kelley.

Rep. Jane P. Kelley

Developmental Services is holding an informational breakfast for legislators and other elected officials on Friday, March 5 at the McIntosh Conference Center in Dover from 7:30-8:30 a.m.

Rep. Franklin S. Torr

The Belknap County Republican Committee will hold the Annual Lincoln Day Dinner in Gilford at 6:00 p.m. on Saturday, March 6. Please contact Rep. Rosen for tickets.

Rep. Ralph J. Rosen

Join the fun at Manchester's St. Patrick's Day Roast of Senate Vice President John King with special guests Governor Jeanne Shaheen and Maryland Lt. Governor Kathleen Kennedy Townsend. The Roast is on Saturday, March 6 from 10:00 a.m. to noon at the Black Brimmer Restaurant, 1087 Elm Street, Manchester. Tickets are \$20 per person, \$100 for a sponsorship. Tickets will be available at the door.

Rep. Raymond Buckley

As previously noticed in the calendar, **Ski New Hampshire** will be hosting its 7th annual legislative ski day on **March 7 & 8 at Loon Mountain Ski Area in Lincoln**. Skiing will be available on Sunday for \$28 all day. Sunday evening from 5-7 p.m., a reception will be held for those participants arriving on Sunday. Skiing on Monday is included in the program for each legislator and a guest.

Rates at the slopeside Mountain Club are \$75 per room that evening and you must make your own reservation by calling 745-6281. For Ski NH's planning purposes, please fill out the form below if you will be attending any of the events on

March 7 & 8 and fax to SKI NH at 745-3002 or call in your reservation to 745-9396. Non-skiers are welcome to participate as other activities will be available such as grooming tours, snow shoe tours, and cross country skiing. Remember, this year's event is a fundraiser for **Keep Kids S.A.F.E.** and we hope you can attend.

1. _____

2. _____

3. _____

4. _____

Rep. Gene G. Chandler

All legislators are encouraged to march in the St. Patrick's Parade in Manchester, Sunday, March 7. Legislators will gather together at noon on Manchester's Elm Street, just north of Webster Street. Parking is not available. Please car pool and make arrangements to be dropped off at the start of the parade.

Rep. Raymond Buckley

The University of New Hampshire invites all legislators to attend a breakfast on Thursday, March 11th from 7:30 a.m. to 9:00 a.m. at the Eagle's Nest, One Eagle Court (located across the street from the State House) for the purpose of being briefed on University issues. Dr. Joan Leitzel, President of the University and the University Alumni Trustees will be present to answer any questions.

Reps. Joseph E. Stone and Janet G. Wall

The New Hampshire School Food Service Association invites all legislators and staff to join them for breakfast on Thursday, March 11 in the State House dining room from 8:00 to 10:30 a.m. Become aware of the foods offered in schools to children by sitting down for a chat or picking up your selection and taking it back to your office. We hope to see you there.

Rep. Andrew Christie, Jr.

The Manchester Republican Committee will be holding its annual Lincoln Day dinner, Thursday, March 18th at 6:30 p.m. at the Center of New Hampshire. The keynote speaker will be New York Governor George Pataki. For tickets contact Hon. Bobbi Arnold at 669-4814.

Rep. Marc P. Pappas

The Sullivan County Republican Lincoln Day Dinner will be held at the Newport Opera House on Saturday, March 20th at 6:00 p.m. The keynote speaker will be Congressman John Kasich. Donations are \$15 per person. Tickets are available from Beverly

Rodeschin at 863-1941.

Rep. Richard C. Leone

The New Hampshire Association of Broadcasters will host their 9th annual Legislative Breakfast on Wednesday, March 24th at St. Paul's Church Ordway Hall. This is an opportunity for legislators and broadcasters to discuss specific ways they can work together to accomplish different goals. The breakfast begins at 7:30 a.m. and the panel discussion begins at 8:00 a.m. Please RSVP to 472-9800.

Rep. Gene G. Chandler, Majority Leader

As a convenience to the members of the NH General Court, the Visitors' Center offers the following schedule of schools and other groups visiting the State House in March, 1999. These listings replace individual notifications in an effort to reduce paper usage and to ensure all members are notified in a timely manner. Please contact the Visitors' Center for further information. Thank you for your continued participation with your School Visitation Program.

Kenneth Leidner, Director

<i>DATE</i>	<i>TIME</i>	<i>GROUP</i>	<i>CLASS/Size</i>
Mar. 2	9:30 & 11:00	St. Catherine's - Manchester	4/56
Mar. 3	9:30 & 11:00	East Rochester Elementary	4/60
Mar. 4	9:30	Deerfield Community School	4/22
Mar. 4	11:00	Infant Jesus School	4/55
Mar. 5	9:00 & 10:30	Webster Elementary School	4/50
Mar. 5	12:00	Pembroke Hill Elementary School	4/34
Mar. 8	9:00 & 10:30	Epping High School	9/60
Mar. 9	10:00 & 12:00	Symonds Elementary School-Keene	4/60
Mar. 10	10:30 & 12:30	Barrington Elementary School	4/65
Mar. 11	10:30 & 12:30	Barrington Elementary School	4/65
Mar. 12	9:00 & 10:30	Webster Elementary School	4/50
Mar. 12	12:00 & 1:00	Haverhill Cooperative Middle School	4/60
Mar. 15	10:00	Grace Christian School - Merrimack	4/11
Mar. 15	10:00	Salem Christian School	4/15
Mar. 15	10:00	Goffstown Christian School	3,4&6/6

Mar. 15	11:30	Marlborough School	4/25
Mar. 16	9:30 & 11:30	Green Acres Elementary - Manchester	4/60
Mar. 17	9:30 & 11:30	Green Acres Elementary - Manchester	4/60
Mar. 18	10:15 & 12:30	Moultonboro Central School	4/55
Mar. 19	10:00, 11:15 & 12:30	Plymouth Elementary School	4/60
Mar. 22	10:30 & 11:45	Stratham Memorial School	4/60
Mar. 23	10:00, 11:15 & 12:30	Reeds Ferry Elementary - Merrimack	4/75
Mar. 23	1:30	Concord Christian High School	9/15
Mar. 24	10:00 & 11:15	Reeds Ferry Elementary - Merrimack	4/50
Mar. 24	1:30	Concord Christian High School	9/25
Mar. 25	8:15 & 1:15	Merrimack Valley High School	HS/56
Mar. 25	10:00 & 11:15	Reeds Ferry Elementary - Merrimack	4/50
Mar. 25	3:30	White Mtn Regional HS	10 –12/40
Mar. 26	10:15 & 11:15	Stratham Memorial School	4/40
Mar. 26	12:30	Maplewood Elementary - Somersworth	3/50
Mar. 29	9:45, 11:00 & 12:30	Southwick Elementary – Northfield	3/75
Mar. 30	9:00AM & 1:00PM	UNH – Social Services Students	College/32
Mar. 30	10:00 & 11:15	Rindge Memorial School	4/45
Mar. 31	10:00 & 11:15	Rindge Memorial School	4/45
Mar. 31	11:15	Sant Bani School – Sanbornton	4/14
Mar. 31	12:30	Hopkinton French Exchange Students	HS/15

The Department of Transportation will hold the following meetings:

Mar 1 – Hudson Town Hall, 12 School Street, Hudson, 7:00 p.m. Combined public officials/public informational meeting, Hudson, NH Route 3A, Dracut Road to Rena Avenue.

Mar 2 – Londonderry Senior High School Cafeteria, 265 Mammoth Road, Londonderry, 7:00 p.m. Public hearing, Salem-Manchester, wetland mitigation sites in Londonderry and Salem.

Mar 3 – Bristol Town Hall, Downstairs Conference Room, 230 Lake Street, Bristol, 7:00 p.m. Public informational meeting, Bristol, NH 3A.

Mar 4 – Effingham Town Hall, Town House Road, State Route 153, 7:30 p.m. Public informational meeting, Effingham-Freedom, NH Route 143 over Ossipee River.

Mar 4 – Belmont High School Cafeteria, Seavey Road, Belmont, 7:00 p.m. Advisory Task Force Meeting, Belmont, NH 140 study.

Mar 4 – Kingston Town Hall, Main Hall, 163 Main Street, Kingston, 7:00 p.m. Combined public officials/public informational meeting, Kingston, NH 125 intersection with New Boston Road.

Rep. Edwin O. Smith, Chairman

Public Works and Highways

THURSDAY, MARCH 4

AMENDMENTS

(LISTED IN NUMERICAL ORDER)

1999-0095h

Amendment to HB 79

Proposed by the Committee on Commerce - C

Amend the title of the bill by replacing it with the following:

AN ACT relative to reports to the bank commissioner and to safe deposit box openings.

Amend the bill by replacing section 1 with the following:

1 Reports of Proscribed Activity. RSA 384:36 is repealed and reenacted to read as follows:

384:36 Reports of Proscribed Activity. Institutions subject to this chapter shall file with the bank commissioner copies of reports required by the provisions of section 208.20 of the Federal Reserve Board's Regulation H(12 CFR 208.20), Federal Deposit Insurance Corporation regulation Part 353 (12 CFR 353.1 et seq.), and National Credit Union Administration regulation Part 748.1(c)(12 CFR 748.1(c)) as may be amended from time to time. Reports required by this section shall be filed with the bank commissioner at the same time such reports are filed with the institution's federal regulators. A financial institution subject to his section, and any director, officer, employee or agent of such financial institution, that files a report pursuant to this section shall be protected from liability for any disclosure contained therein. All reports filed with the commissioner under this section shall be confidential and shall not be subject to subpoena or to the requirements of RSA 91-A, except that the commissioner shall provide copies of such reports upon request to the New Hampshire department of justice, criminal bureau.

Amend the bill by replacing section 3 with the following:

3 Effective Date.

I. Section 1 of this act shall take effect upon its passage.

II. The remainder of this act shall take effect January 1, 2000.

AMENDED ANALYSIS

This bill requires that certain reports filed with federal regulatory agencies be filed with the bank commissioner. The bill also

removes a requirement for notarization before a justice of the peace of lists and statements involved in the opening of abandoned safe deposit boxes.

1999-0007h

Amendment to HB 80

Proposed by the Committee on Commerce - C

Amend RSA 391:1-a as inserted by section 3 of the bill by replacing it with the following:

391:1-a Establishment and Use of Common Trust by Bank Holding Company Affiliates. Any such bank or trust company which is an affiliate of a bank holding company, as defined by the federal Bank Holding Company Act of 1956, as amended, or of a savings and loan **holding** company as defined by the federal Savings and Loan Holding Company Act, as amended, may establish common trust funds for the purpose of furnishing investments to itself as fiduciary, to other affiliates of the same ~~[bank]~~ holding company qualified to act as fiduciary in this state as fiduciary, or to itself and others as co-fiduciaries, or to such other affiliates and others as co-fiduciaries. Subject to the limitations upon the investment of funds held in a fiduciary capacity in common trust funds contained in RSA 391:1, the bank or trust company affiliate of a ~~[bank]~~ holding company establishing such common trust funds and other affiliates of the same ~~[bank]~~ holding company qualified to act as fiduciary in this state may, as such fiduciary or co-fiduciary, invest funds which it lawfully holds for investment in interest in such common trust funds. The bank or trust company establishing, maintaining, or so utilizing any such common trust fund shall comply with and be subject to all of the provisions of this chapter as though such bank or trust company and the other banks or trust companies participating in such common trust fund or funds were one and the same corporate entity. Any person acting as a co-fiduciary with any such bank or trust company is hereby authorized to consent to the investment in interest in a common trust fund or funds created hereunder.

1999-0232h

Amendment to HB 108-FN-A-LOCAL

Proposed by the Minority of the Committee on Finance - R

Amend RSA 198:39 as inserted by section 3 of the bill by replacing it with the following:

198:39 Education Trust Fund Created. The treasurer shall establish an education trust fund in the treasury. Moneys in such fund shall not be used for any purpose other than to distribute adequate education block grants to municipalities, make payments to municipalities to cap their tax effort per pupil under this subdivision, make supplemental adequacy grants under RSA 198:51, and to reimburse the state for any borrowing necessary to implement this subdivision. The state treasurer shall deposit into this fund:

- I. The full amount of the statewide education property tax under RSA 76-A.
- II. All moneys due the fund in accordance with RSA 284:21-j.
- III. Funds collected and paid over to the state treasurer by the department of revenue administration pursuant to RSA 78:32.
- IV. Funds collected and paid over to the state treasurer by the department of revenue administration pursuant to RSA 83-D:12, I.
- V. Any other moneys appropriated to the education trust fund from the general fund.
- VI. Any other moneys due the fund in accordance with law.

Amend RSA 21-J:3, XIII as inserted by section 7 of the bill by replacing it with the following:

7 Duties of Commissioner. Amend RSA 21-J:3, XIII to read as follows:

XIII.**(a)** Equalize annually the valuation of the property in the several towns, cities, and unincorporated places in the state by adding to or deducting from the aggregate valuation of the property ~~[as assessed]~~ in towns, cities, and unincorporated places such sums as will bring such valuations to the true and market value of the property, including the equalized value of property formerly taxed pursuant to the provisions of RSA 72:7; 72:15, I, V, VII, VIII, IX, X, and XI; 72:16; 72:17; 73:26; 73:27; and 73:11

through 16 inclusive, which were relieved from taxation by the laws of 1970, 5:3; 5:8; 57:12; and 57:15, the equalized valuation of which is to be determined by the amount of revenue returned in such year in accordance with RSA 31-A, and by making such adjustments in the value of other property from which the towns, cities, and unincorporated places receive taxes **or payments in lieu of taxes** as may be equitable and just, so that any public taxes that may be apportioned among them shall be equal and just. ***In carrying out the duty to equalize the valuation of property, the commissioner shall follow the procedures set forth in RSA21-J:9-a.***

(b) Equalize annually the valuation of the property in towns with a population under 5,000 by calculating the average of the equalized value over the 3 most recent years.

Amend the bill by inserting after section 23 the following and renumbering the original sections 24-25 to read as 26-27, respectively:

24 New Section; Tobacco Tax. Amend RSA 78 by inserting after section 31 the following new section:

78:32 Distribution of Funds. The funds collected by the department pursuant to this chapter shall be paid over to the state treasurer for deposit in the education trust fund established by RSA198:39.

25 Administration; Tax on Nuclear Station Property. Amend RSA 83-D:12, I to read as follows:

I. The commissioner of revenue administration shall collect the taxes, interest, additions to tax and penalties imposed under this chapter. The commissioner shall determine the expense of administration of this chapter and shall certify and pay over to the state treasurer ***for deposit in the education trust fund established by RSA 198:39*** the amount of remaining balance of the funds collected under this chapter after the expenses of administration have been deducted.

AMENDED ANALYSIS

This bill establishes a statewide education property tax to fund an education trust fund to pay for state-mandated education and funding for kindergarten. Revenues from the tobacco tax and the nuclear station property tax are also designated for the education trust fund. The distribution to the municipalities shall be made on an equal per pupil basis, based on the average daily membership of the municipalities by grade. Municipalities may supplement education spending as they deem appropriate.

The bill permits a property taxpayer whose total statewide property taxes on up to \$100,000 of equalized value of the homestead are in excess of 10 percent of the taxpayer's household income to apply to the municipality for property tax relief of the difference not in excess of \$2,250.

The bill also provides for a 3-year transitional period to phase-in the new tax rate.

1999-0225h

Floor Amendment to HB 116-FN-A-LOCAL

Proposed by Rep. Peterson - R

Amend the title of the bill by replacing it with the following:

AN ACT establishing an alternative consumption tax and a public utility realty tax as sources of funding for education and a uniform rate of property taxation for educational funding and making an appropriation therefor.

Amend the bill by replacing all after the enacting clause with the following:

1 Intent. The legislature finds that since *Claremont II* necessitates action with regard to changing the funding mechanisms for public education and the tax structure of the state, it is also timely for the legislature to consider increased funding for the university system, the regional-community technical colleges, and early childhood programs. The legislature recognizes that in solving the problem of providing the means for an adequate education for grades kindergarten through 12 it is also important that consideration be given to funding for the university system, the regional-community technical colleges, and early childhood programs in order to best meet the goals and requirements of Part II, article 83 of the New Hampshire constitution.

2 Duties of the Commissioner. Amend RSA 21-J:3, XV to read as follows:

XV. Establish and approve tax rates as required by law ***including the uniform education tax rate.***

3 Cigarette Tax. Amend RSA 78:7 to read as follows:

78:7 Tax Imposed. A tax upon the retail consumer is hereby imposed at the rate of ~~[37]~~ **62** cents for each package containing 20 cigarettes or at a rate proportional to such rate for packages containing more or less than 20 cigarettes, on all tobacco products sold at retail in this state. The payment of the tax shall be evidenced by affixing stamps to the smallest packages containing the tobacco products in which such products usually are sold at retail. The word "package" as used in this section shall not include individual cigarettes. No tax is imposed on any transactions, the taxation of which by this state is prohibited by the Constitution of the United States.

