



Budget Committee Agenda

Atkinson, Danville, Plaistow, Sandown
New Hampshire

Organizational Meeting – SAU 106 Boardroom

April 11, 2024, 7pm

1. Call to Order – Business Administrator
2. Roll Call – Clerk (5 minutes)
3. Pledge of Allegiance
4. Review/Discussion of RSA Chapters 32, 33, & 195
5. Elections (10 minutes)
 - a. Chair
 - b. Vice Chair
 - c. Others
6. Appointments (5 minutes)
 - a. Recording Secretary
 - b. Others
7. Review and Adopt By-Laws (10 minutes)
8. Adjournment

NOTE: Members, please notify the Chair or the Business Administrator if you are NOT attending the meeting.

TITLE III

TOWNS, CITIES, VILLAGE DISTRICTS, AND UNINCORPORATED PLACES

Chapter 32

MUNICIPAL BUDGET LAW

Section 32:1

32:1 Statement of Purpose. – The purpose of this chapter is to clarify the law as it existed under former RSA 32. A town or district may establish a municipal budget committee to assist its voters in the prudent appropriation of public funds. The budget committee, in those municipalities which establish one, is intended to have budgetary authority analogous to that of a legislative appropriations committee. It is the legislature's further purpose to establish uniformity in the manner of appropriating and spending public funds in all municipal subdivisions to which this chapter applies, including those towns, school districts and village districts which do not operate with budget committees, and have not before had much statutory guidance.

Source. 1993, 332:1, eff. Aug. 28, 1993.

Section 32:2

32:2 Application. – RSA 32:1-13, shall apply to all towns, school districts, cooperative school districts, village districts, municipal economic development and revitalization districts created under RSA 162-K, and any other municipal entities, including those created pursuant to RSA 53-A or 53-B, which adopt their budgets at an annual meeting of their voters, except RSA 32:5-b, which shall apply only in those towns or districts adopting that section pursuant to RSA 32:5-c. RSA 32:14-23, concerning budget committees, shall apply only in those towns or districts adopting that subdivision pursuant to RSA 32:14, I, and shall apply automatically in school districts or village districts located wholly within towns adopting that subdivision.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2011, 234:5, eff. July 5, 2011. 2012, 186:3, eff. June 11, 2012.

Section 32:3

32:3 Definitions. –

In this chapter:

I. "Appropriate" means to set apart from the public revenue of a municipality a certain sum for a specified purpose and to authorize the expenditure of that sum for that purpose.

II. "Appropriation" means an amount of money appropriated for a specified purpose by the

legislative body.

III. "Budget" means a statement of recommended appropriations and anticipated revenues, prepared according to rules adopted by the commissioner of revenue administration under RSA 541-A, submitted to the legislative body by the budget committee, or the governing body if there is no budget committee, as an attachment to, and as part of the warrant for, an annual or special meeting.

IV. "District" includes a school district, cooperative school district, village district, district created pursuant to RSA 53-A or 53-B, or municipal economic development and revitalization district created pursuant to RSA 162-K.

V. "Purpose" means a goal or aim to be accomplished through the expenditure of public funds. In addition, as used in RSA 32:8 and RSA 32:10, I(e), concerning the limitation on expenditures, a line on the budget form posted with the warrant, or form submitted to the department of revenue administration, or an appropriation contained in a special warrant article, shall be considered a single "purpose."

VI. "Special warrant article" means any article in the warrant for an annual or special meeting which proposes an appropriation by the meeting and which:

(a) Is submitted by petition; or

(b) Calls for an appropriation of an amount to be raised by the issuance of bonds or notes pursuant to RSA 33; or

(c) Calls for an appropriation to or from a separate fund created pursuant to statute, including but not limited to a capital reserve fund under RSA 35, or trust fund under RSA 31:19-a; or

(d) Is designated in the warrant, by the governing body, as a special warrant article, or as a nonlapsing or nontransferable appropriation; or

(e) Calls for an appropriation of an amount for a capital project under RSA 32:7-a.

VII. "Sub-account" means an optional level of accounting, one or more levels below the account level. Sub-accounts may be used to budget and track expenses when several different activities are funded by the same account. Sub-accounts may be created by the town or district under the authority of the budget committee, or the governing body if there is no budget committee, but must support the numbering classification system established in the uniform chart of accounts as established by the department of revenue administration in accordance with RSA 21-J:13, IV. Nothing in this chapter shall require the disclosure of any information or data restricted from disclosure by any other statute.

VIII. "Uniform chart of accounts" means a consistent system of accounts used to categorize revenues, expenditures, assets, liabilities, and equity. It identifies the account titles, descriptions, and numbering classification system established by the department of revenue pursuant to RSA 21-J:13, IV. It provides the framework to budget, record, and report financial data logically and provide a robust basis for reporting on the results.

Source. 1993, 332:1, eff. Aug. 28, 1993. 1996, 214:1, eff. Aug. 9, 1996. 2003, 95:1, eff. Aug. 5, 2003. 2012, 181:1, eff. Aug. 10, 2012; 186:4, eff. June 11, 2012. 2013, 109:1, eff. Aug. 23, 2013. 2021, 134:1, 2, eff. Sept. 21, 2021.

Preparation of Budgets

Section 32:4

32:4 Estimate of Expenditures and Revenues. – All municipal officers, administrative officials and department heads, including officers of such self-sustaining departments as water, sewer, and electric departments, shall prepare statements of estimated expenditures and revenues for the ensuing fiscal year, and shall submit such statements to their respective governing bodies, at such times and in such detail as the governing body may require.

Source. 1993, 332:1, eff. Aug. 28, 1993.

Section 32:5

32:5 Budget Preparation. –

I. The governing body, or the budget committee if there is one, shall hold at least one public hearing on each budget, not later than 25 days before each annual or special meeting, public notice of which shall be given at least 7 days in advance, and after the conclusion of public testimony shall finalize the budget to be submitted to the legislative body. If a town or district uses sub-accounts to budget or track financial data it shall make that data available for public inspection at the public hearing. One or more supplemental public hearings may be held at any time before the annual or special meeting, subject to the 7-day notice requirement. If the first hearing or any supplemental hearing is recessed to a later date or time, additional notice shall not be required for a supplemental session if the date, time, and place of the supplemental session are made known at the original hearing. Public hearings on bonds and notes in excess of \$100,000 shall be held in accordance with RSA 33:8-a, I. Days shall be counted in accordance with RSA 21:35.

II. All purposes and amounts of appropriations to be included in the budget or special warrant articles shall be disclosed or discussed at the final hearing. The governing body or budget committee shall not thereafter insert, in any budget column or special warrant article, an additional amount or purpose of appropriation which was not disclosed or discussed at that hearing, without first holding one or more public hearings on supplemental budget requests for town or district expenditures.

III. All appropriations recommended shall be stipulated on a "gross" basis, showing anticipated revenues from all sources, including grants, gifts, bequests, and bond issues, which shall be shown as offsetting revenues to appropriations affected. The budget shall be prepared according to rules adopted by the commissioner of revenue administration under RSA 541-A, relative to the required forms and information to be submitted for recommended appropriations and anticipated revenues for each town or district.

IV. Budget forms for the annual meeting shall include, in the section showing recommended appropriations, comparative columns indicating at least the following information:

(a) Appropriations voted by the previous annual meeting.

(b) Actual expenditures made pursuant to those appropriations, or in those towns and districts which hold annual meetings prior to the close of the current fiscal year, actual expenditures for the most recently completed fiscal year.

(c) All appropriations, including appropriations contained in special warrant articles, recommended by the governing body.

(d) If there is a budget committee, all the appropriations, including appropriations contained in special warrant articles, recommended by the budget committee.

V. When any purpose of appropriation, submitted by a governing body or by petition, appears in the warrant as part of a special warrant article:

(a) The article shall contain a notation of whether or not that appropriation is recommended by the governing body, and, if there is a budget committee, a notation of whether or not it is recommended by the budget committee;

(b) If the article is amended at the first session of the meeting in an official ballot referendum municipality, the governing body and the budget committee, if one exists, may revise its recommendation on the amended version of the special warrant article and the revised recommendation shall appear on the ballot for the second session of the meeting provided, however, that the 10 percent limitation on expenditures provided for in RSA 32:18 shall be calculated based upon the initial recommendations of the budget committee;

(c) Defects or deficiencies in these notations shall not affect the legal validity of any appropriation otherwise lawfully made; and

(d) All appropriations made under special warrant articles shall be subject to the hearing requirements of paragraphs I and II of this section.

V-a. The legislative body of any town, school district, or village district may vote to require that all votes by an advisory budget committee, a town, school district, or village district budget committee, and the governing body or, in towns, school districts, or village districts without a budget committee, all votes of the governing body relative to budget items or any warrant articles shall be recorded votes and the numerical tally of any such vote shall be printed in the town, school district, or village district warrant next to the affected warrant article. Unless the legislative body has voted otherwise, if a town or school district has not voted to require such tallies to be printed in the town or school district warrant next to the affected warrant article, the governing body or the budget committee adopted under RSA 32:14 may, on its own initiative, require that the tallies of its votes be printed next to the affected article.

V-b. Any town may vote to require that the annual budget and all special warrant articles having a tax impact, as determined by the governing body, shall contain a notation stating the estimated tax impact of the article. The determination of the estimated tax impact shall be subject to approval by the governing body.

