

DRAFT

Minutes

City Council Legislative Subcommittee Meeting

Eileen Dondero Foley Council Chambers

5:00 p.m.

TUESDAY, FEBRUARY 14, 2017

I. Greeting: Mayor Blalock

Mayor Blalock opened the meeting at 5:00 p.m. thanking those who could attend and explained that due to the snow storm on February 13th, the meeting had to be rescheduled and some of the State legislators may be late or unable to attend.

Present: Mayor Blalock; Acting City Manager Colbert Puff; Assistant City Attorney Ferrini; Councilor Dwyer (via teleconference); Councilor Spear; State Representatives Gerry Ward, Peter Somssich and State Senator Martha Fuller Clark (arrived at 5:15 p.m.)

Also in attendance: Finance Director Belanger; Human Resources Director Fogarty; Deputy Public Works Director Goetz and Tax Collector Benvenuti

II. Discussion of distribution of City's testimony. Assistant Mayor Splaine.

Mayor Blalock stated that due to a conflict of schedule Assistant Mayor Splaine was unable to attend this evening and this item will be deferred to the next meeting.

III. Status update on the following bills of interest to the City:

- A. Becky Benvenuti, Tax Collector- Update of tax bills-**HB 579**- Registration of semi-trailers; **HB 411**-Collection of local property tax; **HB 121**-Motor vehicle registration fee.

Tax Collector Benvenuti reviewed the several bills that are of concern to her and other Tax Collectors in the State of New Hampshire.

Regarding HB579, she stated there are major concerns with this bill which is in blatant contrast to the current law which prohibits non-residents from registering vehicles in the State of New Hampshire but sets up a fee schedule for out-of-state semi-trailers to register for 12 years with the State of New Hampshire but exempts a municipal permit fee. She continued that this will create an incentive for larger companies to set up out-of-state companies to avoid fees and will be a big loss of revenue to the towns and cities. She continued that the State of Maine has been allowing out-of-state companies to register this way for years and we have only been made aware of it recently when companies started calling and asking about it. She concluded that this bill was well-intentioned, but will impact negatively.

Regarding HB411, Tax Collector Benvenuti stated that this was initiated by a taxpayer in Windsor, New Hampshire to change the calculation of property taxes to use the assessed valuations determined in the prior year and tax rates determined by the commissioner of

revenue administration in the prior year so that budgets can be adopted using known revenues. She stated that the problem with this is that it creates inequities with the taxpayers and doesn't take into account shifts in the market, recessions, etc. She concluded that this has been voted Inexpedient to Legislative so is no longer an issue.

Regarding HB121- Tax Collector Benvenuti stated that this will increase the maximum optional fee for transportation improvements that may be charged by municipalities when collecting motor vehicle registration fees from \$5.00 to \$10.00. She further explained that the City of Portsmouth has not adopted this fee yet and if we did it would result in approximately \$150,000 a year in Capital Reserve which would be doubled if we adopted the \$10.00 fee. She stated that out of the 13 cities in the State of New Hampshire, only 3, including Portsmouth, do not collect this fee.

Councilor Spear stated that we as a City realize \$4 million in parking fees already and doesn't feel that this fee is necessary to impose on our residents. He stated he is neither for nor against it because we do not collect it.

B. Carl Roediger, Deputy Fire Chief- Comments on short term rental bills **HB 654**.

Ms. Ferrini stated that Deputy Chief Roediger is not present due to a fire call last evening. She stated that this bill creates a study committee and allows a lodging marketplace to be licensed by the department of revenue administration to collect meals and rooms taxes on behalf of vacation and short-term rentals. Mayor Blalock provided testimony regarding this life safety issue and it is now a blank slate going forward.

C. Brian Goetz, Deputy Director of Public Works -Update on water bills- SAG funding **HB 119** SAG funding and the exclusion of funding in the Governor's budget; **SB 240** – Allowing owners of certain contaminated wells access to municipal water systems; **SB 121**- Relative to MS-4 list of DES; **HB 342**-Commission to transition certain regulatory authority to DES from EPA; **HB 585**- Abolishing fluoridation in water; **HB 485**- Standards for emerging contaminants in drinking water; **HB 431**- Creation of Commission for long term goals and requirements for drinking water.

Deputy Public Works Director Goetz reported on the various water related bills as follows:

Regarding SB240, sponsored by Senator Innis which requires municipalities to connect private wells to public water systems, at a cost to the municipality, in the event a private well has been found to have a 10 percent increase in manmade contaminants in a year. He continued that the intent is good, but it is onerous because what is the scientific basis of a 10% differential and there is already a protocol in place. He concluded that this also puts the overall cost burden on municipalities.

Senator Clark stated that there is an amendment being presented to address those concerns.

Regarding HB342, which establishes a commission to study the transition of certain regulatory authority to the department of environmental services from the EPA, Mr. Goetz stated that New Hampshire is one of only 3 states that does not directly handle our own regulations.

Senator Clark stated that we want to support the Commission but it will be enormously expensive for NHDES to take over this work and she feels that it will not go forward as presented.

Regarding HB485, which requires the DES to use exposure scenarios in children and other vulnerable populations to determine criteria for emerging contaminants in drinking water, he stated that we currently have no position on this bill.