4 New Section; Tobacco Tax. Amend RSA 78 by inserting after section 31 the following new section:

78:32 Distribution of Funds. The funds collected by the department pursuant to this chapter shall be paid over to the state treasurer for deposit in the education trust fund established by RSA198:39.

5 New Chapter; Alternative Consumption Tax. Amend RSA by inserting after chapter 78-C the following new chapter:

Chapter 78-D

Alternative Consumption Tax

78-D:1 Definitions. In this chapter:

I. "Admissions" means the money or other consideration for admitting a person or vehicle to any place of amusement, sport, recreation or physical fitness, and all dues and fees paid to private clubs and membership clubs providing amusement, sport, recreation or physical fitness.

II. "Business activity" means a group of actions performed by a person or persons for the purpose of earning income or profit from such actions and includes every operation which forms a part of, or a step in, the process of earning income or profit from such group of actions. The actions ordinarily include, but are not limited to, the receipt of money, property, or other items of value and the incurring or payment of expenses.

III. "Commissioner" means the commissioner of the department of revenue administration.

IV. "Consumer" means any person, including governmental units, purchasing or leasing at retail any tangible personal property or service for consumption in this state.

V. "Consuming" or "consumption" means the ownership, possession, utilization, use or employment of tangible personal property or the acquisition or enjoyment of services other than for resale.

VI. "Construction" or "constructing" means building, altering, repairing or demolishing any building or structure upon real estate and includes leveling or clearing land, excavating earth, drilling wells of any type or similar activity upon real estate.

VII. "Department" means the department of revenue administration.

VIII. "Gross receipts" means the total amount of money or the value of other consideration received from the sale at retail of tangible personal property, the leasing of property and the performance of services in this state and from selling services performed outside New Hampshire, the product of which is initially used in this state. In an exchange in which the money or other consideration received does not represent the value of the property or service exchanged, "gross receipts" means the fair market value of the property or service exchanged.

IX. "In this state" means within the legal jurisdictional boundaries of New Hampshire and includes all territory within these limits owned by or ceded to the United States.

X. "Lease," "leasing," or "rental" means any arrangement whereby, for a consideration, property is possessed or employed for or by a person other than the owner of the property. The terms "lease," "leasing," or "rental" shall include any admittance, use or enjoyment of property for which an admission is charged.

XI. "Manufacturing" means combining or processing components or materials to increase their value for sale in the ordinary course of business, but does not include construction.

XII. "Property" means real property, tangible personal property, licenses, franchises, patents, trademarks, and copyrights.

XIII. "Real property" or "real estate" means the land, improvements thereto, and fixtures.

XIV. "Retail sale" or "sale at retail" means the sale to a consumer for consumption of tangible personal property or services and includes all such transactions that may be made in lieu of retail sale or sale at retail.

XV. "Service" means all activities engaged in for other persons for a consideration, which activities involve predominately the performance of labor or intellectual activity as distinguished from selling or leasing property. The term "service" includes construction activities. With respect to financial transactions the service component of the total charge for the transaction shall be determined based on the proportion of the cost of performance to the total cost of the transaction. The commissioner shall adopt rules relative to the determination of such service component. The term "service" does not include labor or intellectual activity performed for or on behalf of other persons when:

(a) The person performing the activity is an employee as defined in section 3401(c) of the United States Internal Revenue Code. Any person from whom an employer as defined in section 3401(d) of the United States Internal Revenue Code is required to withhold for federal income tax purposes shall prima facie be deemed an employee; or

(b) The person is an independent contractor performing the activity exclusively for a single business enterprise. The commissioner shall adopt rules relative to the determination of whether an independent contractor qualifies for employee status under this section.

The term "service" shall not include services performed by doctors of medicine or osteopathy, dentists, chiropractors, optometrists, podiatrists, nurses or other health practitioners or services provided by hospitals, general medical, osteopathic, dental, chiropractic, optometric, podiatric, or other health care clinics, or nursing or personal care facilities, medical or dental laboratories, home health care services, kidney dialysis centers, and specialty outpatient facilities.

XVI. "Taxable receipts" means gross receipts less the money or value of other consideration received from the sale or transfer of the following:

(a) Property subject to the tax on meals and rooms, pursuant to RSA 78-A.

(b) Property subject to the tax on transfer of real property, pursuant to RSA 78-B.

(c) Property subject to taxes imposed on liquor, under Title XIII.

(d) Property subject to tax pursuant to RSA 260:32, relative to motor fuels.

(e) Property subject to tax pursuant to RSA 260:52, relative to special motor fuels.

(f) Property subject to taxation pursuant to RSA 432:9, relative to the airways toll on aviation fuels, and RSA 432:9-a, relative to the airways toll on other aviation fuels.

(g) Property subject to taxation pursuant to RSA 79, relative to forest conservation and taxation, but only to the extent such property remains in its original condition immediately following the point at which such property became taxable under said chapter.

(h) Property subject to the tax on communication services, pursuant to RSA 82-A

XVII. "United States Internal Revenue Code" means the United States Internal Revenue Code of 1986, as amended, without the rules, regulations, forms, and procedures of the United States Internal Revenue Service. The rules, regulations, forms and procedures of the United States Internal Revenue Service may, however, be used by the commissioner of revenue administration in formulating rules for adoption under RSA 541-A. This definition shall be operative unless and until a specific statutory exception to its adoption is provided in this chapter, or until the application of one of its provisions is held to violate the New Hampshire constitution.

XVIII. "Use" means the exercise of any right or power over tangible personal property incident to the ownership thereof; or interest therein, except it does not include the sale at retail of such property.

XIX. "Vendor" means every person, including governmental units, engaged in the business activity of making sales at retail to a consumer.

78-D:2 Imposition of Tax.

I. A tax is imposed on the sale at retail of tangible personal property or services in this state to consumers at the rate of one percent upon the taxable receipts from such sale.

II. A compensating tax is imposed on the consumption of tangible personal property or services in this state at the rate of one percent of the value of such tangible personal property or service.

78-D:3 Collection of Tax; Small Vendors Exempted.

I. Every vendor carrying on business activity in this state shall collect and monthly remit the tax to the state as provided in RSA78-D:5. Vendors whose average monthly tax collections do not exceed \$100 may apply to the commissioner to remit taxes annually. Approval of such requests shall be at the discretion of the commissioner.

II. Notwithstanding the provisions of paragraph I, vendors with less than \$10,000 in gross receipts from sales at retail annually shall not be required to collect and remit tax on their sales at retail.

78-D:4 Liability for Tax; Prior Purchases Exempted.

I. Except as provided in paragraph III, every consumer shall be liable for the tax and such liability shall not be extinguished until the tax has been paid to the state, except that payment to a vendor required to collect the tax pursuant to RSA78-D:3 is sufficient to relieve the consumer from further liability for the tax.

II. Except as provided in paragraph III, any tax required to be collected, and any tax received by a vendor, shall become a personal debt of the vendor until paid to the state. The vendor shall be relieved of further liability for such taxes in the event that the tax is paid directly to the state by the consumer or another person.

III. Consumers shall not be liable for nor vendors required to collect tax on any tangible personal property or services purchased or used in this state prior to the date upon which this chapter became effective.

78-D:5 Presumption of Taxability and Value.

I. To prevent evasion of the compensating tax and the duty to collect it, it is presumed that tangible personal property purchased or sold by any person for delivery into this state is purchased or sold for consumption in this state.

II. In determining the amount of compensating tax due on the consumption of tangible personal property, it is presumed, in the absence of preponderant evidence of another value, that the value means the total amount of money or the fair market value of other consideration paid for such property exclusive of any time-price differential; provided however, in an exchange in which the amount of money paid does not represent the value of the tangible personal property or property and service purchased, the compensating tax shall be calculated on the fair market value of the tangible personal property or property and service purchased.

III. In determining the amount of compensating tax due on the consumption of a service, it is presumed, in the absence of preponderant evidence of another value, that the value means the total amount of money or fair market value of other consideration paid for the service exclusive of any type of time-price differential; provided however, in an exchange in which the amount paid does not represent the value of the service purchased, the compensating tax shall be calculated based on the fair market value of the service purchased.

78-D:6 Tax Returns; Date Payment Due.

I. Except as provided in this section, on or before the twenty-eighth day of February and the thirtieth day of each other month, every vendor liable to collect and pay over the taxes imposed by this chapter shall make a return to this department for the preceding month on a form prescribed by the commissioner.

II. Any vendor who has applied for and been granted permission to remit taxes annually shall file a return for each calendar year on or before February 15 of the following calendar year.

III. Any provider who ceases to engage in business activity in this state including making sales at retail for consumption, and is thereby not responsible for filing returns under this chapter, shall file a final return with the department not more than one month after discontinuing such activity. This requirement shall apply notwithstanding any other provision of this chapter regarding the time within which to file a return.

IV. If the commissioner finds that the information required for the making of an accurate return cannot reasonably be compiled by a vendor within the period provided in this section, the commissioner may grant an extension of time for the filing of such return. Any such extension shall be granted for a period not to exceed 31 calendar days. The granting of such extension may be conditioned upon the payment by the vendor of an amount of money equal to the amount estimated by the commissioner to be due with the return when filed under extension. All such estimated payments shall be credited against the vendor's liabilities under this chapter.

V. The vendor shall pay to the department the amount of tax imposed by this chapter at the time the return is due.

78-D:7 Tax Returns by Consumer; Date Payment Due.

I. Consumers may apply for permission to pay tax directly to the state. Direct payment shall be at the commissioner's discretion.

II. When a consumer does not pay the tax imposed by this chapter to a vendor, such consumer shall file a return with the department and pay the compensating tax upon the taxable property or services consumed during the taxable month. Such return and payment shall be due on or before the twenty-eighth day of February and the thirtieth day of each other month following the month in which consumption occurs. The return shall be filed on a form prescribed by the department and shall contain such information as the department may reasonably require.

78-D:8 Books, Records, Papers, and Other Documents.

I. Every vendor liable for collection of tax under this chapter shall provide and keep the necessary records to show the amount of gross receipts, taxable receipts, and any exclusions, exemptions or deductions therefrom of any tangible personal property or services sold by said vendor.

II. Every consumer making direct tax payments to the department shall provide and keep the necessary records to show the value of any tangible personal property or services consumed by such consumer.

III. Every vendor maintaining a place of business in this state or required to file or actually filing in this state under this chapter and every consumer making direct tax payments to the department under this chapter shall keep books, records, papers, and other documents which are adequate to reflect the information required by this chapter to be reported to the department by the filing of timely returns with the department.

IV. All books, records, and other papers and documents required to be kept by this chapter shall, at all times during business hours of the day, be subject to inspection by the department.

78-D:9 Determination of Tax; Additional Returns.

I. If a return required by this chapter is not filed, or if a return when filed, is incorrect or insufficient, the amount of tax due shall be determined and assessed by the commissioner from any information available. If necessary, the tax may be estimated on the basis of external indices, such as stock on hand, purchases, rental paid, location, scale of rents or charges, comparable rents or charges, type of accommodations and service, number of employees or other factors.

II. The commissioner may provide by rule for the exclusion from taxable receipts of amounts representing sales where the contract of sale has been cancelled, the property returned or the receipt or charge has been ascertained to be uncollectable or, in the case the tax has been paid upon that receipt or charge, for refund or credit of the tax so paid.

III. When the commissioner has reason to believe that a vendor has failed to file a return or to include any part of the taxable receipts of sales by such vendor in a filed return, the commissioner may require the vendor to file a return or a supplementary return showing such additional information as the commissioner prescribes. The making of such additional return does not relieve the vendor of any penalty for failure to make a correct original return, or relieve it from liability for interest imposed under RSA21-J:28 or for any other additional charges imposed by the commissioner. This section shall not be construed to modify or extend the statute of limitations provided in RSA21-J:29.

78-D:10 Administration; Rulemaking.

I. The commissioner shall collect the taxes imposed under this chapter, interest on tax, additions to tax, and penalties imposed, and pay over to the state treasurer the amount of funds collected under this chapter for deposit in the education trust fund established in RSA 198:39.

II. The commissioner shall adopt rules, under RSA541-A, relative to:

- (a) The form of the return and the data which it must contain for the correct computation of the taxable receipts from sales of tangible personal property and services for consumption in this state and the tax assessed.
- (b) The administration of the alternative consumption tax.
- (c) The recovery of any tax, interest on tax, additions to tax, or penalties imposed by RSA78-D or RSA 21-J.

78-D:11 Surety Bonds.

I. When the commissioner deems it necessary to protect the revenues to be obtained under this chapter, the commissioner may, after notice and hearing, require any vendor required to collect the tax imposed by this chapter to file with the commissioner a bond issued by a surety company authorized by the New Hampshire insurance department to do business in this state, in an amount fixed by the commissioner, to secure the payment of any tax, interest or penalties due, or which may become due. The vendor shall file a bond within 10 days after the department has issued and mailed such notice. Surety bonds may be required in situations such as, but not limited to, failure to file returns, failure to make payments with returns at the time required by law, tender by a vendor of checks returned for insufficient funds, failure to pay interest and penalties assessed, vendors who are itinerant, transient or temporary, and any other situation which, in the discretion of the commissioner, renders the collection of the tax in jeopardy.

II. The surety on such bond shall be discharged from the liability accruing on the bond after the expiration of 60 days from the date on which the surety shall have logged with the department a written request to be so discharged; but such request shall not discharge such surety from any liability already accrued or which shall accrue before the expiration of said 60-day period. The duration of surety bonds shall be for one year only, unless the requirement is cancelled or revised by the commissioner before the expiration of the one-year period.

III. In lieu of a bond, cash in an amount prescribed by the commissioner may be deposited with the state treasurer who may, at any time, upon instructions from the commissioner and without notice to the depositor, apply the cash deposited to any tax or interest or penalties due. Cash deposited in lieu of a surety bond shall not earn interest.

IV. Failure to comply with the provisions of this section shall result in the suspension of the vendor's license, as provided in RSA 78-D:18.

78-D:12 Collection of Tax From Consumer.

I. Every vendor required to collect the tax shall collect the tax from the consumer when collecting the price to which it applies. If the consumer is given any sales slip, invoice, receipt or other statement or memorandum of the price paid or payable, the tax shall be stated, charged and shown separately on the first of the documents given to said consumer. The form and content of any sales slip, invoice, receipt or other statement or memorandum of the price paid or payable relative to financial transactions which contain a taxable service component shall be determined by the commissioner according to rules promulgated under RSA 541-A. The tax shall be paid to the vendor required to collect it as trustee for and on account of the state.

II. To compensate vendors for keeping the prescribed records and the proper account and remitting of taxes collected by them, vendors shall be allowed to retain 3 percent of the taxes due and to be remitted if the return and payment are timely received by the department as provided in RSA 78-D:6. Vendors who fail to keep prescribed records or to properly account and remit taxes shall forfeit the 3 percent of taxes due allowed to be retained pursuant to this paragraph. Such forfeiture shall be in addition to any other penalty imposed by law for such dereliction.

78-D:13 Deferred Payment Purchases. The commissioner may provide that the tax upon receipts from purchases on the installment plan, seasonal purchases, or deferred payment purchases may be paid on the amount of each deferred payment and upon the date when the payment is received.

78-D:14 Exemptions.

I. The receipts or uses exempted in paragraph II from either the tax imposed under RSA78-D:2, I or the compensating tax imposed under RSA 78-D-2, II are not exemptions from both taxes unless explicitly stated otherwise.

II.(a) Food products for human consumption shall be exempt from the taxes imposed by this chapter.

(b) Any property or service for which the total price therefore without tax is \$.50 or less shall be exempt from the taxes imposed by this chapter; provided, however that the purchase by a consumer in a single transaction of multiple items each \$.50 or less in

total price shall be aggregated to determine the applicability of this exemption.

(c) Rent payments for lease or rental of real estate shall be exempt from the taxes imposed by this chapter, except that this subparagraph shall not be construed to exempt admissions from the taxes imposed by this chapter.

(d) Tuition payments shall be exempt from the taxes imposed by this chapter.

(e) Any property or service purchased or used by:

(1) The United States or any agency, department or instrumentality thereof;

(2) The state of New Hampshire or any political subdivision thereof;

(3) Any foreign nation or agency, instrumentality or political subdivision thereof, but only when required by a treaty in force to which the United States is a party.

(4) Any nonprofit organization expressly made exempt from income taxation under section 501(c)(3) of the United States Internal Revenue Code to the extent that such organization does not engage in business activity constituting unrelated business activity as defined by section 513 of the United States Internal Revenue Code.