VI. Upon completion of the budgets, an original of each budget and of each recommendation upon special warrant articles, signed by a quorum of the governing body, or of the budget committee, if any, shall be placed on file with the town or district clerk. A certified copy shall be forwarded by the chair of the budget committee, if any, or otherwise by the chair of the governing body, to the commissioner of revenue administration pursuant to RSA 21-J:34.

VII. (a) The governing body shall post certified copies of the budget with the warrant for the meeting. The operating budget warrant article shall contain the amount as recommended by the budget committee if there is one. In the case of towns, the budget shall also be printed in the town report made available to the legislative body at least one week before the date of the annual meeting. A school district or village district may vote, under an article inserted in the warrant, to require the district to print its budget in an annual report made available to the district's voters at least one week before the date of the annual meeting. Such district report may be separate or may be combined with the annual report of the town or towns within which the district is located.

(b) The governing body in official ballot referenda jurisdictions operating under RSA 40:13 shall post certified copies of the default budget form or any amended default budget form with the proposed operating budget and the warrant.

(c) If the operating budget warrant article is amended at the first session of the meeting in an official ballot referendum jurisdiction operating under RSA 40:13, the governing body and the budget committee, if one exists, may each vote on whether to recommend the amended article,

and the recommendation or recommendations shall appear on the ballot for the second session of the meeting.

VIII. The procedural requirements of this section shall apply to any special meeting called to raise or appropriate funds, or to reduce or rescind any appropriation previously made, provided, however, that any budget form used may be prepared locally. Such a form or the applicable warrant article shall, at a minimum, show the request by the governing body or petitioners, the recommendation of the budget committee, if any, and the sources of anticipated offsetting revenue, other than taxes, if any.

IX. If the budget committee fails to deliver a budget prepared in accordance with this section, the governing body shall post its proposed budget with a notarized statement indicating that the budget is being posted pursuant to this paragraph in lieu of the budget committee's proposed budget. This alternative budget shall then be the basis for the application of the provisions of this chapter.

X. If a town or district uses sub-accounts to budget or track financial data, it shall ensure the budget data at the account and sub-account levels is available for public inspection prior to and at the annual or special meeting, at which the budget or any appropriation is to be considered.

Source. 1993, 332:1, eff. Aug. 28, 1993. 1996, 214:2, eff. Aug. 9, 1996. 1997, 41:1, eff. July 11, 1997. 2001, 71:2, eff. July 1, 2001. 2002, 61:1, eff. June 25, 2002. 2004, 68:1, eff. July 6, 2004; 219:2, eff. Aug. 10, 2004; 238:5, eff. June 15, 2004; 238:12, eff. Aug. 10, 2004 at 12:01 a.m. 2007, 305:1, eff. Sept. 11, 2007. 2009, 2:1, eff. Feb. 20, 2009. 2010, 90:1, eff. July 24, 2010. 2012, 6:1, eff. May 21, 2012; 217:1, eff. July 1, 2013. 2014, 190:7, eff. Sept. 9, 2014. 2018, 246:1, eff. Aug. 11, 2018. 2021, 134:3, 4, eff. Sept. 21, 2021.

Section 32:5-a

32:5-a Presentation of Negotiated Cost Items at the Annual Meeting. – Cost items, as defined under RSA 273-A:1, IV, shall be presented to the annual town or district meeting in accordance with the procedures established under RSA 32:5. For submission to the legislative body of the annual meeting, cost items must be finalized by the date prescribed in RSA 39:3 for towns and by the date prescribed in RSA 197:6 for school districts. Cost items not negotiated in time to meet these dates may be submitted to the legislative body pursuant to the provisions of RSA 31:5 for towns and RSA 197:3 for school districts.

Source. 1996, 214:3, eff. Aug. 9, 1996.

Section 32:5-b

32:5-b Local Tax Cap. –

Upon adoption under RSA 32:5-c, the following shall apply:

I. In a town or district that has adopted this section, the estimated amount of local taxes to be raised for the fiscal year, as shown on the budget certified by the governing body or the budget committee and posted with the warrant for the annual meeting pursuant to RSA 32:5, shall not exceed the local taxes raised for the prior year, as shown on the same budget and adjusted as provided in paragraph I-a, by more than the tax cap authorized when this section was adopted.

I-a. If the local taxes raised for the prior year were reduced by any fund balance brought

forward from previous years, the amount of such reduction shall be added back and included in the amount to which the tax cap is applied under paragraph I.

II. The tax cap shall be either a fixed dollar amount or a fixed percentage applied to the amount of local taxes raised by the town or district for the prior fiscal year as reported to the department of revenue administration, subject to adjustment as provided in paragraph I-a.

III. The legislative body may override the cap by the usual procedures applicable to annual meetings and deliberative sessions of the legislative body. The provisions of this section shall not limit the legislative body's authority to increase or decrease the amount of any appropriation or the total amount of all appropriations.

Source. 2011, 234:6, eff. July 5, 2011. 2013, 58:1, eff. Aug. 5, 2013.

Section 32:5-c

32:5-c Adoption of Local Tax Cap. –

I. The provisions of RSA 32:5-b may be adopted by any local political subdivision of the state whose legislative body raises and appropriates funds through an annual meeting. A 3/5 majority of those voting on the question shall be required to adopt the provisions of RSA 32:5-b. Only votes in the affirmative or negative shall be included in the calculation of the 3/5 majority.

II. The question shall be placed on the warrant of the annual meeting by the governing body or by petition under the procedures set out in RSA 39:3 or RSA 197:6.

III. A public hearing shall be held by the local governing body on the question at least 15 days, but not more than 30 days, before the question is to be voted on. In multi-town districts, a public hearing shall be held in each town embraced by the district, none of which shall be held on the same day. Notice of the hearing shall be posted in at least 2 public places in the town and at least 2 public places in each town of multi-town districts, and published in a newspaper of general circulation at least 7 days prior to the date of the hearing.

IV. The wording of the question shall be: "Shall we adopt the provisions of RSA 32:5-b, and implement a tax cap whereby the governing body (or budget committee) shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year's actual amount of local taxes raised, by more than _____ (insert either a fixed dollar amount or a fixed percentage)?"

V. Voting on the question shall be by ballot, but the question shall not be placed on the official ballot used to elect officers, except in the case of a legislative body that uses an official ballot form of meeting under RSA 40:13 or under a charter adopted pursuant to RSA 49-D. Polls shall remain open and ballots shall be accepted by the moderator for a period of not less than one hour following the completion of discussion on the question. If a 3/5 majority of those voting on the question vote "yes," RSA 32:5-b shall apply within the local political subdivision beginning with the following fiscal year and for all subsequent years until it is rescinded as provided in paragraph VI.

VI. Any local political subdivision which has adopted RSA 32:5-b may consider rescinding its action in the manner described in paragraphs I through V. The wording of the question shall be: "Shall we rescind the provisions of RSA 32:5-b, known as the tax cap, as adopted by the (local subdivision) on (date of adoption), so that there will no longer be a limit on increases to the recommended budget in the amount to be raised by local taxes?" A 3/5 majority of those voting on the question shall be required to rescind the provisions of this section, except in the

case of repeal by charter enactment under RSA 49-D. Only votes in the affirmative or negative shall be included in the calculation of the 3/5 majority.

Source. 2011, 234:6, eff. July 5, 2011.

Appropriations

Section 32:6

32:6 Appropriations Only at Annual or Special Meeting. – All appropriations in municipalities subject to this chapter shall be made by vote of the legislative body of the municipality at an annual or special meeting. No such meeting shall appropriate any money for any purpose unless that purpose appears in the budget or in a special warrant article, provided, however, that the legislative body may vote to appropriate more than, or less than, the amount recommended for such purpose in the budget or warrant, except as provided in RSA 32:18, unless the municipality has voted to override the 10 percent limitation as provided in RSA 32:18-a.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2000, 193:2, eff. July 29, 2000.

Section 32:6-a

32:6-a Repealed by 2004, 232:1, eff. June 11, 2004. –

Section 32:7

32:7 Lapse of Appropriations. –

Annual meeting appropriations shall cover anticipated expenditures for one fiscal year. All appropriations shall lapse at the end of the fiscal year and any unexpended portion thereof shall not be expended without further appropriation, unless:

- I. The amount has, prior to the end of that fiscal year, become encumbered by a legally-enforceable obligation, created by contract or otherwise, to any person for the expenditure of that amount; or
- II. The amount is legally placed in any nonlapsing fund properly created pursuant to statute, including but not limited to a capital reserve fund under RSA 35, or a town-created trust fund under RSA 31:19-a; or
- II-a. The amount is appropriated to a capital reserve fund pursuant to RSA 35:5.
- III. The amount is to be raised, in whole or in part, through the issuance of bonds or notes pursuant to RSA 33, in which case the appropriation, unless rescinded, shall not lapse until the fulfillment of the purpose or completion of the project being financed by the bonds or notes; or
- IV. The amount is appropriated from moneys anticipated to be received from a state, federal or other governmental or private grant, in which case the appropriation shall remain nonlapsing for as long as the money remains available under the rules or practice of the granting entity; or
- V. The amount is appropriated under a special warrant article, in which case the local governing body may, at any properly noticed meeting held prior to the end of the fiscal year for which the appropriation is made, vote to treat that appropriation as encumbered for a

maximum of one additional fiscal year; or

VI. The amount is appropriated under a special warrant article and is explicitly designated in the article and by vote of the meeting as nonlapsing, in which case the meeting shall designate the time at which the appropriation shall lapse, which in no case shall be later than 5 years after the end of the fiscal year for which the appropriation is made.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2017, 127:3, eff. Aug. 15, 2017.