Next, HB431 which establishes a commission to study long term goals and requirements for drinking water in the seacoast area, he stated that this is a worthy commission and we support this but would like to see meetings held at the Seacoast.

Regarding HB585 to abolish fluoridation in water Mr. Goetz stated that lots of bills have come and gone and we have fluoridation which was voted in the 1970s and the city has no position.

Finally regarding SB247, regarding lead in drinking water, he stated we already have regulations and there are some revisions coming from the EPA. He stated this is mostly regarding outreach to landlords, etc. and the city has no direct position.

Attorney Ferrini stated she did not include SB247 but imagines that realtors and landlords would examine these standards.

- D. Jane Ferrini, Assistant City Attorney- Update on City testimony submitted on RGGI funding **HB 592**; gender discrimination bills and conversion therapy **HB 478, HB 587, SB 224**; accessory dwelling bills **SB 173, HB 265**, short term rentals **HB 654** and meals and rooms distribution **HB 534, HB 539**.

Assistant City Attorney Ferrini stated that the City has been providing copies of testimony to both the House and Senate on issues including conversion therapy, short-term rentals and accessory dwellings, and recently Environmental Planner Peter Britz testified regarding HB 592 which repeals the Regional Greenhouse Gas Initiative (RGGI) and eliminate the need for fossil-fired power plants located in NH to purchase allowances.

Senator Clark stated regarding the short-term rentals, there is an amendment making it clear that cities and towns have authority to regulate Accessory Dwelling Units (ADU's) being used for short-term rentals and defines them as any rental less than a month. She continued that the realtors are opposed as they feel that people should be able to do what they want with their property but there are zoning laws in place which allow communities to protect property owners from devaluation of property through zoning. She concluded that there seems to be a fair amount of support for the amendment.

Next, Attorney Ferrini stated that there are several rooms and meals bills which both Hampton and Portsmouth support including a bill requiring businesses that have multiple locations within the State to differentiate by location what was collected by city/town.

Senator Fuller Clark stated there has been pushback on this because they say it is too much work, but the DRA has indicated it would be relatively easy.

Mayor Blalock stated this is important because these businesses also use city services. He stated we are not trying to increase taxes but are trying to get our fair share.

Senator Fuller Clark stated that currently the funds are divided based on population so they are trying to come up with a number than anything over that amount would go to the cities/towns.

III. Update on bills NHMA is tracking. Chris Dwyer.

Assistant City Manager Colbert Puff stated she has received a text from Councilor Dwyer stating that there was a lot of feedback on the teleconference connection and therefore was unavailable to discuss the NHMA bills.

Next, City Attorney Ferrini stated that Human Resources Director Fogarty is here to speak on HB413 which is being voted on tomorrow, February 15, 2017.

Ms. Fogarty explained that HB413 which is relative to payment by the state of a portion of retirement system contributions of political subdivision employers which NHMA is supporting. She further explained that they are asking that the State contribute 15% of the cost of Police, Fire and Teachers retirement as previously they had paid 35% but started decreasing the amount in 2009 to paying 0% presently. She stated that originally they were temporarily going to decrease due to the recession but it has never be reinstated. She concluded that if this were to pass it would mean a 21 cent per thousand decrease on our tax rate.

Representative Somssich stated that Police and Fire do not contribute to Social Security so this is their retirement plan.

Next, Attorney Ferrini discussed HB365 regarding awarding attorney's fees under the right-to-know law which NHMA does not support and the City does not take position on right-to-know laws.

V. General discussion of bills of interest to the City.

Representative Ward discussed upcoming election law bills which there are many including elimination of same day voter registration.

Senator Fuller Clark stated that this would result in the suppression of votes in New Hampshire. She stated that there is also talk of having voter registration via the internet with protection at some point in the future, but there is pushback from the Secretary of State.

Mayor Blalock asked about the similarity of some of the bills and how does a bill stand out from another.

Senator Fuller Clark stated that having 50 different bills is a way to undermine same day voter registration.

Councilor Spear asked if the City Council can introduce a general policy to support efforts against voter disenfranchisement.

Senator Fuller Clark stated she would be glad to have that happen as it would help start discussions and inform the public.

Attorney Ferrini stated that Council Dwyer would also like to put together policy statements.

Discussion ensued regarding various policies and issues that the Council may want discuss.

Senator Fuller Clark asked if the City could also reach out to other cities to make their voices heard on issues as well because NHMA largely represents towns.

Mayor Blalock stated the City of Portsmouth leads by example and has been recognized for our participation in the Legislative process.

Representative Somssich stated that HB324 regarding the valuation of utility property, had many cities and town testify against it at a recent hearing.

VI. Schedule Next Meeting.

Senator Fuller Clark stated that the crossover will be on March 28th and suggested meeting prior to that date.

Mayor Blalock stated that Assistant City Attorney Ferrini will check availability of the committee members for the first or second week of March and will let everyone know the next meeting date.

VII. Adjournment.

Mayor Blalock adjourned the meeting at 6:10 p.m.

Respectfully submitted:

Valerie A. French
Deputy City Clerk

For further information on the content or status of bills and the Senate and House Calendars, see <http://www.gencourt.state.nh.us>. For information regarding the New Hampshire Municipal Association's Bulletin, see <http://www.nhmunicipal.org/LegislativeBulletins>