(f) Any tangible personal property consisting of personal or household effects of an individual brought into this state in connection with the establishment by such individual of an initial residence in this state shall be exempt from the compensating tax imposed under RSA 78-D:2, II.

(g) Any tangible personal property brought into this state for use by a nonresident for such nonresident's non-business use while temporarily within this state shall be exempt from the compensating tax imposed under RSA 78-D:2, II.

(h) Receipts from the isolated or occasional sale of or leasing of property or a service by persons who are neither regularly engaged nor holding themselves out as engaged in the business of selling or leasing the same or similar property or service shall be exempt from the tax imposed under RSA 78-D:2, I.

(i) Property used exclusively in interstate commerce shall be exempt from the compensating tax imposed under RSA 78-D:2, II; and

(j) Receipts from dues of nonprofit social, fraternal, political, trade, labor or professional organizations and business leagues shall be exempt from the tax imposed under RSA 78-D:2, I. For purposes of this subparagraph, "dues" means amounts that a member of an organization pays at recurring intervals to retain membership in an organization where such amounts are used for the general maintenance and upkeep of the organization.

(k) Receipts from services provided by nonprofit organizations expressly made exempt from income taxation under section 501(c)(3) of the United States Internal Revenue Code to the extent that such receipts are not from services provided by such nonprofit organization as a result of unrelated business activity as defined by section 513 of the United States Internal Revenue Code except that receipts from services provided by a hospital shall be taxable under this chapter. In this paragraph "hospital" means any general or special hospital for rehabilitation required to be licensed under RSA 151.

(l) Property and services used exclusively in manufacturing and purchased from out-of-state vendors shall be exempt from the compensating tax imposed under RSA 78-D:2, II.

(m) Services purchased from out-of-state vendors for use by the consumer outside New Hampshire shall be exempt from the compensatory tax imposed under RSA 78-D:2, II to the extent of such use out-of-state. The value of services purchased out-of-state but used or consumed both within and without New Hampshire shall be apportioned using a factor consisting of the percentage of the total sales, including charges for services, made by the consumer everywhere as is made by it within this state. Sales of tangible personal property are made in this state if the property is delivered or shipped to a purchaser, other than the United States government, within this state regardless of f.o.b. point or other conditions of sale, or the property is shipped from an office, store, warehouse, factory or other place of storage in this state and (1) the purchaser is the United States government, or (2) the business organization is not taxable in the state of the purchaser. Sales other than sales of tangible personal property are in this state if the income-producing activity is performed in this state, or the income-producing activity is performed both in and outside this state and a greater proportion of the income-producing activity is performed in this state than in any other state, based on costs of performance.

78-D:15 Deductions.

I. The following may be deducted from taxable receipts:

(a) Receipts from selling tangible personal property if the sale is made to a person who delivers a nontaxable transaction certificate to the vendor. The buyer delivering the nontaxable transaction certificate shall resell the tangible personal property either by itself or in combination with other tangible personal property in the ordinary course of business.

(b) Receipts from selling a service for resale if the sale is made to a person who delivers a nontaxable transaction certificate to the vendor. Buyers delivering the nontaxable transaction certificate shall separately state the value of the service purchased in his or her charge for the service on its subsequent sale, and the subsequent sale shall be in the ordinary course of business and subject to the tax.

(c) Receipts from selling tangible personal property and licenses if the sale is made to a person who delivers a nontaxable transaction certificate to the seller. The buyer delivering the nontaxable transaction certificate shall be engaged in a business that derives a substantial portion of its receipts from leasing or selling tangible personal property or licenses of the type sold. The buyer may not utilize the tangible personal property or license in any manner other than holding it for lease or sale or leasing or selling it either by itself or in combination with other tangible personal property or licenses in the ordinary course of business.

(d) Receipts from leasing tangible personal property or licenses if the lease is made to a lessee who delivers a nontaxable transaction certificate to the lessor. The lessee delivering the nontaxable transaction certificate may not use the tangible personal property or license in any manner other than for subsequent lease in the ordinary course of business.

(e) Receipts from selling tangible personal property if the sale is made to a person engaged in construction who delivers a nontaxable transaction certificate to the vendor. The buyer delivering the nontaxable transaction certificate must incorporate the tangible personal property as:

(1) An ingredient or component part of a construction project which is subject to the tax under this chapter upon its completion or upon the completion of the overall construction project of which it is a part; or

(2) An ingredient or component part of a construction project which is subject to the tax under RSA 78-B upon the sale of the real property upon which it was constructed.

(f) Receipts from selling a construction service if the sale is made to a person engaged in construction who delivers a nontaxable transaction certificate to the person performing the construction service. The buyer delivering the nontaxable transaction certificate must have the construction services performed upon:

(1) A construction project which is subject to the tax under this chapter upon its completion or upon the completion of the overall construction project of which it is a part; or

(2) A construction project which is subject to tax under RSA 78-B upon the sale of the real property upon which it was constructed.

(g) Receipts from performing a service if the sale of the service is made to a buyer who delivers to the vendor either an appropriate nontaxable transaction certificate or other evidence acceptable to the commissioner unless the buyer of the service or any of the buyer's employees or agents makes initial use of the product of the service in New Hampshire or takes delivery of the product of the service in New Hampshire.

II. Receipts whether specified once or several times in paragraph I may be deducted only once from taxable receipts.

78-D:16 Credits.

I. If on property bought outside this state, a gross receipts, sales, compensating or similar tax has been levied by another state or political subdivision thereof on the transaction by which the person using the property in New Hampshire acquired the property or a compensating, use or similar tax has been levied by another state on the use of the property subsequent to its acquisition by the person using the property in New Hampshire and such tax has been paid, the amount of such tax paid may be credited against any compensating tax due this state on the same property.

II. When the receipts from the sale of real property constructed by a person in the ordinary course of a construction business are subject to the gross receipts tax, the amount of compensating tax previously paid by the person on materials which became an ingredient or component part of the construction project and on construction services performed upon the construction project

may be credited against the tax due on the sale.

III. If on services performed outside the state a gross receipts sales or similar tax has been levied by another state or a political subdivision thereof and such tax has been paid, the amount of the tax paid may be credited against any gross receipts tax due this state on the receipts from the sale in New Hampshire of the product of the services performed outside this state. The amount of credit shall not exceed an amount equal to the rate of tax imposed under RSA 78-D:2 multiplied by the amount subject to tax by both New Hampshire and the other state or political subdivision of that state.

78-D:17 Certificate or Affidavit of Exemption. Unless a vendor shall have taken from the purchaser a certificate, signed by the purchaser and bearing the purchaser's name and address and the number of the purchaser's registration certificate, to the effect that the property was purchased for resale or the purchaser prior to taking delivery, furnishes to the vendor any affidavit, statement or additional evidence, documentary or otherwise, which the commissioner may require demonstrating that the purchaser is an exempt person described in RSA78-D:14 the purchase shall be deemed a taxable purchase at retail. Provided, however, the commissioner may authorize a purchaser, who acquires tangible personal property or services under circumstances which make it impossible at the time of acquisition to determine the manner in which the tangible personal property or services will be used, to pay the tax directly to the commissioner and waive the collection of the tax by the vendor. Provided, further, the commissioner shall authorize any person who acquires tangible personal property consisting of materials and supplies for use in construction, to pay the tax directly to the commissioner and waive the collection of the tax by the vendor. No such authority shall be granted or exercised except upon application to the commissioner and the issuance by the commissioner of a direct payment permit. If a direct payment permit is granted, its use shall be subject to conditions specified by the commissioner and the payment of tax on all acquisitions pursuant to the permit shall be made directly to the commissioner by the permit holder.

78-D:18 Proceedings to Recover Taxes.

- I. The commissioner may institute actions in the name of the state to recover any tax, interest on tax, additions to tax, or penalties imposed by this chapter.
- II. In the collection of the tax imposed by this chapter, the commissioner may use all of the powers granted to tax collectors under RSA80 for the collection of taxes, except that the tax imposed by this chapter shall not take precedence over prior recorded mortgages. The commissioner shall also have all of the duties imposed upon the tax collectors by RSA 80 that are applicable to the commissioner. The provisions of RSA80:26 apply to the sale of land for the payment of taxes due under this chapter, and the state treasurer is authorized to purchase the land for the state. If the state purchases the land, the state treasurer shall certify the purchase to the governor, and the governor shall draw a warrant for the purchase price out of any money in the treasury not otherwise appropriated.

78-D:19 Registration.

- I. On or before September 1, 1999, or in the case of vendors commencing business or opening new places of business after that date, within 3 days after the commencement or opening, every vendor required to collect any tax imposed by this chapter and every vendor purchasing tangible personal property for resale shall file with the commissioner a license application in a form prescribed by the commissioner. The commissioner shall issue, without charge, to each applicant a license of authority empowering the applicant to collect the tax. Each license shall state the place of business to which it is applicable. The license shall be prominently displayed in the place of business of the vendor. A vendor who has no regular place of doing business shall attach the certificate to the vendor cart, stand, truck or other merchandising device, or carry it on the vendor person. The certificate shall be nonassignable and nontransferable and shall be surrendered to the commissioner immediately upon the vendor ceasing to do business at the place named.
- II. Any person who is not otherwise required to collect any tax imposed by this chapter and who makes sales to persons within the state of tangible personal property or services, the use of which is subject to tax under this chapter, may, if such person so elects, file a license application with the commissioner who may, in the commissioner's discretion and subject to such conditions as the commissioner may impose, issue to such person a license of authority to collect the compensating use tax imposed by this chapter.

78-D:20 Suspension or Revocation of Licenses; Appeal.

- I. The commissioner may, after notice and hearing, suspend or revoke the license of any vendor required to collect the tax or may refuse to issue or renew any license for failure to comply with this chapter or with any pertinent rules adopted hereunder.
- II. Any person required to collect the tax aggrieved by a suspension, revocation, or refusal may appeal therefrom, in the same

manner as provided in RSA 21-J:28-b for appeal for redetermination or reconsideration of assessments, within 10 days after written notice of the suspension, revocation or refusal has been mailed or delivered to such person.

III. If the appealing person required to collect the tax files a bond running to the state as provided in RSA 78-D:11, then the suspension or revocation shall be inoperative during the appeal.

78-D:21 Refunds.

I. Claims for refund or credit may be made by a consumer who has actually paid the tax or by a person required to collect the tax, who has collected and paid over the tax to the commissioner, provided that the claim is timely made in accordance with RSA 21-J:28-a and RSA 21-J:29. No actual refund of moneys shall be made to a vendor until such person establishes to the satisfaction of the commissioner, under such rules as the commissioner may adopt, that such vendor has repaid to the consumer the amount for which the application for refund is made. The commissioner may, in lieu of any refund, allow credit on payments due from the claimant.

II. If the commissioner determines, on a claim for refund or otherwise, that a person has paid an amount of tax under this chapter which, as of the date of the determination, exceeds the amount of tax liability owing from the person to the state, with respect to the current and all preceding taxable periods, under any provision of this title, the commissioner shall forthwith refund the excess amount to the person together with interest as provided in RSA 21-J:28.

78-D:22 Liens. If any person required to pay or collect and transmit a tax under this chapter neglects or refuses to pay the same after demand, the amount, together with all penalties and interest provided for in this chapter and together with any costs that may accrue in addition thereto, shall be a lien in favor of the state of New Hampshire upon all property and rights to property, whether real or personal, belonging to such person. Such lien shall arise at the time demand is made by the commissioner of taxes and shall continue until the liability for such sum with interest and costs is satisfied or becomes unenforceable. No lien upon real estate for taxes imposed by this chapter is valid and binding against any person other than the taxpayer until notice of such lien stating the name and address of the taxpayer and the amount of the tax due shall have been filed and recorded in the registry of deeds in the grantor index in the county in which such real estate is located. Notwithstanding the provisions of any other law, the lien shall continue and shall be valid and binding until the liability for the sum, with interest and costs, is satisfied or becomes unenforceable.

6 New Chapter; Utility Property Tax. Amend RSA by inserting after chapter 83-E the following new chapter:

CHAPTER 83-F

UTILITY PROPERTY TAX

83-F:1 Definitions. In this chapter:

I. "Commissioner" means the commissioner of the department of revenue administration.

II. "Department" means the department of revenue administration.

III. "Taxable period" means the period beginning April 1, and ending March 31 of the following year.

IV. "Utility property owner" means any person, partnership, limited liability company, association, corporation or other entity, their trustees or receivers appointed by any court, owning utility property.

V. "Utility property" means all real estate, buildings and structures, machinery, dynamos, apparatus, poles, wires, fixtures of all kinds and descriptions, and pipe lines located within New Hampshire employed in the generation, production, supply, distribution, transmission, or transportation of electric power or natural gas, crude petroleum and refined petroleum products or combinations thereof, water, or sewage subject to tax under RSA 72:6, 72:7 and 72:8; provided that no electric power fixtures which would otherwise be taxed under this chapter shall be taxed under this chapter if they are employed solely as an emergency source of electric power. "Utility property" shall not include:

(a) Water and air pollution control facilities exempt from local property taxation under RSA 72:12-a;

(b) Any other property which is not subject to local property taxation.

83-F:2 Tax Imposed. For taxable periods beginning April 1, 1999, a tax is imposed upon the value of utility property at the rate of \$8.50 per \$1000 of equalized assessed valuation, to be assessed annually as of April 1, and every year thereafter, and paid in

accordance with this chapter.

83-F:3 Determination of Value. On or before December 1 of the tax year, the commissioner shall determine the value of utility property for the purposes of this chapter by appraising such property at its full and true value. Notice of such determination shall be given to the taxpayer within 15 days of the commissioner's determination.

83-F:4 Persons Liable. The tax imposed by this chapter shall be assessed upon each person with an ownership interest in utility property, in the proportion that such person's ownership interest bears to the entirety of the ownership in the property.

83-F:5 Returns and Declarations.

I. On or before January 15 each year, each utility property owner shall file with the commissioner of revenue administration, on a form prescribed by the commissioner, a return based on the valuation for April 1 of the prior year. The return shall be accompanied by the payment of such amount as has not been prepaid in accordance with paragraph III of this section. If the return shows an additional amount to be due, such additional amount is due and payable at the time the return is filed. If such return shows an overpayment of the tax due, a credit against a subsequent payment or payments due, to the extent of the overpayment, shall be allowed.

II. On or before April 15 of each year, each utility property owner liable to pay the tax imposed by this chapter shall file with the department, on a form prescribed by the commissioner, a statement setting forth the amount of such person's ownership interest as of April 1. The statement shall include such additional information as the commissioner shall require and shall be signed by an authorized representative, subject to the pains and penalties of perjury.

III. For taxable periods ending before April 1, 2000, each utility property owner liable to pay the tax shall, in addition, file a declaration on or before July 1, 1999 of the estimated tax to be assessed as of April 1 in the current taxable period, based on the equalized value of utility property used in the department's equalization report for April 1, 1998 accompanied by payment of 1/3 of the estimated tax due. Additional payments of 1/3 of the estimated tax shall be made on September 15, 1999 and December 15, 1999.

IV. For taxable periods ending after March 31, 2000, at the time the statement required by paragraph II is filed, each person liable for the tax shall, in addition, file a declaration of the estimated tax to be assessed as of April 1 in the current taxable period, based on the tax assessed for the preceding taxable year, accompanied by payment of 1/4 of the estimated tax due. Additional payments of 1/4 of the estimated tax shall be made on June 15, September 15 and December 15.

V. As of June 1 of each year the principal owner of utility property shall file a list of the changes made to the utility property since the prior April 1. This statement shall include such additional information as the commissioner shall require and shall be signed by an authorized representative, subject to the pains and penalties of perjury.

VI. Taxes and estimated taxes not paid when due shall be subject to appropriate penalties and interest under RSA 21-J.

83-F:6 Records.

I. Every person liable for tax under RSA 83-F:4 shall:

(a) Keep such records as may be necessary to determine the amount of such person's liability under this chapter.

(b) Preserve such records for the period of at least 3 years or until any litigation or prosecution under this chapter is finally determined.

(c) Make such records available for inspection by the commissioner or authorized agents, upon demand, at reasonable times during regular business hours.

II. Whoever violates any of the provisions of this section shall be subject to the penalties imposed under RSA 21-J:39.

83-F:7 Administration.

I. The commissioner shall collect the taxes, interest, additions to tax and penalties imposed under this chapter. The commissioner shall determine the expense of administration of this chapter and shall certify and pay over to the state treasurer for deposit in the education trust fund established by RSA 198:39 the amount of remaining balance of the funds collected under this chapter after the expenses of administration have been deducted.

II. The commissioner is authorized to contract for the services of utility appraisers as needed for the proper administration of this chapter. Such contract expenses shall be deemed an expense of administration.