Section 32:7-a

32:7-a Appropriations for Capital Projects. –

In addition to any other appropriation authority, and notwithstanding any other provisions of law, at any annual meeting the legislative body may, by the affirmative vote of 2/3 of those present and voting, or by the affirmative vote of 3/5 of those voting on the question in a town or district that has adopted the official ballot referendum form of meeting, appropriate funds for a term beyond one fiscal year, but not to exceed 5 fiscal years, as follows:

I. The appropriation shall be only for an identified project, as described in the article authorizing the appropriation, for which it would be lawful to issue a bond or note under RSA 33:3 or RSA 33:3-c.

II. The article authorizing the appropriation shall state the term of years of the appropriation, the total amount of the appropriation, and the amount to be appropriated in each year of the term.

III. For each year after the first year, the amount designated for that year as provided in paragraph II shall be deemed appropriated without further vote by the legislative body, unless the appropriation is rescinded as provided in paragraph VI. In a town or district that has adopted the official ballot referendum form of meeting, the amount designated for each year shall be included in the default budget for that year.

IV. If the amount appropriated for any year is not spent during the year, the unexpended amount shall not lapse, but shall be available for expenditure in a subsequent year during the term; provided that all unexpended amounts shall lapse at the end of the term.

V. The approval of an appropriation under this section shall not constitute the establishment of a capital reserve fund, and any amounts appropriated shall not be deposited into such a fund.

VI. Prior to the expiration of the term, the legislative body may, at any annual meeting, rescind the appropriation by an affirmative vote of a majority of those voting on the question. Upon rescission, any unexpended amount shall lapse immediately.

Source. 2013, 109:2, eff. Aug. 23, 2013.

Expenditures

Section 32:8

32:8 Limitation on Expenditures. – No board of selectmen, school board, village district commissioners or any other officer, employee, or agency of the municipality acting as such shall pay or agree to pay any money, or incur any liability involving the expenditure of any money, for any purpose in excess of the amount appropriated by the legislative body for that

purpose, or for any purpose for which no appropriation has been made, except as provided in RSA 32:9-11.

Source. 1993, 332:1, eff. Aug. 28, 1993.

Section 32:9

32:9 Exception. – Money may be spent to pay a judgment against the town or district, without an appropriation.

Source. 1993, 332:1, eff. Aug. 28, 1993.

Section 32:10

32:10 Transfer of Appropriations. –

I. If changes arise during the year following the annual meeting that make it necessary to expend more than the amount appropriated for a specific purpose, the governing body may transfer to that appropriation an unexpended balance remaining in some other appropriation, provided, however, that:

(a) The total amount spent shall not exceed the total amount appropriated at the town or district meeting.

(b) Records shall be kept by the governing body, such that the budget committee, if any, or any citizen requesting such records pursuant to RSA 91-A:4, may ascertain the purposes of appropriations to which, and from which, amounts have been transferred; provided, however, that neither the budget committee nor other citizens shall have any authority to dispute or challenge the discretion of the governing body in making such transfers.

(c) A statement comparing all legislative body appropriations against all expenditures shall be deemed adequate for purposes of the records required by subparagraph (b), so long as every expenditure has been properly authorized and properly classified and entered and any expenditures exceeding the original legislative appropriations are offset by unexpended balances remaining in other appropriations, in which case the governing body shall not be required to designate the specific source of each transfer.

(d) Any amount appropriated at the meeting under a special warrant article, or to a capital reserve fund pursuant to RSA 35:5, may be used only for the purpose specified in that article and shall not be transferred.

(e) The town or district meeting may vote separately on individual purposes of appropriation contained within any warrant article or budget, but such a separate vote shall not affect the governing body's legal authority to transfer appropriations, provided, however, that if the meeting deletes a purpose, or reduces the amount appropriated for that purpose to zero or does not approve an appropriation contained in a separate article, that purpose or article shall be deemed one for which no appropriation is made, and no amount shall be transferred to or expended for such purpose.

II. As used in RSA 32:10, I(a)-(d), concerning transfers of appropriations and records thereof, "purpose" refers, in addition to its meaning in RSA 32:3, V, to individual line items in whatever detailed budget or chart of accounts is regularly used by the municipality. The general wording of a vote adopting a budget or portion of a budget shall not be considered a

"purpose" to which an amount may be transferred. The definition of "purpose" as used in RSA 32:10, I(e) shall be the definition of "purpose" under RSA 32:3, V.

Source. 1993, 332:1, eff. Aug. 28, 1993. 1996, 214:4, eff. Aug. 9, 1996. 2004, 113:1, eff. July 16, 2004. 2017, 127:4, eff. Aug. 15, 2017.

Section 32:11

32:11 Emergency Expenditures and Overexpenditures. –

When an unusual circumstance arises during the year which makes it necessary to expend money in excess of an appropriation which may result in an overexpenditure of the total amount appropriated for all purposes at the meeting or when no appropriation has been made, the selectmen or village district commissioners, upon application to the commissioner of revenue administration or the school board upon application to the commissioner of education, may be given authority to make such expenditure, provided that:

I. Such application shall be made prior to the making of such expenditure. No such authority shall be granted until a majority of the budget committee, if any, has approved the application in writing. If there is no budget committee, the governing body shall hold a public hearing on the request, with notice as provided in RSA 91-A:2.

II. The commissioner of revenue administration or the commissioner of education may accept and approve an application after an expenditure if caused by a sudden or unexpected emergency, in which case paragraph I shall not apply.

III. Neither the commissioner of revenue administration nor the commissioner of education shall approve such an expenditure unless the governing body designates the source of revenue to be used. Neither commissioner shall have the authority to increase the town or district's tax rate in order to fund such an expenditure.

IV. When applying to the commissioner of education for such authority, the school board shall send a copy of such application to the department of revenue administration. The commissioner of education, when granting authority to the school board, shall notify, in writing, the commissioner of revenue administration of any and all authorizations given to school boards for emergency expenditures or overexpenditures, and the revenue source for funding such expenditures.

V. Notwithstanding paragraphs I through IV, if the legislative body has by warrant article established a contingency fund in the annual budget for the purpose of unanticipated expenses, the board of selectmen may expend funds from such account to meet the costs of such expenses.

Source. 1993, 332:1, eff. Aug. 28, 1993. 1996, 214:5, eff. Aug. 9, 1996. 1999, 140:1, eff. Aug. 24, 1999. 2013, 115:1, eff. Aug. 24, 2013.

Section 32:11-a

32:11-a Actual Expenditures for Special Education Programs and Services. – Each school district shall provide in its annual report an accounting of actual expenditures by the district for special education programs and services for the previous 2 fiscal years. Such accounting shall include offsetting revenues from all sources, including but not limited to, reimbursements from state funds, federal funds, or medicaid funds, private or other health

insurance coverage, transferred special education moneys received from another school district, and any other special education resources received by the district.

Source. 1999, 180:1, eff. Aug. 30, 1999.

Section 32:12

32:12 Penalty. – Any person or persons violating the provisions of this subdivision shall be subject to removal from office on proper petition brought before the superior court. Such petition shall take precedence over other actions pending in the court and shall be heard and decided as speedily as possible.

Source. 1993, 332:1, eff. Aug. 28, 1993.

Section 32:13

32:13 Contracts; Expenditures Prior to Meeting. –

I. This subdivision shall not be construed to imply that a local legislative body, through its actions on appropriations, has the authority to nullify a prior contractual obligation of the municipality, when such obligation is not contingent upon such appropriations and is otherwise valid under the New Hampshire law of municipal contracts, or to nullify any other binding state or federal legal obligation which supersedes the authority of the local legislative body.

II. This subdivision shall not be construed to affect the authority of the local governing body, in towns with a March annual meeting and a January through December fiscal year, to make expenditures between January 1 and the date a budget is adopted which are reasonable in light of prior year's appropriations and expenditures for the same purposes during the same time period.

Source. 1993, 332:1, eff. Aug. 28, 1993. 1997, 318:2, eff. Aug. 22, 1997. 2001, 71:3, eff. July 1, 2001.

Budget Committee

Section 32:14

32:14 Adoption. –

I. This subdivision may be adopted:

- (a) By any town with a town meeting form of government, including those with a budgetary town meeting, official ballot town meeting, or representative town meeting pursuant to RSA 49-D:3, II, II-a, and III, or by a town with an official ballot town council form of government under which part or all of the annual town operating budget is voted upon by official ballot;
 - (b) By a cooperative school district, in accordance with RSA 195:12-a;
 - (c) By any village district, or district created under RSA 53-A or 53-B, which adopts its budget at an annual meeting of its voters, and which is located in more than one municipality;
- or

(d) By any school district or village district which adopts its budget at an annual meeting of its voters, but which lies wholly within a municipality that lacks authority to adopt this subdivision.

II. This subdivision may be adopted by a majority vote of those present and voting, under an article in the warrant for the annual meeting, inserted by the governing body or by petition.

III. Voting shall be by ballot, but the question shall not be placed on the official ballot used to elect officers. Polls shall remain open and ballots shall be accepted by the moderator for a period of not less than one hour following the completion of discussion on the question.

IV. If the vote is favorable, the town or district shall at that same meeting vote, by ballot or other means, determine the number of members-at-large, as provided in RSA 32:15, I, and whether they shall be elected or appointed by the moderator.

V. A town or district which has adopted this subdivision may rescind its adoption in the manner described in paragraphs II and III.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2008, 243:3, eff. Aug. 23, 2008.

