

MINUTES
City Council Legislative Subcommittee
Conference Room A
Monday, January 13, 2020 5:45 p.m.

Legislative Subcommittee Members Present: Mayor Rick Becksted, Councilor Esther Kennedy, Councilor Deaglan McEachern, Councilor Paige Trace, City Manager Karen Conard, Assistant City Attorney Jane Ferrini.

Also Present: Councilor Cliff Lazenby

I. Greeting.

Mayor Becksted called the meeting to order at 5:50pm.

II. Review and discussion of City Council Principles for Legislative Positions.

Jane Ferrini explained the history and purpose of the Legislative Principles in order for the City to submit testimony on issues of interest to the City in a timely manner before the Legislature. Councilor Kennedy stated that these Principles for Legislative Positions should be included in the rules and procedures approved by the City Council along with the New Hampshire Municipal Associations (NHMA) policies the City supports. Jane Ferrini explained the Committee's role in reviewing and recommending the Principles for Legislative Positions and the NHMA policies to the City Council. Councilor Kennedy stated that the Council is in the process of reviewing all Council rules and policies and Councilor Kennedy requested that these policies be included in that review process and the Committee agreed.

Councilor Kennedy moved to adopt and approve the existing City Council Principles for Legislative Positions. The motion was seconded by Councilor Trace. The Mayor took a voice vote and the Motion to adopt and approve passed 4 – 0.

III. Discussion of HB 1160, enabling legislation for municipalities to collect occupancy fee from local room rentals and preparation of testimony.

Councilor McEachern discussed his belief that under the current administration he did not feel HB 1160 would be successful and that the Committee and City would be better served working on the bills related to the meals and rooms tax that could address redistribution of meals and rooms revenue to support those communities like Portsmouth that contribute significantly to the tax but receive little in revenue because the net distribution is based on population. The Committee also discussed that the State has not been complying with the existing statute that requires 40% of the meals and rooms revenue to be distributed to all municipalities and the current distribution is closer to 20%. Councilor Kenney spoke in favor of supporting the bill and our delegates who sponsored the bill. Mayor Becksted said he spoke with the Governor and he is not in favor of this type of "pillow tax". Mayor Becksted said he also discussed with the Governor the possibility of a new approach regarding distributing the meals and rooms

net revenue not just based on residents but on real population of the City that would include the tourist. Councilor McEachern suggested the testimony include the impact of rising property taxes and the Committee discussed including a personal story of the impact of rising property tax in the testimony. Councilor Trace suggested the Committee also include a specific example of rising water and sewer bills. The Committee also agreed to include how the increase in tourism population puts demands on our police and fire and Councilor Trace noted the recent request for a new tower fire truck in the CIP. The Committee agreed that the draft testimony on a similar bill last year would be amended to include the issues discussed and would be reviewed by the Mayor and City Manager and presented to the House Municipal and County Government Committee by Assistant Mayor Splaine on Wednesday, January 22, 2020 at 10:00am. Councilor Kenned left the meeting at 6:20pm.

IV. Preparation of Agenda for Legislative Subcommittee Meeting with Portsmouth Delegates.

The Committee received excel spreadsheets listing bills of potential interest to the City that will be updated and included in the meeting with the Legislative Subcommittee and Delegates. The Committee discussed and confirmed the meeting date of Wednesday, January 29, 2020 at 5:00 pm but stated a 6:00 p.m. start time would be acceptable to the Committee if requested by the delegates.

V. Update on Commission to Study Education Funding and *Contoocook Valley School District & a v. State of New Hampshire*, Supreme Court Case. No. 2019-0500 by staff.

Jane Ferrini reported that she attended the organizational meeting of the Commission to Study Education earlier that day and the Committee was advised that the Commission will be recommending a change to the education funding formula that may impact the Statewide Education Property Tax (SWEPT). Jane Ferrini also advised the Committee that in July, 2019, the Superior Court found the current education funding formula unconstitutional in the matter of *Contoocook Valley School District v. State of New Hampshire* and that the matter has been appealed to the New Hampshire Supreme Court with briefs due soon and that these matters can be discussed at the next meeting of the Legislative Subcommittee.

VI. Adjournment.

Mayor Becksted adjourned the meeting at 6:29 p.m.