III. The commissioner shall adopt rules, pursuant to RSA 541-A, relative to:

- (a) The administration of the tax imposed under RSA 83-F:2;
- (b) The valuation of utility property required under RSA 83-F:3; and
- (c) The recovery of any tax, interest on tax, or penalties imposed by RSA 83-F.

IV. The commissioner may institute actions in the name of the state to recover any tax, interest on tax, additions to tax or the penalties imposed by this chapter.

V. In the collection of the tax imposed by this chapter, the commissioner may use all of the powers granted to tax collectors under RSA 80 for the collection of taxes. The commissioner shall also have all of the duties imposed upon the tax collectors by RSA 80 that are applicable to the commissioner. The provisions of RSA 80:26 shall apply to the sale of land for the payment of taxes due under this chapter, and the state treasurer is authorized to purchase the land for the state. If the state purchases the land, the state treasurer shall certify the purchase to the governor, and the governor shall draw a warrant for the purchase price out of any money in the treasury not otherwise appropriated.

83-F:8 Appeals. Utility property taxpayers aggrieved by the determination by the commissioner of the value of utility property pursuant to RSA 83-F: 3 may appeal such valuation within 30 days of notification of such determination to the board of tax and land appeals or the superior court of the county in which the taxpayer resides or has a place of business. Appeals other than appeals of valuation shall be made according to the procedure and subject to the time limits provided for other taxes administered by the department under RSA 21-J.

83-F:9 Exemption from Local Taxation. Persons and property subject to taxation under this chapter shall not be subject to tax under RSA 76:3; provided, however, that nothing in this chapter shall be construed to exempt such persons or property from local school, municipal, district or county taxation under RSA 76.

7 New Subdivisions; Education Trust Fund; Uniform Education Tax Rate. Amend RSA 198 by inserting after section 37 the following new subdivision:

Education Trust Fund

198:38 Definitions. In this subdivision:

I. "Adequate education block grant" means the total amount of the annual grant made to a municipality by the state from the education trust fund consisting of the sum of:

- (a) The kindergarten pupil adequacy grant multiplied by the weighted average daily membership in residence in the municipality for kindergarten in the last completed school year, or in municipalities that did not have kindergarten in the last completed school year, the estimated average daily membership in residence in the municipality for kindergarten in the current school year.
- (b) The elementary pupil adequacy grant multiplied by the weighted average daily membership in residence in the municipality for grades 1-6 in the last completed school year.
- (c) The junior high school pupil adequacy grant multiplied by the weighted average daily membership in residence in the municipality for grades 7 and 8 in the last completed school year.
- (d) The high school pupil adequacy grant multiplied by the weighted average daily membership in residence in the municipality for grades 9-12 in the last completed school year.

II. "Kindergarten pupil adequacy grant" means the uniform per pupil grant amount set biennially under this subdivision and made to municipalities annually from the education trust fund to reimburse them for providing adequate kindergarten education.

III. "Elementary pupil adequacy grant" means the uniform per pupil grant amount set biennially under this subdivision and made to municipalities annually from the education trust fund to reimburse them for providing adequate elementary school

education.

IV. "Junior high school pupil adequacy grant" means the uniform per pupil grant amount set biennially under this subdivision and made to municipalities annually from the education trust fund to reimburse them for providing adequate junior high school education.

V. "High school pupil adequacy grant" means the uniform per pupil grant amount set biennially under this subdivision and made to municipalities annually from the education trust fund to reimburse them for providing adequate high school education.

VI. "Special education pupil adequacy grant" means catastrophic aid amounts due under RSA 186-C:18 and amounts due for other category aid programs plus such additional amounts from sweepstakes revenues and amounts appropriated from time to time by the general court.

VII. "Weighted average daily membership in residence" means "average daily membership in residence" as defined in RSA 189:1-d, IV adjusted for weighted pupils.

VIII. "Weighted pupil" means a resident pupil who has been assigned to one of the following classifications, based on the type of education the pupil received. The weights assigned to a high school pupil and to a high school pupil enrolled in a state approved vocational program reflect the differences in educational costs between these classifications when compared to the average current operating expenditure to educate a resident elementary pupil. The weights assigned to an educationally disabled child reflect the differences in education costs among the classifications of educationally disabled children when compared to the average current operating expenditure to educate a resident pupil in grades kindergarten through 12 who is not educationally disabled and not a high school pupil enrolled in a state approved vocational program. The following classifications of pupils shall carry the following weights:

(a) An elementary pupil, not educationally disabled as defined in RSA 186-C:2, I, which shall include kindergarten pupils, 1.0;

(b) A high school pupil, not educationally disabled as defined in RSA 186-C:2, I and not enrolled in a state approved vocational program, 1.21;

(c) A high school pupil enrolled in a state approved vocational program, 2.01;

(d) An educationally disabled child as defined in RSA 186-C:2, I, in one of the following types of programs:

(1) In-district, placed within a self-contained special education classroom, 2.57;

(2) In-district, without placement in a self-contained special education classroom, 2.12;

(3) An out-of-district day placement, 7.08;

(4) A residential placement, 8.72;

(5) A pre-school day placement, 3.37.

(e) The weight of each pupil participating in the free and reduced school lunch program shall be the amount shown in subparagraph (a)-(d), multiplied by 1.1.

198:39 Education Trust Fund Created. The treasurer shall establish an education trust fund in the treasury. Moneys in such fund shall not be used for any purpose other than to distribute adequate education block grants to municipalities and make taxpayer refunds under RSA 78-D:21. The state treasurer shall deposit into this fund immediately upon receipt:

I. The full amount of alternative consumption tax payments from the department of revenue administration pursuant to RSA 78-D:10, I.

II. All moneys due the fund in accordance with RSA 284:21-j.

III. Special assessments made by the department of revenue administration under RSA 198:52.

IV. Funds collected and paid over to the state treasurer by the department of revenue administration pursuant to RSA 83-E:7, I.

V. Funds collected and paid over to the state treasurer by the department of revenue administration pursuant to RSA 78:32.

VI. Any other moneys appropriated from the general fund.

198:40 Investment of Fund. The fund shall be nonlapsing. The treasurer shall invest that part of the fund which is not needed for immediate distribution in short-term interest-bearing investments. The income from these investments shall be returned to the fund.

198:41 Determination of Grant Amounts.

I. For the 2000 tax year based on attendance in the 2000-2001 school year, the grant amount shall be as follows:

(a) The kindergarten pupil adequacy grant shall be \$2,500 per pupil.

(b) The elementary pupil adequacy grant shall be 100 percent of the adequate cost amount determined by the educational adequacy commission in RSA 193-E.

(c) The junior high pupil adequacy grant shall be 100 percent of the adequate cost amount determined by the educational adequacy commission in RSA 193-E.

(d) The high school pupil adequacy grant shall be 100 percent of the adequate cost amount determined by the educational adequacy commission in RSA 193-E.

II. For all tax years following 2000, the grant amount for the kindergarten pupil adequacy grant, the elementary pupil adequacy grant, the junior high school pupil adequacy grant, the high school pupil adequacy grant, and the special education pupil adequacy grant shall be established by the legislature on a biennial basis.

198:42 Determination of the Adequate Education Block Grant for Each Municipality for Each Tax Year.

I. The department of education shall determine the adequate education block grant for each municipality by October 30 of each year for the current fiscal year following.

II. The adequate education block grant for each municipality shall be less the amount of the municipal adequate education tax commitment determined for such municipality by the commissioner of revenue administration under RSA 198:51 for the corresponding year.

198:43 Distribution Schedule of Adequate Education Block Grant. The adequate education block grant determined in RSA 198:42 shall be distributed to each municipality from the education trust fund, beginning July 1, 2000 and every year thereafter, in 4 equal payments on July 1, October 1, January 1, and April 1 of each school year.

198:44 Use of Funds. Municipalities shall apply the entire amount of aid received under RSA 198:43 to education. Nothing in this subdivision shall prevent school districts from adopting budgets which authorize expenditures in excess of those supported with funds from the education trust fund.

198:45 Maintenance of Local Control. Distributions under RSA 198:43 depend only on average daily membership in residence and the pupil adequacy grant amounts as determined in this subdivision and are independent of how the municipalities decide to spend the distributions or other funds they may raise for education. Municipalities may designate one or more school districts to directly receive their grants by filing a revocable notice of such designation with the state treasurer. Notwithstanding any other provision of law, nothing in this subdivision is intended in any way to limit or control how school districts operate or spend their budgets.

198:46 Duties of the Department of Education and the Board of Education. The department of education shall on or before September 30, of each year, collect from the school districts final data concerning all aspects of student attendance for the school year ending June 30, of that year, necessary to establish the average daily membership and average daily membership in residence including the municipality of residence for each pupil for that year. The department of education shall report on this date to the speaker of the house of representatives and the senate president to be used for purposes of determination by the legislature of grant amounts under RSA 198:41, II.

II. The board of education shall adopt rules necessary to the proper administration of this subdivision.

198:47 Submission of Data by Municipalities. Every school district shall submit all attendance information required by the department of education under this subdivision on or before September 30 of each year. The department shall withhold distribution of state funds to any municipality related to a school district in noncompliance with this section.

198:47-a Supplemental Annual Education Grant.

I. A supplemental annual education grant in addition to the adequate education block grant shall be paid to qualifying municipalities from the education trust fund at the same time as the adequate education block grant distribution under RSA 198:43.

II. A qualifying municipality is one in which the local school property tax rate required to provide funding for education in an amount greater than the amount required per pupil for an adequate education plus \$1000 per pupil exceeds \$5 per \$1000 of equalized assessed valuation of taxable property in the municipality.

III. The supplemental grant for each qualifying municipality shall be calculated as follows:

(a) Determine the total annual per pupil appropriation for education for the municipality including the municipality's per pupil adequate education block grant;

(b) Subtract from the amount in subparagraph (a) the per pupil amount of the municipality's adequate education block grant determined in RSA 198:42, I;

(c) Multiply the remainder in subparagraph (b) by the average daily membership in residence as defined in RSA 189:1-d, IV, for the municipality;

(d) Divide the product in subparagraph (c) by the equalized assessed value of taxable property in the municipality to determine the rate per \$1000 of equalized assessed value;

(e) Subtract \$5 from the rate in subparagraph (d);

(f) Multiply the remainder in subparagraph (d) expressed in a rate per \$1000 of equalized assessed valuation times the equalized assessed valuation of taxable property in the municipality to determine the total amount of the supplemental annual education grant.

Uniform Education Tax Rate

198:48 Definitions. In this subdivision:

I. "Commissioner" means the commissioner of the department of revenue administration.

II. "Equalized assessed value" means the sum of the total valuation of each class of property in a municipality reported pursuant to RSA 21-J:34 adjusted by excluding the value of utility property subject to tax under RSA 83-F and the value of property exempted pursuant to RSA 72:37-b, 72:62, 72:66, and 72:70 and equalized by the commissioner according to the equalization method specified in RSA 21-J:9-a.

198:49 Uniform Education Tax Rate. Biennially, the commissioner shall calculate the uniform education tax rate as follows:

I. Calculate the total amount required for an adequate education by:

(a) Multiplying the uniform per pupil adequacy grant amount determined pursuant to RSA 198:38, II-VI for each class of pupil times the weighted average daily membership in residence as defined in RSA 198:38, VII for each class of pupil;

(b) Sum the product of the calculations in (a).

II. Subtract from the sum calculated in subparagraph I(a) the total amount of funds available for distribution in the education trust fund established by RSA 198:39 in the year preceding the biennium.

III. Divide the amount calculated in paragraph II by the total equalized assessed value of taxable property in the state for the year preceding the biennium.

198:50 Municipal Adequate Education Tax Commitment.

I. The commissioner shall annually calculate each municipality's adequate education tax commitment by multiplying the uniform education tax rate by the most recent equalized assessed value of all taxable property in the municipality.

- II. The commissioner shall issue a warrant under the commissioner's hand and official seal for the amount computed in paragraph I to the selectmen of each municipality on or before October 15 directing them to assess such sum and pay to the municipality for the use of the school district or districts such sums and at such times as may be prescribed for other taxes assessed by such selectmen. A report of the warrants issued shall be forwarded to the department of education at the same time.
- III. The selectmen shall assess the municipal adequate education tax commitment based on the equalized assessed valuation of the taxable property of each property owner within the municipality.

198:51 Special Tax Assessments on Certain Municipalities.

- I. A municipality which can fund an adequate education at a school portion equalized property tax rate which falls below the uniform education tax rate shall, on July 1, be subject to a special tax assessment by the department of revenue administration equal to the excess of the amount raised by the uniform education tax rate over the amount raised by the municipality's school portion equalized property tax rate.
- II. Municipalities with no children required by law to be educated during the calendar year shall be eligible for an abatement in the amount of \$2 of the special assessment per \$1,000 of equalized assessed value.

8 New Paragraph; Rulemaking; State Treasurer. Amend RSA 6:3-a by inserting after paragraph VII the following new paragraph:

VIII. Administrative functions under RSA 198:39 and RSA 78-D.

9 New Subparagraph; Education Trust Fund. Amend RSA 6:12, I by inserting after subparagraph (vvv) the following new subparagraph:

(www) Money received under RSA 78:32, RSA 78-D, RSA 83-F and from the sweepstakes fund, which shall be credited to the education trust fund under RSA198:39.

10 Reference Change. Amend RSA 193:1, I(c) to read as follows:

(c) The relevant school district superintendent has excused a child from attendance because the child is physically or mentally unable to attend school, or has been temporarily excused upon the request of the parent for purposes agreed upon by the school authorities and the parent. Such excused absences shall not be permitted if they cause a serious adverse effect upon the student's educational progress. Students excused for such temporary absences may be claimed as full-time pupils for purposes of calculating state aid under RSA 186-C:18 and ~~[RSA198:27-37]~~ **adequate education block grants under RSA 198:42.**

11 Reimbursement Anticipation Notes. Amend RSA 198:20-d to read as follows:

198:20-d Reimbursement Anticipation Notes. Notwithstanding any other provision of law to the contrary, a school district may incur debt in anticipation of reimbursement under RSA186-C:18 **and a municipality may incur debt in anticipation of reimbursement under RSA 198:42.** The governing body, after notice and public hearing, may elect to borrow such funds and to recognize the proceeds of the borrowing as revenue for property tax rate setting purposes by providing written notification to the commissioner of the department of revenue administration stating the specific amount of borrowing to be recognized as revenue. Any borrowing under this section shall be exempt from the provisions of RSA 33, relative to debt limits.

12 Sweepstakes. RSA 284:21-j is repealed and reenacted to read as follows:

284:21-j Establishment. The state treasurer shall credit all moneys received from the sweepstakes commission, and interest received on such moneys, to a special fund from which the treasurer shall pay all expenses of the commission incident to the administration of this subdivision and RSA287-E. Any balance left in such fund after such expenses are paid shall be deposited in the education trust fund established under RSA198:39.

13 Transition. As of July 1, 1999, all funds, from any source derived, which would be distributed as foundation aid shall be deposited in the education trust fund under RSA 198:39.

14 Applicability. Section 3 of this act shall apply to all persons licensed under RSA 78:2. Such persons shall inventory all taxable tobacco products in their possession and file a report of such inventory with the department of revenue administration on a form prescribed by the commissioner within 20 days after the effective date of this act. The tax rate effective April 1, 1999, shall apply to such inventory and the difference, if any, in the amount paid previously on such inventory and the current effective rate of tax shall be paid with the inventory form. The inventory form shall be treated as a tax return for the purpose of computing

penalties under RSA 21-J.

15 Severability. If any provision of this act or the application thereof to any person or circumstance is deemed invalid, the invalidity does not affect the other provisions or applications of the act which can be given effect without the invalid provisions or applications and to this end the provisions of this act are severable.

16 Repeal. The following are repealed:

I. RSA 78:20, relative to the applicability of the tobacco tax.

II. RSA 83-D, relative to the tax on nuclear station property.

III. RSA 198:1-3, relative to school district taxes.

IV. RSA 198:15-i-15-p, relative to the kindergarten incentive program, kindergarten aid program and alternative kindergarten programs.

V. RSA 198:21, V, relative to the applicability of foundation aid and child benefit service grant recipients in the calculation of average daily membership.

VI. RSA 198:22, V, relative to the applicability of foundation aid and dual enrollment grant recipients in the calculation of average daily membership.

VII. RSA 198:27-37, relative to foundation aid and alternative foundation aid.

17 Effective Date.

I. Section 5 of this act shall take effect on January 1, 2000.

II. Section 11 of this act shall take effect July 1, 1999 at 12:01 a.m.

III. The remainder of this act shall take effect April 1, 1999.

AMENDED ANALYSIS

This bill establishes an alternative consumption tax at a rate of one percent. A tax is imposed on the sale at retail of tangible personal property or services in this state to consumers upon the taxable receipts from such sale. A compensating tax is imposed on the consumption of tangible personal property or service in this state on the value of such tangible personal property or service.