Section 32:15

32:15 Budget Committee Membership. –

I. The budget committee shall consist of:

(a) Three to 12 members-at-large, who may be either elected or appointed by the moderator, as the town or district adopting the provisions of this subdivision shall by vote determine, who shall serve staggered terms of 3 years; and

(b) One member of the governing body of the municipality and, if the municipality is a town, one member of the school board of each school district wholly within the town and one member of each village district wholly within the town, all of whom shall be appointed by their respective boards to serve for a term of one year and until their successors are qualified. Each such member may be represented by an alternate member designated by the respective board, who shall, when sitting, have the same authority as the regular member.

II. If the meeting decides that members-at-large are to be appointed, the staggering of terms shall begin that same year, with 1/3 of such members chosen to hold office for one year, 1/3 for 2 years, and 1/3 for 3 years, and each year thereafter 1/3 shall be chosen for terms of 3 years and until their successors are appointed and qualified. If the number of members-at-large is not divisible by 3, the division shall be as even as possible over the 3 years. All such appointments shall be made within 30 days after the annual meeting.

III. If the meeting decides members-at-large are to be elected, the meeting shall either elect the initial members for one-year terms by means other than by official ballot, or shall authorize the moderator to appoint members to serve until the next annual meeting, as provided in RSA 669:17. Elections for staggered terms, as described in paragraph II, shall not begin until that next annual meeting, and shall be by official ballot if the municipality has adopted the official ballot system, as set forth in RSA 669.

IV. A town or district which has adopted this subdivision may vote at any subsequent annual meeting to change the number or manner of selection of its members-at-large. No such change shall take effect until the annual meeting following the meeting at which the change was adopted.

V. No selectman, town manager, member of the school board, village district commissioner, full-time employee, or part-time department head of the town, school district or village district

or other associated agency shall serve as a member-at-large. Every member-at-large shall be domiciled in the town or district adopting this subdivision and shall cease to hold office immediately upon ceasing to be so domiciled.

VI. One of the members-at-large shall be elected by the budget committee as chair. The committee may elect other officers as it sees fit. A member-at-large shall cease to hold office immediately upon missing 4 consecutive scheduled or announced meetings of which that member received reasonable notice, without being excused by the chair.

VII. In municipalities where members-at-large are appointed, the chair shall notify the moderator immediately upon the occurrence of any vacancy in the membership-at-large, and the vacancy shall be filled by appointment by the moderator within 5 days of such notification, otherwise by the budget committee. In municipalities where members-at-large are elected, vacancies shall be filled by appointment by the budget committee. Persons appointed to fill vacancies shall serve until the next annual meeting at which time a successor shall be elected or appointed to either fill the unexpired term or start a new term, as the case may be.

Source. 1993, 332:1, eff. Aug. 28, 1993. 1998, 141:1, 2, eff. Aug. 7, 1998.

Section 32:16

32:16 Duties and Authority of the Budget Committee. –

In any town which has adopted the provisions of this subdivision, the budget committee shall have the following duties and responsibilities:

I. To prepare the budget as provided in RSA 32:5, and if authorized under RSA 40:14-b, a default budget under RSA 40:13, IX(b) for submission to each annual or special meeting of the voters of the municipality, and, if the municipality is a town, the budgets of any school district or village district wholly within the town, unless the warrant for such meeting does not propose any appropriation.

II. To confer with the governing body or bodies and with other officers, department heads and other officials, relative to estimated costs, revenues anticipated, and services performed to the extent deemed necessary by the budget committee. It shall be the duty of all such officers and other persons to furnish such pertinent information to the budget committee.

III. To conduct the public hearings required under RSA 32:5, I.

IV. To forward copies of the final budgets to the clerk or clerks, as required by RSA 32:5, VI, and, in addition, to deliver 2 copies of such budgets and recommendations upon special warrant articles to the respective governing body or bodies at least 20 days before the date set for the annual or special meeting, to be posted with the warrant.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2004, 219:4, eff. Aug. 10, 2004.

Section 32:17

32:17 Duties of Governing Body and Other Officials. –

I. The governing bodies of municipalities adopting this subdivision, or of districts which are wholly within towns adopting this subdivision, shall review the statements submitted to them under RSA 32:4 and shall submit their own recommendations to the budget committee, together with all information necessary for the preparation of the annual budget, including each purpose for which an appropriation is sought and each item of anticipated revenue,

including all sub-accounts used by the governing body, at such time as the budget committee shall fix. In the case of a special meeting calling for the appropriation of money, the governing body shall submit such information not later than 5 days prior to the required public hearing. Department heads and other officers shall submit their departmental statements of estimated expenditures and receipts to the budget committee, if requested.

II. The information provided to the budget committee as required by this chapter shall be in a format acceptable to the budget committee. This requirement may be satisfied by the municipality by providing the assistance of a knowledgeable staff person who will attend the budget committee meetings with access to and the ability to provide the required information.

III. The governing body shall incorporate any sub-accounts created by the budget committee into the software used to budget or track financial data.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2021, 134:5, eff. Sept. 21, 2021.

Section 32:18

32:18 Limitation of Appropriations. –

In any municipality electing this subdivision, or any district wholly within a town electing this subdivision, the total amount appropriated at any annual meeting shall not exceed by more than 10 percent the total amount recommended by the budget committee for such meeting. In official ballot referendum municipalities, the recommendation of the budget committee made for the first session of the meeting shall be used for determining the 10 percent limitation.

These totals shall include appropriations contained in special warrant articles. Money may be raised and appropriated for purposes included in the budget or in the warrant and not recommended by the budget committee, but not to an amount which would increase the total appropriations by more than the 10 percent allowed under this paragraph. The 10 percent increase allowable under this paragraph shall be computed on the total amount recommended by the budget committee less that part of any appropriation item which constitutes fixed charges. Fixed charges shall include appropriations for:

I. Bonds, and all interest and principal payments thereon.

II. Notes, except tax anticipation notes, and all interest and principal payments thereon.

III. Mandatory assessments imposed on towns by the county, state or federal governments.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2004, 68:2, eff. July 6, 2004.

Section 32:18-a

32:18-a Legislative Body Override of Limitation of Appropriations. –

I. Notwithstanding any other provision of law, in any municipality electing this subdivision, or any district wholly within a town electing this subdivision, if a bond request is not recommended in its entirety by the budget committee, the governing body of such municipality, after a majority vote by the governing body of the municipality in favor of the bond request at a duly posted meeting, shall place the bond request on the warrant.

II. The legislative body of any municipality described in RSA 32:18-a, I, may approve a bond request despite the 10 percent limitation provided in RSA 32:18 in the following manner:

(a) The governing body shall place the following statement at the beginning of the warrant article for such bond request: "Passage of this article shall override the 10 percent limitation

imposed on this appropriation due to the non-recommendation of the budget committee." Immediately below the bond request on the warrant shall be displayed (1) the recommendation of the governing body and (2) the recommendation of the budget committee, as included in the budget forms for the annual meeting pursuant to RSA 32:5, IV.

(b) If those voting "Yes" on the bond request satisfy the requirements of RSA 33:8, the bond request is thereby approved.

III. If the bond request is approved pursuant to RSA 32:18-a, the governing body of such municipality shall forward a copy of the minutes of the duly posted meeting described in RSA 32:18-a, I to the commissioner of the department of revenue administration.

Source. 2000, 193:1, eff. July 29, 2000.

Section 32:19

32:19 Collective Bargaining Agreements. – Whenever items or portions of items in a proposed budget constitute appropriations, the purpose of which is to implement cost items of a collective bargaining agreement negotiated pursuant to RSA 273-A, either previously ratified or concurrently being submitted for ratification by the legislative body, or the purpose of which is to implement the recommendations of a neutral party in the case of a dispute, as provided in RSA 273-A:12, such items shall be submitted to the budget committee and considered in its budget preparation. Such appropriations shall be submitted to the legislative body and shall include a statement of the governing body's recommendation and a separate statement of the budget committee's recommendation. If such appropriations were not recommended by the budget committee, then such appropriations shall be exempt from the 10 percent limitation set forth in RSA 32:18. The failure of the budget committee to recommend any portion of such appropriations shall not be deemed an unfair labor practice under RSA 273-A.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2001, 71:4, eff. July 1, 2001.

Section 32:19-a

32:19-a Presentation of Negotiated Cost Items at the Annual Meeting. – Cost items, as defined under RSA 273-A:1, IV, shall be presented to the annual town or district meeting in accordance with the procedures established under RSA 32:5. For submission to the legislative body of the annual meeting, cost items must be finalized by the date prescribed in RSA 39:3 for towns and by the date prescribed in RSA 197:6 for school districts. Cost items not negotiated in time to meet these dates may be submitted to the legislative body pursuant to the provisions of RSA 31:5 for towns and RSA 197:3 for school districts.

Source. 1996, 214:6, eff. Aug. 9, 1996.

Section 32:20

32:20 At Special Meetings. – So long as the provisions of this subdivision remain in force in any municipality, no appropriation shall be made at any special meeting for any purpose not

approved by the budget committee, unless it is within the allowable 10 percent increase if RSA 32:18 has been adopted, except as provided in RSA 32:19 or 32:18-a.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2000, 193:3, eff. July 29, 2000.

Section 32:21

32:21 Exceptions. – In cases where the town or a district wholly within the town has been ordered by the department of environmental services, under the provisions of RSA 147, 485 or 485-A, to install, enlarge or improve waterworks or to install, enlarge or improve sewerage, sewage, or waste treatment facilities, the 10 percent limitation of RSA 32:18 and 20, shall not apply.

