



January 23, 2026

Chair Diane Pauer
New Hampshire House Municipal and County Government Committee
Legislative Offices, 1 Granite Place, Room 154
Concord, NH 03301

RE: HB 1649, AN ACT prohibiting certain tax dollars from being donated to non-profit organizations

Dear Chair Pauer and Members of the House Municipal and County Government Committee,

On behalf of NH LAKES, I am writing to express our opposition to HB 1649, which prohibits certain tax dollars from being donated to non-profit organizations.

NH LAKES represents approximately 150 local lake associations, community groups, and thousands of individuals across New Hampshire. We are a statewide nonprofit organization dedicated to restoring and preserving the health of New Hampshire's lakes. Healthy lakes are essential to drinking water supplies, recreation, fisheries, wildlife habitat, tourism, and the economic vitality of our state.

What This Bill Does

HB 1649 prohibits municipalities from appropriating or spending taxpayer funds—through a municipal budget or warrant article—to “donate” money to nonprofit organizations. The bill includes an exception for grants or financial assistance awarded through a competitive process and clarifies that nonprofits may still provide services through contracts when the work is quantifiable and verifiable.

Why This Bill Is Important

NH LAKES supports transparency and accountability in the use of taxpayer dollars. Municipal leaders and voters deserve confidence that public funds are being used for clear public purposes and with appropriate oversight.

However, HB 1649 could jeopardize critical funding that supports local lake management, restoration, and protection programs across New Hampshire. Local lake associations are nonprofit organizations, and many rely on municipal appropriations approved through warrant articles or

budget lines to carry out lake protection and management work that benefits the entire community and helps sustain the broader tourism-based economy that relies on clean, healthy lakes.

Why NH LAKES Opposes This Bill

As written, HB 1649 could unintentionally disrupt long-standing, effective partnerships between municipalities and mission-aligned nonprofit organizations that provide a clear public benefit. In many communities, modest municipal appropriations help support volunteer-driven, on-the-ground efforts such as:

- Water quality monitoring
- Lake restoration projects
- Aquatic invasive species prevention, monitoring, and management

These services benefit the entire community, including residents, visitors, and local businesses, and support the broader New Hampshire tourism economy that depends on clean water and healthy lakes. These are services that municipalities do not have the staff capacity or specialized expertise to provide.

In addition, lake protection work is frequently volunteer-driven and typically does not fit neatly into traditional procurement or competitive bidding models. Eliminating the ability of municipalities to fund this work through warrant articles or budget lines could force some local lake associations to scale back or discontinue programs that communities have come to depend on, resulting in reduced monitoring, delayed prevention efforts, and greater long-term costs to towns and taxpayers.

For these reasons, NH LAKES respectfully urges the committee to recommend HB 1649 Inexpedient to Legislate.

Thank you for your consideration. If you have any questions or would like to discuss this amendment further, please contact me at alamoreaux@nhlakes.org or 603.226.0299.

Respectfully,



Andrea LaMoreaux
NH LAKES President & Policy Advocate