This bill also establishes a utility property tax.

Revenues from the alternative consumption tax and the utility property tax are continually appropriated to an education trust fund to be used to fund an adequate public education. Additional funds are appropriated to the fund from the tobacco tax increase in rate and the tobacco settlement.

The bill establishes a uniform education property tax rate and makes a special assessment on municipalities which can fund an adequate education at an equalized property tax rate which falls below the uniform education property tax rate. The assessment will be equal to a municipality's total variation from the rate.

1999-0224h

Amendment to HB 117-FN-A-LOCAL

Proposed by the Majority of the Committee on Finance - R

Amend the title of the bill by replacing it with the following:

AN ACT establishing a uniform education property tax to provide funding for an adequate public education and making an appropriation therefor.

Amend the bill by replacing all after the enacting clause with the following:

1 Intent.

I.(a) The New Hampshire supreme court has ruled that the state has a duty to fund a constitutionally adequate education for public elementary and secondary pupils. The state has long relied upon a system of localized property taxation to fund education, a system to which many have become accustomed and about which economic forces have acquired settled expectations. The court, however, has said that such system violates the constitutional requirement that all taxes levied in the state be proportional and reasonable. A fiscal policy based upon property taxation, according to the court's interpretation, must be "equal in valuation and uniform in rate throughout the state." Acknowledging that reorganization of the revenue raising structure for public elementary and secondary education is now compelled, the general court chooses hereby to do so in a manner that is the least disruptive of settled economic expectation and social fabric of the community.

(b) By this act the general court establishes a fair taxation policy intended to preserve local control of public schools and retain the incentive for parental and local community participation in the education of the children of New Hampshire. Such involvement is essential to the maintenance of the quality of the state's educational institutions which have heretofore produced high scores on comparative measures of educational outcome. The general court recognizes that disparity exists among cities and towns relative to their ability to raise basic expenses of an adequate public education. Assistance, where required, must be supplied. Recognition is also accorded to the principle of home ownership. Homeowners provide a substantial commitment to the communities in which they live, which is essential to the quality of life in New Hampshire.

(c) The following are intended to carry out this legislative purpose:

(1) Impose a uniform state tax at the lowest possible rate consistent with providing funding for educational adequacy throughout the state.

(2) Subsidize with state grants funded from other sources municipalities whose property base is insufficient to support an adequate education.

(3) Preserve and foster home ownership by providing a measure of tax relief to all resident homeowners, with proportionately greater benefit to those of low or moderate means.

II.(a)(1) A statewide property tax levied at a uniform rate upon equalized property values is generally an equitable method for funding an adequate education. However, reorganizing the existing system will inevitably upset to some degree the delicate balance of social and economic forces at work in the state. A uniform state tax rate will increase property taxes in cities and towns with relatively higher property values. The immediate effect of such increase will be felt disproportionately by homeowners with limited means. The tax may also have a dramatic effect upon certain classes of property such as utility property. Utility property is highly susceptible to interjurisdiction assessment variation and exacerbates the disparity among municipalities. An additional potential problem is the specter of competitive underassessment among cities and towns as the effects of the statewide tax begin to be felt.

(2) In cities and towns with relatively higher property values, sharp increases in property taxes may cause business failure where fixed costs increase faster than the ability to recoup them. Commercial rental property owners may find themselves locked in by lease provisions that prevent them from recouping tax increases from tenants, resulting in reduced reinvestment in the property, and potential foreclosure or bankruptcy. Also substantial increases in property tax obligations may cause or permit lenders to foreclose on mortgage notes based on the decreased ability of the borrower to meet the income level required by the lender because of the higher total mortgage payment obligations. Tax capitalization which decreases property values may also cause foreclosures on otherwise performing loans because the regulated lending institution must call the loan to comply with rules and regulations.

(b) The following are intended to mitigate these consequences so far as is practicable:

(1) Provide a phase-in of tax increases over 4 years for those municipalities that will collect more money in property taxes at the statewide rate than is required to fund an adequate education for the municipality.

(2) Provide additional relief to low and moderate income homeowners in high property value cities and towns to level the immediate effect of property tax increases occurring upon implementation of the statewide tax and allow time for the effect of tax capitalization to reallocate property values.

(3) Stabilize valuation of utility property by removing it from the local base for purposes of educational adequacy funding and taxing such property at the state level for distribution through an educational fund.

- (4) Forestall the possibility of interjurisdictional assessment variations by increasing the level of state oversight in the equalization process.
- 2 New Subparagraph; Education Trust Fund. Amend RSA 6:12, I by inserting after subparagraph (vvv) the following new subparagraph:
- (www) Money received under RSA 78, RSA 83-D, RSA 83-F, RSA 198:49 and from the sweepstakes fund, which shall be credited to the education trust fund under RSA 198:39.
- 3 Gender Reference Change. Amend the introductory paragraph of RSA 21-J:3 to read as follows:
- In addition to the powers, duties, and functions otherwise vested by law, including RSA 21-G, in the commissioner of the department of revenue administration, [~~he~~] **the commissioner** shall:
- 4 Duties of Commissioner. Amend RSA 21-J:3, V to read as follows:
- V. Exercise general supervision over the administration of the assessment and taxation laws of the state, ***the appraisal for ad valorem taxation purposes of property within the state***, and over all assessing officers in the performance of their duties, except the board of tax and land appeals, to the end that all assessments of property be made in compliance with the laws of the state.
- 5 Duties of Commissioner. Amend RSA 21-J:3, XIII to read as follows:
- XIII. Equalize annually the valuation of the property in the several towns, cities, and unincorporated places in the state by adding to or deducting from the aggregate valuation of the property in towns, cities, and unincorporated places such sums as will bring such valuations to the true and market value of the property, including the equalized value of property formerly taxed pursuant to the provisions of RSA 72:7; 72:15, I, V, VII, VIII, IX, X, and XI; 72:16; 72:17; 73:26; 73:27; and 73:11 through 16 inclusive, which were relieved from taxation by the laws of 1970, 5:3; 5:8; 57:12; and 57:15, the equalized valuation of which is to be determined by the amount of revenue returned in such year in accordance with RSA 31-A, and by making such adjustments in the value of other property from which the towns, cities, and unincorporated places receive taxes ***or payments in lieu of taxes*** as may be equitable and just, so that any public taxes that may be apportioned among them shall be equal and just. ***In carrying out the duty to equalize the valuation of property, the commissioner shall follow the procedures set forth in RSA21-J:9-a.***
- 6 Duties of the Commissioner. Amend RSA 21-J:3, XV to read as follows:
- XV. Establish and approve tax rates as required by law ***including the uniform education tax rate.***
- 7 New Paragraph; Duties of Commissioner. Amend RSA 21-J:3 by inserting after paragraph XXIV the following new paragraph:
- XXV. Petition the board of tax and land appeals to issue an order for reassessment of property pursuant to the board's powers under RSA 71-B:16 - 19 whenever, in the commissioner's belief, the valuation of property for equalization purposes in a particular city, town, or unincorporated place is disproportional to the valuation for equalization purposes in other cities, towns, or unincorporated places in the state.
- 8 Division of Property Appraisal; Department of Revenue Administration. RSA 21-J:9 is repealed and reenacted to read as follows:
- 21-J:9 Division of Property Appraisal. There is established within the department the division of property appraisal, under the supervision of a classified director of property appraisal who shall be responsible for the following functions, in accordance with applicable laws:
- I. Assisting and supervising municipalities and appraisers in appraisals and valuations as provided in RSA 21-J:10 and RSA 21-J:11.
- II. Appraising state-owned forest and recreation land under RSA 227-H and RSA 216-A.
- III. Annually determining the total equalized valuation of properties in the cities and towns and unincorporated places according to the requirements of RSA21-J:9-a.
- IV. Preparing a standard appraisal manual which may be used by assessing officials, and holding meetings throughout the state

with such officials to instruct them in appraising property.

9 New Section; Equalization Procedure. Amend RSA 21-J by inserting after section 9 the following new section:

21-J:9-a Equalization Procedure. The following procedures shall apply in determining the equalization of property within the cities, towns, and unincorporated places as required by RSA21-J:3, XIII:

I. The commissioner shall annually conduct a sales-assessment ratio study which shall include arm's length sales or transfers of property that occurred 6 months prior to and 6 months following April 1 of the tax year for which such equalization is made.

II. In determining the arm's length sales or transfers that are included in the sales-assessment ratio study, the commissioner may use a randomly selected sample of such sales and transfers the size of which shall be determined by the total taxable parcels in the city, town, or unincorporated place.

III. If less than 2 percent of the total taxable parcels in a city, town, or unincorporated place has been transferred by an arm's length sale or transfer during the 6 months prior to and 6 months following April 1 of the tax year for which such equalization is made or the commissioner determines the sales are unrepresentative of the property within the municipality, the commissioner may choose one or more of the following options:

(a) Include appraisals of any of the taxable property of such city, town, or unincorporated place in the sales-assessment ratio study. Such appraisals shall be based on full and true market value pursuant to RSA 75:1 and shall be performed by department appraisers. The property to be appraised shall be selected by the commissioner.

(b) Consider recent equalization ratio activity in adjoining cities, towns, or unincorporated places.

(c) Include arm's length sales or transfers in the city, town, or unincorporated place, within 2-1/2 years preceding April 1 of the year preceding the tax year for which such equalization is made.

IV. The commissioner shall use the inventory of property transfers authorized by RSA74:18 in determining the equalized value of property and may consider such other evidence as may be available to the commissioner on or before the time the final equalized value is determined.

10 Appraisals of Property for Ad Valorem Tax Purposes. RSA 21-J:11 is repealed and reenacted to read as follows:

21-J:11 Appraisals of Property For Ad Valorem Tax Purposes.

I. Every person, firm, or corporation intending to engage in the business of making appraisals on behalf of a municipality for tax assessment purposes in this state shall notify the commissioner of that intent in writing. No person, firm, or corporation engaged in the business of making appraisals of taxable property for municipalities and taxing districts shall enter into any contract or agreement with any town, city, or other governmental division without first submitting the proposed contract or agreement to the commissioner for examination and approval and submitting to the commissioner evidence of financial responsibility and professional capability of personnel to be employed under the contract.

II. The commissioner, at no expense to the municipality, shall monitor appraisals of property and supervise appraisers as follows:

(a) Assure that appraisals comply with all applicable statutes and rules;

(b) Assure that appraisers are complying with the terms of any appraisal contract;

(c) Review the accuracy of appraisals by inspection, evaluation, and testing, in whole or in part, of data collected by the appraisers; and

(d) Report to the governing body on the progress and quality of the municipality's appraisal process.

III. The commissioner shall adopt rules under RSA 541-A relative to the provisions required of all contracts for appraisal services and the methodology for inspection, evaluation, and testing of data for the purposes of appraisal monitoring.

11 Reports Required. Amend the introductory paragraph of RSA 21-J:34 to read as follows:

The governing body of each city, town, unincorporated town, unorganized place, school district, and village district, and the clerk of each county convention shall submit to the commissioner of revenue administration the following reports necessary to

compute and establish the ***uniform education property tax rate and the*** tax rate for each city, town, unincorporated town, unorganized place, school district, village district, and county. The commissioner shall adopt rules under RSA541-A establishing the form and content of these reports:

12 New Paragraph; Reports Required. Amend RSA 21-J:34 by inserting after paragraph XIV the following new paragraph:

XV. A report filed by the assessing officials of each city, town, and unincorporated place shall certify sales-assessment information necessary for the department to conduct the annual sales-assessment ratio study required by RSA21-J:9-a. This report shall be filed within 45 days after receipt from the department.

13 New Paragraph; Setting of Tax Rates by Commissioner. Amend RSA21-J:35 by inserting after paragraph I the following new paragraph:

I-a. The commissioner shall calculate the uniform education property tax rate as follows:

(a) Multiply the adjusted per pupil adequate education cost as defined in RSA 198:38, I by the weighted average daily membership in residence as defined in RSA198:38, VI as reported to the department on December 31 pursuant to RSA198:46.

(b) Subtract from the product in subparagraph (a) the total amount appropriated to the department of education from the education trust fund by the legislature;

(c) Add to the sum in subparagraph (b) the total amount of accepted homestead exemptions under RSA 198:50 from the previous year and hardship relief under RSA 198:51 from the year preceding the previous year;

(d) Divide the sum in subparagraph(c) by the total equalized assessed value as determined by the commissioner relative to the most recent annual report of the department. In this paragraph "equalized assessed value" means the sum of the total valuation of each class of property in a municipality reported pursuant to RSA 21-J:34 adjusted by excluding the value of utility property subject to tax under RSA 83-F, nuclear station property subject to tax under RSA 83-D, and the value of property exempted pursuant to RSA72:37-b, 72:62, 72:66, and 72:70 and equalized by the commissioner according to the equalization method specified in RSA 21-J:9-a.

14 New Subdivision; Property Tax Transition Grant. Amend RSA 31-A by inserting after section 6 the following new subdivision:

Property Tax Transition Grant

31-A:7 Intent. The general court recognizes the obligations of municipal governments to provide necessary and desirable services to their citizens, including new or expanded programs, and hereby finds that to the extent that changes in state tax policy could have the effect of unduly limiting municipal governments in carrying out their obligations, it is appropriate to provide encouragement and support to those political subdivisions in the form of grants. The general court further recognizes that the hardships attendant to increased taxes that are placed on low income residents and those providing shelter and services to those citizens result in increased burdens on municipal governments in a number of ways including but not limited to difficulty or impossibility of funding new or expanded programs, fewer housing starts and rental property construction for people of modest means and less disposable income being available to the elderly and poor, thereby creating a greater need for municipal assistance. Therefore, the general court finds it to be in the interest of the public weal to establish a property tax transition grant program to ameliorate, in part, such adverse consequences.

31-A:8 Definitions. In this subdivision:

I. "Commissioner" means the commissioner of the department of revenue administration.

II. "Equalized assessed value" means "equalized assessed value" as defined in RSA 21-J:35, I-a(d).

III. "Weighted average daily membership in residence" means "weighted average daily membership in residence" as defined in RSA 198:38, VI.

IV. "Municipality" means a city, town or place.

31-A:9 Determination of Transition Grant.

I. The commissioner on or before October 30 shall determine the amount of property tax transition grant for each municipality

for the following fiscal year as follows:

- (a) Divide the prior fiscal year total state equalized assessed value of taxable property by the prior fiscal year total weighted average daily membership in residence for the state and multiply such product by 1.55;
- (b) Divide the prior fiscal year equalized assessed value of taxable property in the municipality by the prior fiscal year weighted average daily membership in residence in the municipality;
- (c) Subtract the amount determined in subparagraph (a) from the amount determined in subparagraph (b);
- (d) If the remainder of the calculation in subparagraph (c) is greater than 0, multiply such remainder by 0.875 percent;
- (e) Multiply the product in subparagraph (d) by the most recent weighted average daily membership in residence for the municipality.

II. The amount in subparagraph I(e) shall not exceed the amount of excess education property tax determined pursuant to RSA 198:49 for the municipality for the corresponding tax year.

31-A:10 Distribution. Upon certification to the state treasurer by the commissioner, distribution of the property tax transition grants determined in RSA 31-A:9 shall be made by the state treasurer from sums appropriated therefor from the general fund. For the fiscal year ending June 30, 2000, such distribution shall be made on June 15, 2000. For fiscal years ending after June 30, 2000, such distribution shall be made at the time or times other payments are returnable to the municipalities pursuant to this chapter.

31-A:11 Biennial Review. The legislature shall biennially review the circumstances of municipalities relative to the intent of this subdivision to determine the need for providing assistance to such municipalities and shall adjust the amounts provided herein as it deems prudent.

15 Board of Tax and Land Appeals; Authority. Amend RSA 71-B:5, II to read as follows:

II. To hear and determine ~~[any]~~ appeals **by towns** relating to the ~~[equalization of valuation performed]~~ **equalized valuation of property determined** by the commissioner of revenue administration pursuant to RSA 21-J:3, XIII **including equalized assessed valuations determined by the commissioner for the purposes of the education property tax**. Any town aggrieved by ~~[an]~~ **its** equalized valuation as determined by the commissioner of revenue administration must appeal to the board in writing within 30 days of ~~[the town's notification]~~ **notice** of ~~[the]~~ **its final** equalized valuation by the commissioner. **The board shall hear and make a final ruling on such appeal within 45 days of its receipt by the board. The board's decision on such appeal shall be final and not appealable.**

16 New Paragraph; Order for Reassessment. Amend RSA 71-B:16, IV to read as follows:

IV. When a complaint is filed with the board alleging that all of the taxable real estate or taxable property in a taxing district should be reassessed or newly assessed for any reason, provided that such complaint must be signed by at least 50 property taxpayers or 1/3 of the property taxpayers in the taxing district, whichever is less[-]; or

V. When the commissioner of revenue administration files a petition with it pursuant to RSA 21-J:3, XXV.

17 New Section; Inventory of Property Transfers. Amend RSA 74 by inserting after section 17 the following new section:

74:18 Inventory of Property Transfers.