Source. 1993, 332:1, eff. Aug. 28, 1993. 1996, 228:108, eff. July 1, 1996.

Section 32:22

32:22 Review of Expenditures. – Upon request by the budget committee, the governing body of the town or district, or the town manager or other administrative official, shall forthwith submit to the budget committee a comparative statement of all appropriations and all expenditures, including all sub-accounts used by the governing body, by them made in such additional detail as the budget committee may require. The budget committee shall meet periodically to review such statements. The provisions of this section shall not be construed to mean that the budget committee, or any member of the committee, shall have any authority to dispute or challenge the discretion of other officials over current town or district expenditures, except as provided in RSA 32:23.

Source. 1993, 332:1, eff. Aug. 28, 1993. 2021, 134:6, eff. Sept. 21, 2021.

Section 32:23

32:23 Initiation of Removal Proceedings. – Upon receipt of the reports provided for by RSA 32:22, the budget committee shall examine the same promptly, and if it shall be found that the governing body or town manager have failed to comply with the provisions of this chapter concerning expenditures, a majority of the committee, at the expense of the municipality, may petition the superior court for removal as provided in RSA 32:12.

Source. 1993, 332:1, eff. Aug. 28, 1993.

Section 32:24

32:24 Other Committees. – Nothing in this subdivision shall prevent a municipality or school administrative unit from establishing advisory budget or finance committees, with such duties and powers as the municipality or school administrative unit sees fit, but no such committee's recommendations shall have any limiting effect on appropriations, as set forth in RSA 32:18, unless all the procedures in this subdivision are followed.

Source. 1993, 332:1, eff. Aug. 28, 1993. 1996, 98:1, eff. July 1, 1996.

Biennial Budgets

Section 32:25

32:25 Biennial Budget; Authorization. – Any city, town, unincorporated town, unorganized place, school district, village district, or county may budget receipts and expenditures, raise and appropriate revenues, and assess taxes on a biennial budget basis consisting of one distinct 24-month fiscal year or 2 distinct 12-month fiscal years. The governing body may allow for the carry over of funds from the first fiscal year of the biennium to the second.

Source. 1998, 54:1, eff. April 1, 1998. 2006, 148:1, eff. July 21, 2006.

Section 32:26

32:26 Procedure for Adoption. – Any city, town, unincorporated town, unorganized place, school district, village district, or county may adopt the provisions of RSA 32:25 relative to a biennial budget in the normal manner used in the political subdivision for acts of the local legislative body.

Source. 1998, 54:1, eff. April 1, 1998.

TITLE III

TOWNS, CITIES, VILLAGE DISTRICTS, AND UNINCORPORATED PLACES

Chapter 33

MUNICIPAL FINANCE ACT

Section 33:1

33:1 Definitions. –

This chapter may be referred to as the "Municipal Finance Act." The following terms, when used in this chapter, shall have the meanings set forth below, except when the context in which they are used requires a different meaning:

- I. "Municipality" or "municipal corporation," town, city, school district or village district;
- II. "Governing board," the selectmen of a town, the commissioners or comparable officers of a village district, and the school board of a school district;
- III. "Net indebtedness," all outstanding and authorized indebtedness, heretofore or hereafter incurred by a municipality, exclusive of the following: unmatured tax anticipation notes issued according to law; or notes issued in anticipation of grants of federal or state aid or both; debts incurred for supplying the inhabitants with water or for the construction, enlargement, improvement or maintenance of water works; debts incurred to finance the cost of sewerage systems or enlargements or improvements thereof, or sewage or waste disposal works when the cost thereof is to be financed by sewer rents or sewer assessment; debt incurred pursuant to RSA 31:10; debts incurred to finance energy production projects, the reconstruction or enlargement of a municipally owned utility, or the manufacture or furnishing of light, heat, power or water for the public, or the generation, transmission or sale of energy ultimately sold to the public; debts incurred to finance small scale power facilities under RSA 374-D; debts incurred outside the statutory debt limit of the municipality under any general law or special act heretofore or hereafter enacted (unless otherwise provided in such legislation); and sinking funds and cash applicable solely to the payment of the principal of debts incurred within the debt limit;
- IV. "Location," property, parcel, or address where broadband could be purchased by a customer.

Source. 1895, 43:1. PL 59:1. RL 72:1. 1953, 258:1, par. 1, eff. as of Jan. 1, 1954. RSA 33:1. 1955, 329:3. 1957, 142:3. 1961, 120:1. 1967, 38:1. 1981, 161:1, eff. Aug. 1, 1981; 545:1, eff. Aug. 29, 1981. 2018, 118:1, eff. July 29, 2018.

Section 33:2

33:2 Repayment of Loans. – Municipalities and counties shall not issue any bonds or notes payable on demand. They shall provide for the payment of all loans issued under authority of

this chapter except notes issued under authority of RSA 33:7, in annual payments which shall be so arranged that the amount of the annual payment of principal and interest in any year on account of any loan shall not be less than the amount of principal and interest payable in any subsequent year by more than 2 percent of the principal of the entire loan. The total amount of such payments shall be sufficient to extinguish the entire loan on account of which they are made at maturity. The first payment of principal on any loan shall be made not later than 2 years and the last payment not later than 30 years after the date thereof, provided, however, that no loan issued to pay for public work or improvement shall exceed the expected useful life of said public work or improvement as determined by the governing board or the city councils in the case of cities, or the county commissioners in the case of counties. Each authorized issue of notes or bonds shall be a separate loan. The amount of each payment of principal and interest on all loans shall, without vote of the municipality or county, be annually assessed and collected. Sinking funds and debt retirement funds for the payment of debt shall not hereafter be established.

Source. 1917, 129:2, 3. PL 59:3, 4. RL 72:3. 1947, 5:1. 1949, 120:1. 1953, 258:1, par. 2, eff. Jan. 1, 1954.

Section 33:2-a

33:2-a Call Bonds. – The issuance of bonds or notes hereunder which are subject to call, at the election of the municipality, before the date fixed for final payment thereof, is authorized. The bonds or notes, in such cases, shall contain provisions setting forth the method or methods by which the option to call may be exercised, the procedure for payment in the event of call, and the legal effect of the making of the call. If such call bonds or notes are payable to bearer, they may be called, at the election of the municipality, on any date when interest thereon shall become payable, written notice of such election first having been given to the bank, banks or other institutions, if any, at which they are stated on their face to be payable, and published for 4 consecutive weeks at least once a week in one or more newspapers printed and published in Boston, Massachusetts, and in one newspaper printed and published in the state of New Hampshire and circulating in said municipality, the last such publications being at least 14 days before the date specified for payment; and thereupon, after the date so specified, interest thereon shall cease. If such call bonds or notes are payable to the registered holder, they may be called, at the election of the municipality, on any date when interest thereon shall become payable, written notice of such election first having been given to the registered holder by registered mail, postage prepaid, to such holder at his last address, as registered in the books of the municipal treasurer; and thereupon, after the date so specified, interest thereon shall cease.

Source. 1957, 103:1, eff. July 1, 1957.

Section 33:3

33:3 Purpose of Issue of Bonds or Notes. – A municipality or county may issue its bonds or notes for the acquisition of land, for economic development, for planning relative to public facilities, for the construction, reconstruction, alteration, and enlargement or purchase of public buildings, for other public works or improvements, or for the financing of improvements, of a permanent nature including broadband infrastructure as defined in RSA

38:38, I(e), to serve any location within a municipality unserved by broadband as defined in RSA 38:38, I(c) for the purchase of departmental equipment of a lasting character, and for the payment of judgments. The issuance of such bonds or notes shall include, but not be limited to, public-private partnerships involving capital improvements, loans, financing, and guarantees. The public benefit in any public-private partnership must outweigh any benefit accruing to a private party. Bonds or notes for the purposes of economic development may be issued only after the governing body of the municipality or county has held hearings and presented the public benefit findings to the public and after such issuance has been approved by the legislative body. A municipality or county shall not issue bonds or notes to provide for the payment of expenses for current maintenance and operation except as otherwise specifically provided by law.

Source. 1917, 129:5, 6. PL 59:5, 6. RL 72:5, 6. 1953, 258:1. RSA 33:3. 1971, 34:1, eff. May 31, 1971. 1996, 55:1, eff. June 23, 1996. 2006, 225:1, eff. July 31, 2006. 2018, 118:2, eff. July 29, 2018.

Section 33:3-a

33:3-a Use of Bond Proceeds. –

I. The proceeds of any sale of bonds or notes shall be used only for the purposes for which the loan was incurred except as otherwise authorized by this section; provided, however, that any premium received shall not be used to increase the amount to be spent for the purpose for which the loan was originally incurred. The purposes for which the loan was incurred may include the payment of principal of and interest on any temporary indebtedness incurred under RSA 33:7-a and interest on any temporary indebtedness incurred under RSA 33:7-b.

II. If after notes or bonds have been issued and no expenditure of the proceeds has been made for the purpose or purposes for which the debt was incurred, or if a balance remains after the completion of the project or projects for which the debt was authorized, a city by a vote of 2/3 of the city council or a town, school district, or village district by a vote of 2/3 of the voters present and voting at an annual meeting, a county by a 2/3 vote of all the members of the county convention, a political subdivision which has adopted official ballot voting procedures pursuant to RSA 40:13 by a vote of 3/5 of those voting, and a municipality that has adopted an official ballot town council under RSA 49-D:3, I-a by a vote of 2/3 unless the municipal charter provides for a vote of 3/5, may authorize the expenditure of the sum or sums on hand, including any premiums received, for any purpose or purposes for which bonds or serial notes may be issued for an equal or longer period of time at any time which said sum or any portion thereof remains available; provided, however, that if the sum obtained by issuance of bonds or notes, as aforesaid, or any balance thereof, including any premium, is not appropriated as aforesaid, then the same shall be used to pay the principal of the loan as it matures. Only "yes" or "no" votes shall be included in the calculation of any majority.

III. Notwithstanding the provisions hereof, no appropriation for a loan or balance thereof shall be made which will increase the amount available from borrowed money for any purpose to an amount in excess of any limit imposed by general law or special act for such purpose.

Source. 1963, 151:1. 1981, 300:4, eff. June 16, 1981. 2006, 12:1, eff. Mar. 13, 2006.

Section 33:3-b

33:3-b Additional Purpose. – A city or town may issue its bonds or notes for the purpose of defraying the cost of a reappraisal by professional appraisers of the real estate in such city or town for tax assessment purposes, or for the acquisition of a tax map of said city or town; said bonds or notes to mature in a period of not more than 5 years from the date of issue.

Source. 1965, 55:1, eff. June 13, 1965.

Section 33:3-c

33:3-c Issue of Bonds for Preliminary Expenses. –

I. A municipality or county may issue its bonds or notes for the purpose of defraying the cost of preliminary or final plans and specifications or other preliminary expenses incidental to, or connected with, any proposed public work or improvement of a permanent nature consisting of the construction, reconstruction, alteration, enlargement, improvement, or the financing of the construction, reconstruction, alteration, enlargement, or improvement of the following:

(a) A public building.

(b) A water works.

(c) A sewerage system or sewage or waste treatment facility.

(d) A solid waste disposal or resource recovery facility.

(e) Broadband infrastructure as defined in RSA 38:38, I(e) constructed to serve any locations within a municipality unserved by broadband as defined in RSA 38:38, I(c).

II. Bonds or notes shall mature over a period of not more than 5 years from the date of issue unless they are issued at the same time as bonds or notes for the public work or improvement for which such expenses were incurred, in which case said bonds or notes shall mature over a period not exceeding the expected useful life of such public work or improvement. A municipality or county may issue its bonds or notes in accordance with this section for planning and other preliminary expenses relating to solid waste disposal or resource recovery facilities to serve the municipality or county, notwithstanding that the facilities may later be owned by a private entity, but only for such expenses incurred prior to any binding contractual commitment to a proposed private owner, and only if such bonds or notes do not constitute "private activity bonds" as defined in section 103(n)(7) of the United States Internal Revenue Code of 1954, as amended.

Source. 1969, 201:1. 1985, 417:1, eff. Sept. 1, 1985. 2006, 225:2, eff. July 31, 2006. 2018, 118:3, eff. July 29, 2018.

Section 33:3-d

33:3-d Refunding Bonds. –

I. A municipality or county may authorize the issuance of refunding bonds in order to pay all or part of any issue of bonds called or to be called for redemption, including any redemption premium thereon, all or part of the interest coming due on or prior to the date on which the outstanding bonds are redeemed, and the costs of issuing and marketing the refunding bonds. The authorization and issuance of refunding bonds shall be subject to the same requirements and provisions of law as would then be applicable to the authorization and issuance of the bonds being redeemed, as far as apt. In a town, school district, or village district, but not in a city, such refunding bonds may be authorized by the governing body of such town, school

district, or village district, notwithstanding the provisions of RSA 33:8. In this case, the authorization of refunding bonds shall not be subject to RSA 33:8-a, provided that there shall be at least one public hearing concerning any proposed refunding bond issue in excess of \$100,000 held before the governing body of the town, school district, or village district. Notice of the time, place, and subject of such hearing shall be published in a newspaper of general circulation in the town, school district, or village district at least 7 days before the hearing is held.

II. Refunding bonds shall be payable in installments, the first of which shall be not later than the earliest stated principal maturity date of the bonds being refunded and the last of which shall be not later than the last date on which the bonds being refunded could have been made payable under that law applicable to the bonds being refunded. The installment payments of refunding bonds shall be arranged in accordance with RSA 33:2 except that any installment that is payable earlier than the date on which the first installment is required to be made payable may be in any amount. The proceeds of refunding bonds, exclusive of any premium and accrued interest and any proceeds used to pay issuing or marketing costs, shall, upon their receipt, be paid immediately to the paying agent for the bonds which are to be called and prepaid; and such paying agent shall hold such proceeds in trust until the bonds are redeemed. While such proceeds are held in trust, they may be invested for the benefit of the municipality or county as may be provided in any other applicable law of the state of New Hampshire relating to the investment or deposit of municipal or county funds; and the income derived from investment may be expended to pay the principal of and redemption premium, if any, on the refunded bonds and interest thereon until they are redeemed. Refunding bonds issued in accordance with this section shall be subject to the same statutory limit of indebtedness, if any, as the bonds refunded; provided, however, that upon the issuance of the refunding bonds, the bonds refunded shall no longer be counted in determining any limit of indebtedness of the municipality or county.

Source. 1983, 468:9. 1987, 54:1, eff. April 22, 1987. 2007, 347:3, eff. Sept. 14, 2007.

Section 33:3-e

33:3-e Superfund Site Cleanup Bonds Authorized. – A municipality may authorize the issuance of bonds, payable within 20 years from their dates of issuance, in order to pay all response costs associated with the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. section 9601 et seq. ("CERCLA"), national priorities list site ("superfund site") in which the municipality is a named potentially responsible party. Response costs shall include, but not be limited to, costs incurred for investigation, design, remedial action, legal fees and costs, consulting fees and costs, and other costs associated with the superfund site. Any debt incurred for this purpose shall be outside the debt limit prescribed in this chapter. Such debt shall at no time be included in the net indebtedness of any municipality for the purposes of determining its borrowing capacity. In the sole discretion of the municipality, it may extend the benefits of this bonding authority to one or more of the other potentially responsible parties at the superfund site. If a municipality elects to extend such benefits, its governing body shall enter into agreements with such other potentially responsible parties, in such form as it shall deem appropriate, to provide for payments to the municipality to pay principal and interest and other related costs of the bonded indebtedness incurred by the municipality on behalf of the other party or parties. For

the purposes of this subdivision, "governing body" means the board of selectmen in a town, the board of aldermen or council in a city or town with a town council, the school board in a school district or the village district commissioners in a village district, or when used to refer to unincorporated towns or unorganized places, or both, the county commissioners.

Source. 1992, 275:2, eff. May 18, 1992.

Section 33:3-f

33:3-f State Guarantee. –

I. The governor and council may award an unconditional state guarantee of the principal of and interest on bonds issued under RSA 33:3-e. The full faith and credit of the state shall be pledged for any such guarantees of principal and interest. The principal amount of the bonds guaranteed under this section shall not exceed \$20,000,000.

II. The total amount awarded under RSA 33:3-e and this section to any one superfund site, however, shall not exceed \$10,000,000, plus interest. The governor, with the advice and consent of the council, is authorized to draw his warrant for such a sum out of any money in the treasury not otherwise appropriated, for the purpose of honoring any guarantee awarded under this section. The state's guarantee shall be evidenced on each guaranteed bond by an endorsement signed by the state treasurer in substantially the following form:

The state of New Hampshire hereby unconditionally guarantees the payment of the whole of the principal and interest thereon of the within bond and for the performance of such guarantee the full faith and credit of the state are pledged.

State Treasurer

III. In connection with the award of a state guarantee, the governor and council may impose such terms and conditions as they may deem appropriate concerning the bonds and such terms and conditions as they may deem appropriate concerning reimbursement to the state if any state funds are used to honor the guarantee. Such terms and conditions may be contained in an agreement between the state and the municipality, to be executed on behalf of the state by the governor and the state treasurer and on behalf of the municipality by its governing body.

IV. Nothing in this subdivision shall be construed to affect in any way the ultimate liability of any party, under state or federal law, for hazardous waste cleanup costs.

Source. 1992, 275:2, eff. May 18, 1992. 2008, 49:4, eff. July 1, 2008.

Section 33:3-g

33:3-g Broadband Infrastructure Bonds. –

I. A municipality or communications district formed under RSA 53-G may issue bonds for the purpose of financing the development, construction, reconstruction, renovation, improvement, and acquisition of broadband infrastructure in any locations within a municipality unserved by broadband as defined in RSA 38:38, I(c). Without limiting the foregoing, broadband infrastructure may be the subject of public-private partnerships established in accordance with the provisions of RSA 33:3.

II. Bonds issued under this section shall be payable in annual payments so that the amount of annual payment of principal and interest in any year on account of any bond shall be not less than the amount of principal and interest payable in any subsequent year by more than 5 percent of the principal of the entire bond. The total amount of payments shall be sufficient to extinguish the entire bond at such bond's maturity. The first payment of principal on any bond shall be made no later than 5 years and the last payment not later than 30 years after the date issued. Each authorized issue of bonds shall be a separate and distinct loan.