I. In order to properly equalize the value of property under RSA 21-J:3, XIII, an inventory of property transfers shall be filed with the department of revenue administration and with the municipality where the property is located for each transfer of real estate or interest in real estate. Each form may include the following information:

- (a) The buyer and seller's names and post transaction addresses and the name and address of a contact person if the buyer or seller is a trust or corporation.
- (b) A description of the exact location of the property by town, street, and the assessor's map, lot, and block number.
- (c) The acreage included in the sale.
- (d) An accurate description of the property included in the sale, the neighborhood where the property is located, and the type

and style of the property sold.

- (e) The buyer's ownership interest in the property.
- (f) The sale price, date of transfer, and the amount mortgaged.
- (g) The description of the type of transfer that has taken place.
- (h) The amount of personal property included in the sale price.
- (i) Whether the property was previously occupied and whether the property will serve as the buyer's primary residence.
- (j) The financing arrangements made to purchase the property to be answered at the option of the buyer.
- (k) Whether any concessions were made in the sale.
- (l) Whether the property was in current use.
- (m) Whether land use taxes were considered in the sale.
- (n) The buyer's dated signature certifying that the information indicated on the form is true.

II. The inventory of property transfers required by this section shall be filed with the department of revenue administration and with the municipality where the property is located by the purchaser, grantee, assignee, or transferee, no later than 30 days from the recording of the deed at the register of deeds or transfer of real estate, whichever is later. Persons required to file the inventory of property transfers who willfully fail to file or willfully make false statements on the forms shall be guilty of a violation.

III. No deed, recording a transfer of real estate or any interest in real estate, executed before October 1, 1995, shall be required to comply with this section.

IV. Failure to comply with this section shall not be construed to cloud title.

V. Any information provided to the department or the municipality pursuant to this section shall be exempt from the right-to-know law, RSA 91-A.

18 Education Property Tax. RSA 76:3 is repealed and reenacted to read as follows:

76:3 Education Property Tax. An annual education property tax at the uniform rate calculated by the commissioner of revenue administration pursuant to the authority granted in RSA21-J:35, I-a is hereby imposed on all persons and property taxable pursuant to RSA72 and RSA 73, except such property subject to tax under RSA 82, RSA 83-D and RSA 83-F. Such uniform rate shall be calculated by the commissioner on or before October 1 for the tax year commencing April 1 of the succeeding year.

19 What Taxes Assessed. Amend RSA 76:5 to read as follows:

76:5 What Taxes Assessed. The selectmen shall seasonably assess all state and county taxes for which they have the warrants of the ~~[state]~~ **commissioner of revenue administration** and county treasurers respectively; all taxes duly voted in their towns; and all school~~[-schoolhouse,]~~ and village district taxes authorized by law or by vote of any school or village district duly certified to them; and all sums required to be assessed by RSA 33.

20 Commissioner's Warrant. RSA 76:8 is repealed and reenacted to read as follows:

76:8 Commissioner's Warrant.

I. The commissioner of revenue administration shall annually calculate the proportion of education property tax to be raised by each municipality by multiplying the uniform education property tax rate by the total equalized assessed value of all property in the municipality as determined under RSA21-J:3, XIII and used to calculate the uniform rate under RSA 21-J:35, I-a.

II. The commissioner shall issue a warrant under the commissioner's hand and official seal for the amount computed in paragraph I to the selectmen or assessors of each municipality on or before September1 directing them to assess such sum and pay to the municipality for the use of the school district or districts or to the department of revenue administration for deposit in the education trust fund such sums and at such times as may be prescribed for other taxes assessed by such selectmen or

assessors of the municipality.

21 Commissioner's Report. RSA 76:9 is repealed and reenacted to read as follows:

76:9 Commissioner's Report. The commissioner of revenue administration shall report to the governor, the speaker of the house of representatives, the president of the senate, and the commissioner of education each year on or before January 15, a statement of the education property tax warrants to be issued for the tax year commencing April 1 of that year.

22 Information Required. Amend RSA 76:11-a, I to read as follows:

I. The tax bill which is sent to every person taxed, as provided in RSA 76:11, shall show the rate for municipal, ~~[school]~~ **local education, state education**, and county taxes separately, the assessed valuation of all lands and buildings for which said person is being taxed, and the right to apply in writing to the selectmen or assessors for an abatement of the tax assessed as provided under RSA 76:16. The department of revenue administration shall compute for each town and city the rates which are to appear on the tax bills and shall furnish the required information to the appropriate town or city.

23 New Section; Tobacco Tax. Amend RSA 78 by inserting after section 31 the following new section:

78:32 Distribution of Funds. Twelve percent of the amount collected pursuant to RSA 78:7 shall be deposited in the general fund and the remainder shall be paid over to the state treasurer for deposit in the education trust fund established by RSA 198:39.

24 Administration; Tax on Nuclear Station Property. Amend RSA 83-D:12, I to read as follows:

I. The commissioner of revenue administration shall collect the taxes, interest, additions to tax and penalties imposed under this chapter. The commissioner shall determine the expense of administration of this chapter and shall certify and pay over to the state treasurer **for deposit in the education trust fund established by RSA 198:39** the amount of remaining balance of the funds collected under this chapter after the expenses of administration have been deducted.

25 New Chapter; Utility Property Tax. Amend RSA by inserting after chapter 83-E the following new chapter:

CHAPTER 83-F

UTILITY PROPERTY TAX

83-F:1 Definitions. In this chapter:

I. "Commissioner" means the commissioner of the department of revenue administration.

II. "Department" means the department of revenue administration.

III. "Taxable period" means the period beginning April 1, and ending March 31 of the following year.

IV. "Utility property owner" means any person, partnership, limited liability company, association, corporation or other entity, their trustees or receivers appointed by any court, owning utility property.

V. "Utility property" means all real estate, buildings and structures, machinery, dynamos, apparatus, poles, wires, fixtures of all kinds and descriptions, and pipe lines located within New Hampshire employed in the generation, production, supply, distribution, transmission, or transportation of electric power or natural gas, crude petroleum and refined petroleum products or combinations thereof, water, or sewage subject to tax under RSA 72:6, 72:7 and 72:8; provided that no electric power fixtures which would otherwise be taxed under this chapter shall be taxed under this chapter if they are employed solely as an emergency source of electric power. "Utility property" shall not include:

(a) Water and air pollution control facilities exempt from local property taxation under RSA 72:12-a;

(b) Nuclear station property subject to tax under RSA 83-D; and

(c) Any other property which is not subject to local property taxation.

83-F:2 Tax Imposed. For taxable periods beginning April 1, 1999, a tax is imposed upon the value of utility property at the rate for the education property tax set by the commissioner under RSA 76:3 for the same period, to be assessed annually as of April 1, and every year thereafter, and paid in accordance with this chapter.

83-F:3 Determination of Value. On or before December 1 of the tax year, the commissioner shall determine the value of utility property for the purposes of this chapter by appraising such property at its full and true value. Notice of such determination shall be given to the taxpayer within 15 days of the commissioner's determination.

83-F:4 Persons Liable. The tax imposed by this chapter shall be assessed upon each person with an ownership interest in utility property, in the proportion that such person's ownership interest bears to the entirety of the ownership in the property.

83-F:5 Returns and Declarations.

I. On or before January 15 each year, each utility property owner shall file with the commissioner of revenue administration, on a form prescribed by the commissioner, a return based on the valuation for April 1 of the prior year. The return shall be accompanied by the payment of such amount as has not been prepaid in accordance with paragraph III of this section. If the return shows an additional amount to be due, such additional amount is due and payable at the time the return is filed. If such return shows an overpayment of the tax due, a credit against a subsequent payment or payments due, to the extent of the overpayment, shall be allowed.

II. On or before April 15 of each year, each utility property owner liable to pay the tax imposed by this chapter shall file with the department, on a form prescribed by the commissioner, a statement setting forth the amount of such person's ownership interest as of April 1. The statement shall include such additional information as the commissioner shall require and shall be signed by an authorized representative, subject to the pains and penalties of perjury.

III. For taxable periods ending before April 1, 2000, each utility property owner liable to pay the tax shall, in addition, file a declaration on or before July 1, 1999 of the estimated tax to be assessed as of April 1 in the current taxable period, based on the equalized value of utility property used in the department's equalization report for April 1, 1998 accompanied by payment of 1/3 of the estimated tax due. Additional payments of 1/3 of the estimated tax shall be made on September 15, 1999 and December 15, 1999.

IV. For taxable periods ending after March 31, 2000, at the time the statement required by paragraph II is filed, each person liable for the tax shall, in addition, file a declaration of the estimated tax to be assessed as of April 1 in the current taxable period, based on the tax assessed for the preceding taxable year, accompanied by payment of 1/4 of the estimated tax due. Additional payments of 1/4 of the estimated tax shall be made on June 15, September 15 and December 15.

V. As of June 1 of each year the principal owner of utility property shall file a list of the changes made to the utility property since the prior April 1. This statement shall include such additional information as the commissioner shall require and shall be signed by an authorized representative, subject to the pains and penalties of perjury.

VI. Taxes and estimated taxes not paid when due shall be subject to appropriate penalties and interest under RSA 21-J.

83-F:6 Records.

I. Every person liable for tax under RSA 83-F:4 shall:

(a) Keep such records as may be necessary to determine the amount of such person's liability under this chapter.

(b) Preserve such records for the period of at least 3 years or until any litigation or prosecution under this chapter is finally determined.

(c) Make such records available for inspection by the commissioner or authorized agents, upon demand, at reasonable times during regular business hours.

II. Whoever violates any of the provisions of this section shall be subject to the penalties imposed under RSA 21-J:39.

83-F:7 Administration.

I. The commissioner shall collect the taxes, interest, additions to tax and penalties imposed under this chapter. The commissioner shall determine the expense of administration of this chapter and shall certify and pay over to the state treasurer for deposit in the education trust fund established by RSA 198:39 the amount of remaining balance of the funds collected under this chapter after the expenses of administration have been deducted.

II. The commissioner is authorized to contract for the services of utility appraisers as needed for the proper administration of this chapter. Such contract expenses shall be deemed an expense of administration.

III. The commissioner shall adopt rules, pursuant to RSA 541-A, relative to:

- (a) The administration of the tax imposed under RSA 83-F:2;
- (b) The valuation of utility property required under RSA 83-F:3; and
- (c) The recovery of any tax, interest on tax, or penalties imposed by RSA 83-F.

IV. The commissioner may institute actions in the name of the state to recover any tax, interest on tax, additions to tax or the penalties imposed by this chapter.

V. In the collection of the tax imposed by this chapter, the commissioner may use all of the powers granted to tax collectors under RSA 80 for the collection of taxes. The commissioner shall also have all of the duties imposed upon the tax collectors by RSA 80 that are applicable to the commissioner. The provisions of RSA 80:26 shall apply to the sale of land for the payment of taxes due under this chapter, and the state treasurer is authorized to purchase the land for the state. If the state purchases the land, the state treasurer shall certify the purchase to the governor, and the governor shall draw a warrant for the purchase price out of any money in the treasury not otherwise appropriated.

83-F:8 Appeals. Utility property taxpayers aggrieved by the determination by the commissioner of the value of utility property pursuant to RSA 83-F: 3 may appeal such valuation within 30 days of notification of such determination to the board of tax and land appeals or the superior court of the county in which the taxpayer resides or has a place of business. Appeals other than appeals of valuation shall be made according to the procedure and subject to the time limits provided for other taxes administered by the department under RSA 21-J.

83-F:9 Exemption from Local Taxation. Persons and property subject to taxation under this chapter shall not be subject to tax under RSA 76:3; provided, however, that nothing in this chapter shall be construed to exempt such persons or property from local school, municipal, district or county taxation under RSA 76.

26 Extent. Amend RSA 85:1 to read as follows:

85:1 Who May Issue. The state treasurer *or the commissioner of revenue administration*, and each county and town treasurer, may issue extents under their hands and seals respectively, in cases authorized by law, and such extents shall be deemed to be executions against the person and property.

27 New Subdivisions; Education Trust Fund; Excess Tax Payment, Homestead Exemption and Hardship Relief. Amend RSA 198 by inserting after section 37 the following new subdivisions:

Education Trust Fund

198:38 Definitions. In this subdivision:

I. "Adjusted per pupil adequate education cost" means the amount determined by the legislature as provided by RSA 198:41 adjusted by multiplying such sum by the total average daily membership in residence for the state and dividing the product of such multiplication by total weighted average daily membership in residence for the state.

II. "Adequate education grant" means the total amount of the annual grant calculated according to RSA 198:42 by the department and made to a municipality by the state from the education trust fund.

III. "Average daily membership in residence" means "average daily membership in residence" as defined in RSA 189:1-d, IV. For purposes of this section, kindergarten pupils shall not be counted.

IV. "Elementary pupil" means a pupil in grades 1 through 8.

V. "Municipality" means a city, town or unincorporated place.

VI. "Weighted average daily membership in residence" means average daily membership in residence adjusted for weighted pupils.

VII. "Weighted pupil" means a resident pupil who has been assigned to one of the following classifications, based on the type of education the pupil received. The weights assigned to a high school pupil and to a high school pupil enrolled in a state approved vocational program reflect the differences in educational costs between these classifications when compared to the average

current operating expenditure to educate a resident elementary pupil. The weights assigned to an educationally disabled child reflect the differences in education costs among the classifications of educationally disabled children when compared to the average current operating expenditure to educate a resident pupil in grades one through 12 who is not educationally disabled and not a high school pupil enrolled in a state approved vocational program. The following classifications of pupils shall carry the following weights:

- (a) An elementary pupil, not educationally disabled as defined in RSA 186-C:2, I, which shall include kindergarten pupils, 1.0;
- (b) A high school pupil, not educationally disabled as defined in RSA 186-C:2, I and not enrolled in a state approved vocational program, 1.21;
- (c) A high school pupil enrolled in a state approved vocational program, 2.01;
- (d) An educationally disabled child as defined in RSA 186-C:2, I, in one of the following types of programs:
 - (1) In-district, placed within a self-contained special education classroom, 2.57;
 - (2) In-district, without placement in a self-contained special education classroom, 2.12;
 - (3) An out-of-district day placement, 7.08;
 - (4) A residential placement, 8.72;
 - (5) A pre-school day placement, 3.37;
- (e) The weight of each pupil participating in the free and reduced school lunch program shall be the amount shown in subparagraphs (a)-(d), multiplied by 1.1.

198:39 Education Trust Fund Created. The state treasurer shall establish an education trust fund in the treasury. Moneys in such fund shall not be used for any purpose other than to distribute adequate education grants to municipalities pursuant to RSA 198:43. The state treasurer shall deposit into this fund immediately upon receipt:

- I. The full amount of excess education property tax payments from the department of revenue administration pursuant to RSA 198:49.
- II. All moneys due the fund in accordance with RSA 284:21-j.
- III. Funds collected and paid over to the state treasurer by the department of revenue administration pursuant to RSA 83-F:7, I.
- IV. Funds collected and paid over to the state treasurer by the department of revenue administration pursuant to RSA 78:32.
- V. Funds collected and paid over to the state treasurer by the department of revenue administration pursuant to RSA 83-D:12, I.
- VI. The school portion of any revenue sharing funds distributed pursuant to RSA 31-A from funds collected under RSA 77-A.
- VII. Any other moneys appropriated from the general fund.

198:40 Investment of Fund. The fund shall be nonlapsing. The treasurer shall invest that part of the fund which is not needed for immediate distribution in short-term interest-bearing investments. The income from these investments shall be returned to the fund.

198:41 Determination of Per Pupil Adequate Education Cost.

- I. For the biennium beginning July 1, 1999, the cost shall be \$3,700.
- II. For the biennium beginning July 1, 2001, and every biennium thereafter, the cost per pupil shall be established by the general court.

198:42 Determination of Adequate Education Grant.

- I. The department of education shall determine the amount of the adequate education grant for each municipality as follows:

- (a) Multiply the adjusted per pupil adequate education cost by the weighted average daily membership in residence for the municipality as reported on December 31 pursuant to RSA198:46;
- (b) Subtract the amount of the education property tax warrant to be issued by the commissioner of revenue administration for such municipality reported pursuant to RSA 76:9 for the next tax year; and
- (c) Add the sum of the total amount of homestead exemptions taken pursuant to RSA198:50 for the municipality for the current tax year plus the total amount of additional hardship abatements granted by the selectmen pursuant to RSA 198:51 for the previous tax year.