III. A municipality, county, or communications district shall not issue bonds for the purpose of financing the development, construction, reconstruction, renovation, improvement, and acquisition of broadband infrastructure in any location within a municipality, county, or communications district unserved by broadband as defined in RSA 38:38, I(c) unless a request for information has been issued, at a minimum, to all providers serving the issuing community in accordance with RSA 33:3-g, IV and such providers have been given 30 days to respond to the request. The request for information shall include, but is not limited to, information identifying addresses within a municipality, county, or communications district, served by broadband as defined in RSA 38:38, I(c). A response shall meet the requirements of this paragraph if it includes, in either map or spreadsheet form, street level information identifying the first and last serviceable address. After completing, issuing, and receiving responses to such request for information, a municipality, county, or communications district may issue a request for proposals for the purpose of engaging in a public-private partnership pursuant to RSA 33:3 or RSA 33-B for the deployment of broadband infrastructure, as defined in RSA 38:38, I(e), and the provision of broadband service as defined in RSA 38:38, I(f). A municipality, county, or communications district may select a proposal based on criteria including, but not limited to, provider ability to deploy, manage, and maintain a broadband network. Requests for proposals shall include, in either map or spreadsheet form, street level information identifying the first and last serviceable address. A municipality, county, or communications district may determine that no provider has met the criteria included in the request for proposals and may issue bonds for purposes pursuant to RSA 33:3 and RSA 33-B, including but not limited to, open networks. If a broadband provider does not respond to a request for information pursuant to this paragraph, the locations served by that broadband provider shall be considered unserved, unless those locations are served by a broadband provider who responded to that municipality's request for information.

IV. The office of planning and development shall maintain a list by town of all providers interested in receiving requests for information. The list shall include physical and electronic address information for interested providers and shall be updated as needed, but at least annually. For purposes of issuing requests for information pursuant to paragraph III, a municipality, county, or communications district shall reference the interested provider list maintained by the office of planning and development and shall issue requests for information to all interested providers in that municipality, county, or communications district, both electronically and by United States mail.

Source. 2006, 225:3, eff. July 31, 2006. 2018, 118:4, eff. July 29, 2018. 2020, 28:1, 2, eff. Sept. 20, 2020; 28:6, eff. July 22, 2020. 2021, 198:2, Pt. III, Sec. 1, eff. Oct. 9, 2021.

Section 33:4

33:4 Debt Limit, Counties. – Counties shall not incur net indebtedness to an amount, at any one time outstanding, exceeding 2 percent of the last assessed valuation thereof.

Source. 1917, 129:7. PL 59:7. 1933, 98:1. RL 72:7. 1951, 183:1. 1953, 258:1, par. 4. RSA 33:4. 1955, 329:1, eff. Aug. 5, 1955.

Section 33:4-a

33:4-a Debt Limit, Municipalities. –

I. Cities shall not incur net indebtedness, except for school purposes, to an amount, at any one time outstanding, exceeding 3 percent of their valuation determined as hereinafter provided.

II. Cities shall not incur net indebtedness for school purposes to an amount at any one time outstanding, determined as hereinafter provided, exceeding 7 percent of said valuation. Any debt incurred for school purposes by a city under this or any special statute heretofore or hereafter enacted shall be excluded in determining the borrowing capacity of a city for other than school purposes under the 3 percent limitation in paragraph I.

III. Towns shall not incur net indebtedness to an amount at any one time outstanding exceeding 3 percent of their valuation determined as hereinafter provided.

IV. School districts shall not incur net indebtedness to an amount at any one time outstanding exceeding 7 percent determined as hereinafter provided.

V. Village districts shall not incur net indebtedness to an amount at any one time outstanding exceeding one percent of their valuation determined as hereinafter provided.

Source. 1955, 329:1. 1957, 120:1. 1959, 209:3, eff. Sept. 27, 1959. 1998, 72:1, eff. July 18, 1998.

Section 33:4-b

33:4-b Debt Limit; Computation. – The debt limitations hereinbefore prescribed, except for counties, shall be based upon the applicable last locally assessed valuation of the municipality as last equalized by the commissioner of revenue administration under RSA 21-J:3, XIII and shall include 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, all as amended, which was relieved from taxation by 1970, 5:3, 5:8 and 57:12, as determined under the provisions of RSA 71:11 as amended. Whenever several municipalities possessing the power to incur indebtedness cover or extend over identical territory, each such municipality shall so exercise the power to incur indebtedness under the foregoing limitations so that the aggregate net indebtedness of such municipalities shall not exceed 9.75 percent of the valuation of the taxable property as hereinbefore determined, except as provided for cooperative school districts under RSA 195:6. A written certificate signed by the commissioner of the department of revenue administration shall be conclusive evidence of the base valuation of municipalities for computing debt limits hereunder.

Source. 1955, 329:1. 1957, 120:4. 1959, 209:4. 1970, 5:6; 57:14. 1973, 544:11, I. 1991, 306:1, eff. April 1, 1992.

Section 33:4-c to 33:4-g

33:4-c to 33:4-g Repealed by 1959, 209:5, eff. Sept. 27, 1959. –

Section 33:5

33:5 Sewerage Systems and Sewage Treatment Works. – Municipalities which have received orders from the department of environmental services to install sewage treatment works under the provisions of RSA 485-A, or to install a sewerage system or sewage treatment works under the provisions of RSA 485:27, or under RSA 147, or acts amending such statutes enacted in the future, may incur debt by the issue of bonds or notes for the construction of such sewerage systems and treatment works outside the limit of indebtedness prescribed by RSA 33:4. Such debt shall at no time be included in the net indebtedness of the municipality for the purpose of ascertaining its borrowing capacity.

Source. 1949, 78:1. 1953, 258:1, par. 5. RSA 33:5. 1986, 202:6, I(a). 1989, 339:11, eff. Jan. 1, 1990. 1996, 228:108, eff. July 1, 1996.

Section 33:5-a

33:5-a Water Works. – Municipalities may incur debt for supplying the inhabitants with water or for the construction, enlargement, or improvement of water works, by the issue of bonds or notes, for such purposes, as set forth in this chapter; provided, however, that such municipalities shall not incur debt for such purposes to an amount, at any one time outstanding, exceeding 10 percent of their last locally assessed valuation as last equalized by the commissioner of revenue administration determined as provided in RSA 33:4-b. Any municipality which shall have received orders from the department of environmental services under the provisions of RSA 485 requiring the alteration, enlargement, or application of any other improvement in such facilities as will ensure fitness and safety and adequate protection of the public health may incur debt thereof by the issue of bonds or notes outside the limit prescribed herein. All debt authorized by this section, inasmuch as it is all excluded from the definition of "net indebtedness" in RSA 33:1, shall at no time be included for the purpose of calculating the borrowing capacity of the municipality for other purposes. The debt limits established by this section may be exceeded by a municipality in accordance with the procedure prescribed in and subject to the provisions of RSA 33:6.

Source. 1957, 142:2. 1973, 544:8. 1986, 202:6, I(a), eff. Jan. 2, 1987. 1996, 228:13, eff. July 1, 1996.

Section 33:5-b

33:5-b Voluntary Projects. – Any city, town, village district, or other political subdivision may vote to incur debt for the purpose of installing a sewage disposal plant including treatment works or sewerage facilities or thereof, although at the time of such vote it has not received an order from the department of environmental services directing such installation under RSA 147, RSA 485, or RSA 485-A. Any such debt shall at no time be included in the net indebtedness of said city, town, village district, or other political subdivision for the

purpose of ascertaining its borrowing capacity provided the approval of the governor and council hereinafter provided for is obtained.

Source. 1957, 213:1. 1961, 120:2. 1986, 202:6, I(a), eff. Jan. 2, 1987. 1996, 228:13, eff. July 1, 1996.

Section 33:5-c

33:5-c Approval. – Any such municipality which has voted to incur debt under the provisions of RSA 33:5-b shall submit a certified copy of the record of such action together with detailed plans of the proposed construction to the department of environmental services for review and approval, as hereinafter provided. After a review of the plans and such other independent investigation as is deemed necessary, if the department of environmental services determines that the proposed project is in the public interest, due consideration being given to the cost of said project in relation to the benefits which will accrue to public health or water pollution control, it shall furnish a report of its findings and recommendations including a recommendation concerning a state guarantee as provided for under RSA 485-A:7 to the governor and council for their approval.

Source. 1957, 213:1. 1965, 26:1. 1986, 202:6, I(a). 1989, 339:12, eff. Jan. 1, 1990. 1996, 228:108, eff. July 1, 1996.

Section 33:5-d

33:5-d State Revolving Loan Funds. – The terms of repayment by a municipality of any loan from the loan fund established under RSA 486:14, or from any other state revolving loan fund established for water pollution control, solid waste disposal or treatment or other environmental improvement purposes, shall be governed by the statute and rules establishing the loan fund, notwithstanding any inconsistency with the provisions of this chapter relating to required annual installments, maximum period, or other such terms and conditions. In addition, a municipality may use proceeds of such a loan to pay interest on the loan during construction and for a period thereafter to the extent permitted by such statute or rules, and no authenticating certificate shall be required under RSA 33:11 on any bond, note or other document evidencing the loan.

Source. 1991, 179:1, eff. May 27, 1991.

Section 33:6

33:6 Emergency Borrowing. – Upon recommendation of the commissioner of revenue administration, approved by the governor and council, municipalities and counties may, within such limits as to amount, term and rate of interest as may be prescribed by the commissioner of revenue administration, incur debt outside the debt limit prescribed by RSA 33:4 for purposes made necessary by war or other national or local disaster or emergency. Such debt shall at no time be included in the net indebtedness of the municipality or county for the purpose of determining its borrowing capacity.

Source. 1953, 258:1, par. 6. RSA 33:6. 1973, 544:8, eff. Sept. 1, 1973.