II. The department shall determine the grant in paragraph I for each municipality by October 1 of each year for the state's fiscal year following.

198:43 Distribution Schedule of Adequate Education Grant. The adequate education grant determined in RSA 198:42 shall be distributed to each municipality from the education trust fund in 4 equal payments on July 1, September 1, January 1, and April 1 of each school year. The department shall certify the amount of each grant to the state treasurer and direct the payment thereof to the municipality. Each municipality receiving a payment shall, within 10 days of receipt, pay the money over to the municipality's school district or districts.

198:43-a Additional Pupil Adequate Education Grant.

I. A municipality whose average daily membership in residence for a school year, as determined after the completion of that school year, exceeds the average daily membership in residence used to compute the adequate education grant for that year by more than 8 percent, shall receive an additional pupil adequate education grant. The department of education shall determine the amount of the grant for each municipality which qualifies as follows:

- (a) Multiply the adjusted per pupil adequate education cost by:
 - (b) The amount by which the average daily membership in residence for the current school year, as determined at the completion of the school year, exceeds 1.08 times the average daily membership in residence used to compute the adequate education grant for that year.
- II. The school district or districts to which the municipality belongs shall supply the necessary information to the department to calculate the amount of the additional adequate education grant by September 30 after the completion of the school year. After verification of the information, the department shall certify the amount of the grant to the state treasurer and direct the payment thereof to the municipality. Each municipality receiving a payment shall, within 10 days of receipt, pay the money over to the municipality's school district or districts.

198:43-b Supplemental Education Grant.

I. In this section:

- (a) "Adjusted per pupil supplemental education amount" means \$400, multiplied by the total average daily membership in residence for the state and divided by the total weighted average daily membership in residence for the state.
- (b) "Municipal assessed property per student" means the total equalized assessed value as determined in RSA 21-J:35, I-a(d) of all property in the municipality as determined under RSA21-J:3, XIII, divided by the weighted average daily membership in residence for the municipality as determined in RSA 198:46.
- (c) "State assessed property per student" means the total equalized assessed value as determined in RSA 21-J:35, I-a(d) of all property in all municipalities in the state and all properties subject to taxation under RSA 83-F, divided by the total weighted average daily membership in residence for the state.

II. In addition to the adequate education grant and supplemental pupil adequate education grant, school districts in which, at the time the adequate education grant is calculated, municipal assessed property per student is less than state assessed property per student shall be entitled to a supplemental education grant. The department of education shall determine the amount of the supplemental education grant for each qualifying municipality as follows:

- (a) Multiply the adjusted per pupil supplemental education amount times the weighted average daily membership in residence for the municipality;

(b) Multiply this product by one minus the result of dividing the municipal assessed property per student by the state assessed property per student.

III. The department of education shall determine the grant in paragraph II for each municipality by January 15 of each year for the state's fiscal year following. The supplemental education grant shall be distributed to each municipality at the same time and by the same procedures as the adequate education grant as described in RSA 198:43.

198:44 Additional Education Expenditures. Nothing in this subdivision shall prevent school districts from adopting budgets which authorize expenditures in excess of those supported with funds from the education trust fund.

198:45 Maintenance of Local Control. Distributions under RSA 198:43 depend only on average daily membership in residence and the per pupil adequacy cost amounts as determined in this subdivision and are independent of how the municipalities decide to spend the distributions or other funds they may raise for education. Municipalities may designate one or more school districts to directly receive their grants by filing a revocable notice of such designation with the state treasurer. Notwithstanding any other provision of law, nothing in this subdivision is intended in any way to limit or control how school districts operate or spend their budgets.

198:46 Duties of the Department of Education and the Board of Education.

I. The department of education shall on or before September 30, of each year, collect from the school districts final data concerning all aspects of student attendance for the school year ending June 30, of that year, necessary to establish the average daily membership, average daily membership in residence, and weighted average daily membership in residence, including the municipality of residence for each pupil for that year. The department of education shall report by December 31 to the speaker of the house of representatives, the senate president to be used for purposes of determination by the legislature of the appropriation to the education trust fund. A copy of such report shall, at the same time, be given to the department of revenue administration.

II. The board of education shall adopt rules necessary to the proper administration of this subdivision.

198:47 Submission of Data by School Districts. Every school district shall submit all attendance information required by the department of education under this subdivision on or before September 30 of each year. A \$1,000 per day penalty shall be imposed on any school district that fails to submit attendance data in the time required by law unless waived for good cause by the commissioner of education. School districts penalized under this section shall not charge such penalty to the municipality or municipalities.

198:47-a Legislative Oversight Committee.

I. An oversight committee shall be established consisting of:

- (a) The chairperson of the house education committee, or a designee.
- (b) The chairperson of the senate education committee, or a designee.
- (c) Three members of the house of representatives, appointed by the speaker of the house.
- (d) Three members of the senate, appointed by the senate president.
- (e) One member of the house finance committee, appointed by the speaker of the house.
- (f) One member of the senate finance committee, appointed by the senate president.

II. The chair of the oversight committee shall rotate biennially between the chairperson of the house finance committee and the chairperson of the senate finance committee. The first chairperson shall be the chairperson of the house finance committee. A member shall only serve while a member of the general court. The members shall not be compensated but shall receive mileage at the legislative rate when carrying out their duties.

III. The oversight committee shall examine the goals, purposes, organization, operation, and financing of the state's program to provide a constitutionally adequate education, and it shall evaluate and make recommendations for the continued provisions and improvement of the program. Among the initial issues the committee shall consider and examine are:

- (a) The so-called "market basket" approach to determining the cost of an adequate education;

- (b) The appropriateness of a fixed or variable statewide property tax rate; and
- (c) Methods for accelerating the collection and reporting of average daily membership in residence data, and improving the accuracy of such data as it originates from the initial reporting source.

IV. The oversight committee shall review the development and implementation of the program to ensure that they are in accordance with legislative policy.

V. The oversight committee shall submit a report to the general court by November 1, of each odd-numbered year. Copies of the report shall be submitted to the governor, the senate finance and education committees, the house finance and education committees, the department of education, the department of revenue administration and to any other individual or organization as the committee deems advisable.

Excess Tax Payment, Homestead Exemption and Hardship Relief

198:48 Definitions. In this subdivision:

I. "Commissioner" means the commissioner of the department of revenue administration.

II. "Equalized assessed value" means "equalized assessed value" as defined in RSA 21-J:35, I-a(d).

III. "Homestead" means the dwelling owned by a claimant or in the case of a multi-unit dwelling, the portion of the dwelling which is used as the claimant's principal place of residence and the claimant's domicile for purposes of RSA 654:1. "Homestead" shall not include land and buildings taxed under RSA 79-A or land and buildings or the portion of land and buildings rented or used for commercial or industrial purposes. In this paragraph the term "owned" includes a vendee in possession under a land contract and one or more joint tenants or tenants in common.

IV. "Homestead value" means the net local assessed value of the homestead increased or decreased by dividing such value by the equalization ratio for the municipality for the previous year determined in accordance with RSA 21-J:9-a except that homestead value in municipalities which have completed a revaluation of property within the previous year shall be computed at full value.

V. "Household income" means the sum of the adjusted gross income for federal income tax purposes of the claimant and any member of the claimant's household who resides in the homestead for which claim is made.

198:49 Excess Education Property Tax Payment.

I. Except as provided in paragraph IV, municipalities whose education property tax or education property tax plus adequate education grant exceeds the amount necessary to fund an adequate education determined by RSA 198:42, I(a) shall collect and remit such excess amount less the amount of any homestead exemptions under RSA 198:50 and hardship relief abatements granted by the selectmen under RSA 198:51 to the department of revenue administration on or before June 30, of the year following the close of the tax year in which the excess occurs.

II. The amount of such excess to be remitted shall not include any income derived from the investment of funds by the town treasurer under RSA 41:29. Any funds remaining after full payment of the excess tax required in paragraph I shall become available for the unrestricted use by the municipality.

III. The commissioner shall collect from the selectmen the excess tax and pay over to the state treasurer the amount of funds collected under this subdivision for deposit in the education trust fund established by RSA 198:39.

198:50 Homestead Exemption.

I. A homestead exemption from education property tax imposed under RSA 76:3 in an amount not to exceed the lesser of 25 percent of the homestead value or \$40,000, adjusted by the consumer price index for New England published by the United States Department of Labor for each succeeding year, rounded to the nearest \$1,000, is hereby granted to any claimant qualifying under this section.

II. A qualifying claimant is a person who:

- (a) Owns a homestead or interest in a homestead subject to the education property tax, and
- (b) Files a claim for exemption certifying homestead ownership with the selectmen on or before July 1 of the tax year for which

claim is made. Claims filed after July 1 shall not be considered timely for the current tax year, but shall be considered filed for the following tax year.

III. If a homestead is owned by 2 or more persons as joint tenants or tenants in common, and one or more of such joint owners do not principally reside at such homestead, the homestead exemption applies to the proportionate share of the homestead value that reflects the ownership percentage of the claimant. If more than one person files claims for exemption relative to a single tax parcel, the aggregate amount of the exemptions claimed shall not exceed the amount of exemption allowable for such parcel if only one person had filed a claim.

IV. If a homestead for which exemption is claimed is part of single tax parcel upon which is located other dwelling units or other significant nonresidential uses, the homestead exemption shall be claimed only on that portion of the homestead value of the tax parcel attributable to the homestead dwelling.

V. Claims shall be accepted as filed unless the selectmen have good reason to believe that any part of the claim is inaccurate or erroneous. Accepted homestead exemption claims shall continue from year to year without necessity for refile unless there is a change in ownership or use of the property.

VI. On or before August 1 the selectmen shall report accepted claims to the department of revenue administration and the department of education.

198:51 Education Property Tax Hardship Relief.

I. As provided herein eligible claimants shall be granted hardship relief, in addition to the homestead exemption provided in RSA 198:50, for 4 tax years following the enactment of RSA 76:3.

II. An eligible hardship relief claimant is a person who

(a) Qualifies for the homestead exemption in RSA 198:50;

(b) Realizes in the first year after the effective date of the education property tax a net increase in property taxes as a result of the imposition of RSA 76:3, exclusive of the local portion of school, municipal and county taxes, and after application of the homestead exemption, which exceeds 20 percent of the school portion of such claimant's local property taxes for the tax year ended March 31, 1999; and

(c) Realizes total household income of less than 75 percent of median total household income of all New Hampshire residents in the year in which the claim for relief is made.

III. The selectmen shall abate a portion of the net increase in an eligible hardship relief claimant's property taxes, exclusive of the local portion of school, municipal and county taxes, and after application of the homestead exemption, which portion is to be calculated as follows:

(a) Deduct the local school, municipal and county tax portion and the amount of the homestead exemption from the claimant's total current tax bill;

(b) Subtract the amount of the claimant's school property taxes for the tax year ended March 31, 1999 from the sum computed in subparagraph (a) to determine the net increase;

(c) Multiply the net increase computed in subparagraph (b) by one of the following percentages to determine the amount of the abatement:

(1) In the first year after the effective date of RSA 76:3, 50 percent of the net increase;

(2) In the second year after the effective date of RSA 76:3, 25 percent of the net increase;

(3) In the third year after the effective date of RSA 76:3, 10 percent of the net increase; and

(4) In the fourth year after the effective date of RSA 76:3, 10 percent of the net increase.

IV. Claims for hardship relief shall be filed with the selectmen on or before March 1 following the date of notice of tax under RSA 76:1-a.

V. If the selectmen have reason to suspect the accuracy of a claim for hardship relief, they may request that the claimant

provide copies of any of the following, as needed to verify income. Any documents submitted shall be considered confidential, handled so as to protect the privacy of the claimant, and returned uncopied to the claimant after a decision is made on the claim. The documents are:

- (a) Federal income tax form; and
- (b) State interest and dividends tax form.

RSA 359-C shall not apply to the documents requested for verification under this paragraph.

VI. The commissioner shall each year publish a taxpayer information release denoting the median household income for New Hampshire residents based upon the most recent figure published by the United States Bureau of the Census for the category "median household income by state."

198:52 Rulemaking; Forms.

I. The commissioner shall adopt rules, pursuant to RSA 541-A, relative to the administration of this subdivision.

II. The commissioner shall approve and provide forms relative to the following:

- (a) Reporting and remitting excess education property tax by municipalities;
- (b) Claims for homestead exemption; and
- (c) Claims for hardship relief.

III. Claim forms shall include the following:

- (a) Instructions on completing and filing the form;
- (b) Sections for information concerning the claimant, the claimant's household, the property for which exemption or relief is sought and such other information as is reasonably necessary to determining the accuracy of the claim;
- (c) Instructions on appeal procedure and time limits relative to such appeals;
- (d) A place for the claimant's signature with a certification by the claimant that the claim is made in good faith and that the facts contained in the claim are true.

198:53 Penalties. The preparation or filing of homestead exemption or hardship relief claims that are false shall be subject to the provisions of RSA 21-J:39, relative to criminal penalties.

198:54 Appeals.

I. Whenever the selectmen or assessors refuse to grant a claimant either a homestead exemption or an education property tax hardship relief request, the claimant may appeal in writing, on or before September 1 following the date of notice of tax under RSA 72:1-d, to the board of tax and land appeals or the superior court.

II. When a taxpayer appeals the denial of a claim to the superior court or board of tax and land appeals, the court or board may reverse or affirm, wholly or partly, or may modify the decision brought up for review when there is an error of law or when the court or board finds the selectmen's action to be arbitrary or unreasonable.

28 Reference Change. Amend RSA 193:1, I(c) to read as follows:

(c) The relevant school district superintendent has excused a child from attendance because the child is physically or mentally unable to attend school, or has been temporarily excused upon the request of the parent for purposes agreed upon by the school authorities and the parent. Such excused absences shall not be permitted if they cause a serious adverse effect upon the student's educational progress. Students excused for such temporary absences may be claimed as full-time pupils for purposes of calculating state aid under RSA 186-C:18 and ~~[RSA 198:27-37]~~ **adequate education grants under RSA 198:42.**

29 Reimbursement Anticipation Notes; Version Effective Until July 1, 1999. Amend RSA 198:20-d to read as follows:

198:20-d Reimbursement Anticipation Notes. Notwithstanding any other provision of law to the contrary, a school district may

incur debt in anticipation of reimbursement under RSA 186-C:18, ***and a municipality may incur debt in anticipation of reimbursement under RSA 198:43.*** The governing body, after receiving authorization for borrowing from the legislative body, may elect to recognize the proceeds of the borrowing as revenue for property tax rate setting purposes by providing written notification, prior to September 1, to the commissioner of the department of revenue administration stating the specific amount of borrowing to be recognized as revenue.

30 Reimbursement Anticipation Notes; July 1, 1999 Version. Amend RSA 198:20-d to read as follows:

198:20-d Reimbursement Anticipation Notes. Notwithstanding any other provision of law to the contrary, a school district may incur debt in anticipation of reimbursement under RSA186-C:18 ***and a municipality may incur debt in anticipation of reimbursement under RSA 198:43.*** The governing body, after notice and public hearing, may elect to borrow such funds and to recognize the proceeds of the borrowing as revenue for property tax rate setting purposes by providing written notification to the commissioner of the department of revenue administration stating the specific amount of borrowing to be recognized as revenue. Any borrowing under this section shall be exempt from the provisions of RSA 33, relative to debt limits.

31 Sweepstakes. RSA 284:21-j is repealed and reenacted to read as follows:

284:21-j Establishment. The state treasurer shall credit all moneys received from the sweepstakes commission, and interest received on such moneys, to a special fund from which the treasurer shall pay all expenses of the commission incident to the administration of this subdivision and RSA287-E. Any balance left in such fund after such expenses are paid shall be deposited in the education trust fund established under RSA198:39.

32 Transition. As of July 1, 1999, all funds, from any source derived, which would be distributed as foundation aid shall be deposited in the education trust fund under RSA 198:39.

33 Removing Reference to Foundation Aid. Amend RSA 198:21, V to read as follows:

V. No pupil counted by any school district for the purpose of calculating the amount of a grant to be paid pursuant to this section shall for the same school year by the same district be ~~[included in average daily membership for the purposes of foundation aid or]~~ counted for the purposes of grants pursuant to RSA 198:22.

34 Removing Reference to Foundation Aid. Amend RSA 198:22, V to read as follows:

V. No pupil counted by any school for the purpose of calculating the amount of a grant to be paid pursuant to this section shall for the same school year by the same district be ~~[included in average daily membership for the purposes of foundation aid or]~~ counted for the purpose of grants pursuant to RSA 198:21.

35 Payment in Lieu of Taxes. Amend RSA 227-H:17 to read as follows:

227-H:17 Payment in Lieu of Taxes. The commissioner of revenue administration shall adopt rules, pursuant to RSA 541-A, relative to forms for application to the commissioner of revenue administration for payment for lost taxes. ~~[In any year in which no state tax is levied.]~~ Any town in which national forest lands and land held by the state for operation and development as state forestland, as defined by the department for the purposes of this section, are situated, whether acquired by gift, devise, purchase, or in any other manner, may apply, by its selectmen, to the commissioner of revenue administration on forms provided by the commissioner, annually before September 1, for the payment of an amount not exceeding the taxes for all purposes which such town might have received from taxes on such lands in such year had such lands been taxable. In the event that the amount appropriated in any biennium shall be insufficient for the purposes under this section, then the towns entitled to benefits under this section shall be reimbursed proportionately, unless otherwise subsequently ordered by the legislature.

36 Special Transition Rules. The following special transition rules shall apply to the implementation of this act in the first fiscal year following enactment:

- I. The commissioners of revenue administration and education shall use weighted average daily membership in residence as defined in RSA 198:38, VI established on or before June 30, 1997 in all calculations required by RSA 21-J: 35, I-a and RSA 198:42, I.
- II. "Equalized assessed value" as defined in RSA 21-J:35, I-a(d) shall be based upon the amounts reported in the 1997 equalization survey published by the department of revenue administration.
- III. For purposes of calculating the uniform education property tax rate as required by RSA21-J:35, I-a the commissioner of

revenue administration shall use the following amounts:

(a) The total amount to be subtracted pursuant to RSA 21-J:35, I-a(b) shall be \$220,406,192; and

(b) The total amount to be added pursuant to RSA 21-J:35, I-a(c) shall be \$43,274,656.

IV. For the school year 1999/2000, the adequate education grant determined in RSA 198:42 shall be distributed to each municipality from the education trust fund in 4 payments as follows:

(a) On July 1, 1999, and September 1, 1999, $\frac{1}{4}$ the total adequate education grant without including any homestead exemption amounts;

(b) On January 1, 2000 and April 1, 2000, $\frac{1}{4}$ the total adequate education grant including $\frac{1}{2}$ of the total accepted homestead exemption amounts. The department shall certify the amount of each grant to the state treasurer and direct the payment thereof to the municipality.

V. For the tax year 1999, claims for a homestead exemption shall be filed with the selectmen on or before September 1, 1999.

VI. For the tax year 1999, selectmen shall report accepted claims for the homestead exemption to the department of revenue administration and the department of education by December 1, 1999.

VII. Notwithstanding any other provision of law, the commissioner of revenue administration shall calculate the uniform education property tax rate for the April 1, 1999 tax year and issue the warrants required by RSA 76:8 on or before 30 days after the effective date of this act.

VIII. Notwithstanding any other provision of law, the commissioner of education shall determine the amount of the adequate education grant for each municipality pursuant to RSA 198:42 for the 1999/2000 school year on or before 30 days after the effective date of this act.

IX. Notwithstanding any other provision of law, the commissioner of revenue administration shall calculate the property tax transition grant for each municipality for the fiscal year ending June 30, 2000 on or before 30 days after the effective date of this act.

37 Position Established; Appropriations.

I. To carry out the financial and educational reporting requirements of this act, there is hereby established within the department of education a full-time temporary position of systems development specialist IV, labor grade 25, for the 15 month period ending June 30, 2000.

II. The sum of \$69,500 is hereby appropriated to the department of education to fund the position created in paragraph I, including salary, benefits, rent, supplies, and travel. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

III. The sum of \$1,000,000 for the biennium ending June 30, 2001, is hereby appropriated to the department of revenue administration to fund the costs necessary to upgrade municipalities' computer systems to carry out the financial purposes of this act. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

IV. The sum of \$2,000,000 for the biennium ending June 30, 2001, is hereby appropriated to the department of revenue administration to fund the costs necessary to implement this act. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

V. The sum of \$100,000 for the biennium ending June 30, 2001 is hereby appropriated to the department of education to fund the costs necessary to upgrade school districts' computer systems to carry out the reporting responsibilities of this act. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

VI. The sum of \$220,406,192 is hereby appropriated from the education trust fund created under RSA 198:39 to the department of education for each year of the biennium ending June 30, 2001 for the purpose of funding the requirements of RSA 198:43.

VII. The sum of \$46,344,139 is hereby appropriated to the state treasurer for each year of the biennium ending June 30, 2001 for the purpose of funding the requirement of RSA 31-A:10. The governor is authorized to draw a warrant for said sums out of

any money in the treasury not otherwise appropriated.

38 Special Provision for Foundation Aid. Notwithstanding the repeal pursuant to section 41 of this act of RSA 198:27-37, relative to foundation aid and alternative foundation aid, the payment of foundation aid which would have been made in April 1999 pursuant to RSA 198:31 before such section was repealed, shall be calculated by the department of education and distributed to the recipients as if such repeal had not occurred.

39 Utility Property Valuation Study Committee Established.

I. There is established a committee to study utility property valuation issues.

II. The members of the committee shall be as follows:

(a) Five members of the house of representatives, appointed by the speaker of the house of representatives, at least one of whom shall be a member of the finance committee, at least one of whom shall be a member of the municipal and county government committee, and at least one of whom shall be a member of the science, technology and energy committee. The speaker of the house of representatives may appoint three other members, if deemed necessary, as alternates.

(b) Five members of the senate, appointed by the president of the senate.

III. Members of the committee shall receive mileage at the legislative rate when attending to the duties of the committee.

IV. The committee's duties shall include but not be limited to:

(a) Determining the most appropriate means of evaluating utility property for taxation purposes, and determining to what extent the "unit method" should be used for this purpose.

(b) Determining the extent to which utility property is evaluated consistently from one municipality to another.

(c) Determining the most appropriate means of evaluating nuclear station property.

(d) Determining the most appropriate means of taxing telecommunications services and evaluating property used for providing these services.

V. The members of the study committee shall elect a chairperson from among the members. The first meeting of the committee shall be held within 90 days of the effective date of this section. Five members of the committee shall constitute a quorum.

VI. The committee shall report its findings and any recommendations for proposed legislation to the speaker of the house of representatives, the senate president, the house clerk, the senate clerk, the governor, and the state library on or before November 1, 1999.

40 Severability. If any provision of this act or the application thereof to any person or circumstance is deemed invalid, the invalidity does not affect the other provisions or applications of the act which can be given effect without the invalid provisions or applications and to this end the provisions of this act are severable.

41 Repeal. The following are repealed:

I. RSA 78:20, relative to the applicability of the tobacco tax.

II. RSA 78-B:10-a, relative to the real estate transfer questionnaire.

III. RSA 21-J:3, XXIII, relative to the commissioner of revenue administration's duty to determine local per capita income for purposes of foundation aid.

IV. RSA 21-J:13, XI, relative to the form and content of the real estate transfer questionnaire.

V. RSA 194-B:11, VIII, relative to foundation aid in relation to charter and open enrollment schools.

VI. RSA 198:1-3, relative to required annual district property taxes.

VII. RSA 198:21, V, relative to the applicability of foundation aid and child benefit service grant recipients in the calculation of average daily membership.

VIII. RSA 198:22, V, relative to the applicability of foundation aid and dual enrollment grant recipients in the calculation of average daily membership.

IX. RSA 198:27-37, relative to foundation aid and alternative foundation aid.

X. 1998, 389:15, 16, and 17 relative to educational funding commitments and funding for local education betterment.

42 Effective Date.

I. Sections 23, 31 and 41, X of this act shall take effect July 1, 1999.

II. The remainder of this act shall take effect April 1, 1999.

AMENDED ANALYSIS

This bill creates a state education property tax at a uniform rate to provide support to communities for an adequate education. It allows homeowners a homestead exemption for their primary residence and provides additional hardship relief to low income homeowners whose school property taxes are substantially increased as result of this tax.

The bill establishes a dedicated trust fund, to be funded by revenues from a state utility property tax, the tobacco tax and other sources, for the purpose of making distributions to municipalities with insufficient property base to raise adequate education funds on their own and to compensate municipalities for the homestead exemption and hardship relief.

The bill also repeals foundation aid and creates property tax transition grant program in revenue sharing.

1999-0155h

Amendment to HB 204-FN

Proposed by the Committee on Criminal Justice and Public Safety – R

Amend RSA 263:64, V-a as inserted by section 2 of the bill by replacing it with the following:

2 New Paragraph; Driving After License Revocation or Suspension. Amend RSA 263:64 by inserting after paragraph V the following new paragraph:

V-a.(a) Except as provided in subparagraph (b), any person who drives a motor vehicle in this state during the period of suspension or revocation of his or her license or driving privilege and is involved in a collision resulting in death or injury to any person shall be guilty of a class B felony, where such person's unlawful operation of the motor vehicle caused or materially contributed to the collision. Evidence that the driver violated any of the rules of the road in causing or materially contributing to the collision is prima facie evidence of unlawful operation of a motor vehicle.

(b) A person violating this section whose license or driving privilege has been suspended pursuant to the provisions of RSA 263:14 only shall be guilty of a misdemeanor.

AMENDED ANALYSIS

This bill establishes penalties for collisions resulting in injuries when the collision was caused or contributed to by a driver whose license is under revocation or suspension.

1999-0120h

Amendment to HB 213

Proposed by the Committee on Election Law - C

Amend the bill by replacing all after the enacting clause with the following:

1 New Section; Elections; Voters and Checklists; Eligibility; Voters Confined in Penal Institutions. Amend RSA 654 by inserting after section 2 the following new section:

654:2-a Voters Confined in Penal Institutions. The domicile for voting purposes of a person confined in a penal institution shall

not include the municipality where the person is confined unless the person was domiciled in that municipality prior to confinement. A person confined in a penal institution who is a citizen of the United States, at least 18 years of age, and not prohibited from voting by Article 11 of Part First of the Constitution of New Hampshire shall have the right to vote absentee in any state election in the town or city in New Hampshire in which such person had his or her domicile immediately prior to such confinement, even though such person no longer maintains a domicile in said town or city and even though his or her intent to return thereto is uncertain, provided:

- I. The person complies with all other applicable requirements and qualifications of the state of New Hampshire.
- II. The person is not registered to vote in any other state or election district of a state or in any territory or possession of the United States.

2 Effective Date. This act shall take effect upon its passage.

AMENDED ANALYSIS

This bill provides that the domicile for voting purposes of a person confined in a penal institution is the domicile preceding confinement and not the municipality of incarceration.

1999-0146h

Amendment to HB 215

Proposed by the Committee on Criminal Justice and Public Safety - C

Amend the title of the bill by replacing it with the following:

AN ACT placing restrictions on name changes for certain felons.

Amend the bill by replacing all after the enacting clause with the following:

1 Change of Name. Amend RSA 547:3-i to read as follows:

547:3-i Change of Name.

I. The probate court may grant the petition of any person to change the name of that person or the name of another person, with the exception of a person serving a prison sentence or on probation or parole, or required to register as a sexual offender or an offender against children pursuant to RSA 651-B. The court shall not require the petitioner to obtain consents to the name change. Except as provided in paragraph II, the court may proceed with or without notice, in accordance with RSA 550:4.

II. The court may override the exception under paragraph I only if the petitioner makes a compelling showing that a name change is necessary.

III. Before the probate court may grant a change of name pursuant to this section, the person petitioning for a name change shall serve a copy of the petition on the department of corrections if the person is incarcerated, or on probation or parole, or on the department of safety if the person is required to register as a sexual offender or an offender against children and is no longer subject to supervision by the department of corrections.

2 Effective Date. This act shall take effect January 1, 2000.

AMENDED ANALYSIS

This bill places certain restrictions on the rights of certain felons to legally change their names.

1999-0174h

Amendment to HB 236-FN-LOCAL

Proposed by the Committee on Criminal Justice and Public Safety - C

Amend RSA 642:3-a as inserted by section 1 of the bill by replacing it with the following:

642:3-a Taking a Firearm From a Law Enforcement Officer.

I. Whoever knowingly takes a firearm:

- (a) From the person of a law enforcement officer, while such officer is engaged in the performance of official duties; and
- (b) Against that officer's will; or attempts to do so, shall be punished as provided in paragraph II.

II. The punishment for an offense under this section is:

- (a) In the case of an offense other than an attempt, or an offense that is an attempt during which the firearm is discharged (other than intentionally by the officer), a class A felony; and
- (b) In the case of any other offense that is an attempt, a class B felony.

III. It shall be an affirmative defense to prosecution under this section if an individual acts to disarm an officer engaging in felonious conduct or conduct so reckless as to endanger the lives of others. However, a conviction resulting from that conduct need not be obtained to present this defense.

IV. A term of imprisonment imposed under this section shall not run concurrently with any other term of imprisonment imposed with respect to the same criminal episode.

V. In this section:

- (a) "Firearm" has the meaning given that term in section 921 of Title 18 of the United States Code.
- (b) "Law enforcement officer" means law enforcement officer as defined in RSA 630:1, II.

AMENDED ANALYSIS

This bill makes the taking of a firearm from a law enforcement officer or an attempted taking of a firearm from a law enforcement officer where the firearm is discharged a class A felony.

1999-0127h

Amendment to HB 268

Proposed by the Committee on Municipal and County Government - C

Amend the title of the bill by replacing it with the following:

AN ACT relative to the adoption and rescission of the official ballot form of meeting.

Amend the bill by inserting after the enacting clause the following and renumbering the original sections 1-2 to read as 2-3, respectively:

1 Official Ballot Meeting; Adoption of Official Ballot Form of Meeting. Amend RSA 40:14, V to read as follows:

V. The wording of the question shall be: "Shall we adopt the provisions of RSA 40:13 (***known as SB 2***) to allow official ballot voting on all issues before the (local political subdivision)?"

AMENDED ANALYSIS

This bill clarifies the wording of the question which proposes the rescission of the official ballot form of meeting.

This bill also clarifies that the official ballot form of meeting is that which is commonly known as SB 2.

1999-0099h

Amendment to HB 272-FN

Proposed by the Committee on Criminal Justice and Public Safety

Amend RSA 631:3-a as inserted by section 1 of the bill by replacing it with the following:

631:3-a Reckless Conduct Involving Laser Pointing Devices.

I. Any person who knowingly uses a laser pointing device to illuminate an occupied motor vehicle, window, or person shall be guilty of a violation and the laser pointing device shall be forfeited after conviction.

II. It shall be an affirmative defense under this section that the laser pointing device was used in an organized meeting or training class by the instructor or speaker.

1999-0064h

Amendment to HB 302

Proposed by the Committee on Criminal Justice and Public Safety - C

Amend the bill by replacing section 1 with the following:

1 Selling of Paint Ball Guns to Persons Under 18 Years of Age. Amend RSA 644:14 to read as follows:

644:14 Selling Air Rifles **or Paint Ball Guns** to Young Persons. If any person shall sell, barter, rent, lend, or give an air rifle **or paint ball gun** to a person under the age of 18, without the written consent of the parent or guardian, as the case may be, ~~he~~ **such person** shall be guilty of a violation. Air rifles **and paint ball guns** may be used in New Hampshire only in the home of the person under 18 under parental supervision or on an approved range under responsible adult supervision. Air rifles **or paint ball guns** may be possessed by a person under 18 only in his **or her** own home under parental supervision or on the way to or from an approved range that is under the supervision of a responsible adult such as an instructor in gun safety or marksmanship.

1999-0115h

Amendment to HB 306

Proposed by the Committee on Judiciary - C

Amend the bill by replacing section 2 with the following:

2 Environmental Audits; Exceptions. RSA 147-E:4, IV is repealed and reenacted to read as follows:

IV. In a civil or administrative proceeding, if the court having jurisdiction under RSA 147-E:6, after an in camera review, determines that the environmental audit was undertaken for a fraudulent purpose, including without limitation the use of the privilege to avoid disclosure to regulators of violations known to exist or reasonably believed to exist by the regulated entity, or commenced by a regulated entity after learning of or receiving an official notice of impending government inspection or investigation.

Amend the bill by inserting after section 3 the following and renumbering the original sections 4-6 to read as 5-7:

4 In Camera Proceedings. Amend RSA 147-E:6, I to read as follows:

I. In the event of a dispute in any civil ~~or criminal~~ proceeding over whether an environmental audit report is privileged under RSA 147-E:3, is subject to an exception set forth in RSA 147-E:4, IV, or is nonprivileged under RSA 147-E:5, any party to the proceeding may file with the court having jurisdiction over the matter a motion requesting an in camera hearing to determine whether such environmental audit report or portions thereof are privileged or subject to disclosure. Any such motion shall state the grounds on which the party filing the motion is claiming the privilege or is entitled to disclosure. Upon the filing of such motion, an in camera review shall be conducted as set forth in paragraph III of this section.

Amend the bill by replacing section 7 with the following:

7 Effective Date. This act shall take effect upon its passage.