Section 33:6-a

33:6-a Exclusion from Debt Limit. – Any municipality which has authorized the purchase and installation of parking meters under the provisions of RSA 249, and acts in amendment thereof which has incurred indebtedness or may incur indebtedness for the purchase and installation of such meters and the acquisition, construction and improvement of public parking facilities may have such indebtedness to an amount not exceeding 1/2 of one percent of its last assessed valuation computed under the provisions of RSA 33:4 excluded from the debt limit prescribed in RSA 33:4 if upon application to the commissioner of revenue administration, after hearing, the commissioner of revenue administration finds that the revenues from such sources may reasonably be expected to be adequate to retire such indebtedness and the costs connected therewith in accordance with the terms by which said indebtedness was incurred. Every such municipality shall annually in April report to the commissioner of revenue administration such information as the commissioner may require relative to the revenues from such sources, the costs of operation of such parking facilities and the amount of outstanding indebtedness for such purposes. If, at any time, the commissioner of revenue administration shall find the revenues available for retiring the debt are insufficient for the purpose, then the remaining amount of outstanding indebtedness shall be included in the limit of indebtedness prescribed by RSA 33:4.

Source. 1959, 153:1. 1973, 544:8, eff. Sept. 1, 1973.

Section 33:6-b

33:6-b Exclusion from Debt Limit. – Municipalities, other than school districts and counties, may incur debt for energy production projects including the reconstruction or enlargement of a municipally owned utility; the manufacture or furnishing of light, heat, power or water for the public; the generation, transmission or sale of energy ultimately sold to the public; or the construction, enlargement, or improvement of small scale power facilities, as such facilities are defined in RSA 374-D:1; by the issue of bonds or notes authorized under this chapter, RSA 374-D, and as otherwise provided by law. Any debt incurred for this purpose shall be outside the debt limit prescribed in this chapter. Such debt shall at no time be included in the net indebtedness of any municipality for the purposes of determining its borrowing capacity.

Source. 1981, 161:2, eff. Aug. 1, 1981; 545:2, eff. Aug. 29, 1981.

Section 33:6-c

33:6-c Exclusion from Debt Limit. – Any municipality which has voted to acquire land from a United States military base may incur debt by the issuance of bonds or notes beyond the limit of indebtedness as set forth in RSA 33:4-a, provided that the purpose of the acquisition is to further the economic development of the municipality. Such debt shall at no time be included in the net indebtedness of the municipality for the purpose of ascertaining its borrowing capacity.

Source. 1992, 260:10, eff. July 14, 1992.

Section 33:6-d

33:6-d Exclusion from Debt Limit; Waste Site Cleanups. – Municipalities may incur debt for cleanup projects pursuant to RSA 147-B, excluding Superfund sites, and for the closing or cleanup of landfills and other solid waste facilities as defined in RSA 149-M by the issue of bonds or notes authorized under this chapter and RSA 149-M:30. Any debt incurred for this purpose shall be outside the debt limit prescribed in this chapter. Such debt shall at no time be included in the net indebtedness of any municipality for the purposes of determining its borrowing capacity.

Source. 1992, 279:2, eff. May 18, 1992. 1996, 251:6, eff. Aug. 9, 1996.

Section 33:6-e

33:6-e Exclusion from Debt Limit; Solid Waste Management Districts. – The debt limit restrictions of this chapter shall not apply to a solid waste management district formed under RSA 53-B or to the debts or obligations incurred by such a district. Debts or obligations of a member municipality to such a district shall at no time be included in the net indebtedness of the municipality for the purposes of determining its borrowing capacity.

Source. 1994, 367:15, eff. Aug. 8, 1994.

Section 33:6-f

33:6-f Exclusion from Debt Limit; Broadband Infrastructure. – Municipalities may incur debt for broadband infrastructure as defined in RSA 38:38, I(e) by the issue of bonds or notes authorized under this chapter. Any debt incurred for this purpose shall be outside the debt limit prescribed in this chapter. Such debt shall at no time be included in the net indebtedness of any municipality for the purposes of determining its borrowing capacity.

Source. 2006, 225:4, eff. July 31, 2006.

Section 33:7

33:7 Tax Anticipation Notes. –

I. Cities and Towns. Cities and towns may incur debt in anticipation of the taxes of the financial year in which the debt is incurred, in order to pay current maintenance and operation expenses, and may issue notes therefor to an aggregate principal amount not exceeding the total tax levy during the preceding financial year, provided that after the tax levy of the current year has been determined any city or town may borrow an amount not exceeding in the aggregate the total tax levy of the city or town for the current financial year. In order to meet necessary expenses which may arise during the period from the beginning of the financial year to the date of the annual town meeting, the treasurer of any town, with the approval of the selectmen, may issue notes, without a vote of the town therefor, to an aggregate principal amount not exceeding 30 percent of the total receipts from taxes during the preceding financial

year.

II. Village Districts. Village districts may incur debt in anticipation of taxes and other revenue of the financial year in which the debt is incurred, in order to pay current maintenance and operation expenses, and may issue notes therefor to an aggregate principal amount not exceeding the total tax levy of the district during the preceding financial year. In order to meet necessary expenses which may arise during the period from the beginning of the financial year to the date of the annual district meeting, the treasurer of any district with the approval of the governing board, may issue notes, without a vote of the district therefor, to an aggregate principal amount not exceeding 30 percent of the total tax levy during the preceding financial year.

III. All notes issued under authority of this section shall be general obligations. They may be sold at discount and shall be payable not later than one year from their date. Notes issued for a shorter period than one year may be refunded or renewed, pursuant to a vote or resolution of the governing board, or the city councils in the case of cities, by the issue of other notes maturing within the required period, provided, however, that the period from the date of issue of the original loan to the date of maturity of the refunding or renewal loan shall not be more than one year.

IV. A village district established pursuant to RSA 52:1 may apply to the town it is situated in for tax anticipation money before the tax rate has been established for the town if said district presents to the selectmen a district budget, approved at a properly constituted district meeting called for the purpose of approving a budget. Towns may advance to any village district a share of any money borrowed by the town in anticipation of taxes, not exceeding the total approved budget amount to be paid to such district. The town may charge the district a proportionate share of the interest due on that town's tax anticipation notes.

V. For tax anticipation notes only, any town or village district at an annual meeting may adopt an article authorizing indefinitely until specific rescission of such authority the issuance of tax anticipation notes. The following shall apply:

(a) Such warrant article to be voted on shall read: "Shall the town (or village district) accept the provision of RSA 33:7 providing that any town (or village district) at an annual meeting may adopt an article authorizing indefinitely, until specific rescission of such authority, the selectmen (or commissioners) to issue tax anticipation notes?"

(b) If a majority of voters voting on the question vote in the affirmative, the proposed warrant article shall be in effect in accordance with the terms of the article until such time as the town (or village district) meeting votes to rescind its vote.

Source. 1953, 258:1, par. 7. RSA 33:7. 1957, 95:1; 98:1. 1967, 305:1. 1969, 171:1. 1979, 140:1. 1993, 176:4, eff. Aug. 8, 1993; 361:1, eff. Sept. 22, 1993. 1997, 105:3, 4, eff. Aug. 8, 1997.

Section 33:7-a

33:7-a Temporary Loans. – If a municipality votes to issue bonds or serial notes in accordance with this chapter, or when bonds have been authorized by a county convention, and such action was in accordance with the provisions of law in all respects, the officers authorized to issue the same may, in the name of the municipality, or county, make a temporary loan or loans in anticipation of the money to be derived from the sale of such bonds or notes and may issue temporary notes therefor from time to time which are payable not later

than 5 years from their respective dates of issue. Temporary notes issued for a period of less than 5 years may be renewed or paid from time to time by the issue of other notes, provided that the period from the date of an original note to the maturity of any note issued to renew or pay the same debt shall not exceed 5 years. When a temporary loan is made in anticipation of an issue of bonds or serial notes, the periods within which annual payments of an equivalent amount of the principal of such bonds or serial notes must commence and end under this chapter shall be measured from the date of the original note or notes representing such temporary loan, except that such annual payments need not commence less than one year after the date of such bonds or serial notes. No such notes shall be renewed beyond the third anniversary date of the original notes unless an amount of such notes, at least equal to the first legally payable installment of the bonds in anticipation of which said notes are issued, is paid and retired on or before said third anniversary date and, if such notes are renewed beyond the fourth anniversary date of the original notes, a like amount is paid or retired on or before said fourth anniversary date from funds other than proceeds of the obligation.

Source. 1957, 89:1. 1963, 151:2. 1965, 322:1. 1969, 172:1. 1973, 138:1; 544:11, III. 1975, 447:2. 1977, 160:1. 1983, 327:1. 1985, 143:1, eff. July 19, 1985.

Section 33:7-b

33:7-b Anticipation of Federal or State Aid. – A municipality may contract for or accept grants of federal or state aid or both in connection with any project for which the municipality may incur indebtedness under this chapter; and, after their receipt, such grants shall be expended according to the terms under which they are received or used to pay indebtedness incurred under this chapter. Any municipality which has contracted for or accepted an offer of a grant of federal or state aid or both, and any municipality which has not contracted for or accepted such aid but which has authorized such action and which has received a certificate from the department of environmental services stating that the department of environmental services has determined that such municipality may reasonably expect to receive an amount of federal aid with respect to a sewer project, may incur indebtedness in anticipation of the receipt of such aid by issuing its note or notes payable not more than 5 years from their dates, except that notes issued for a shorter period than 5 years may be funded and refunded from time to time by the issue of other notes which shall be payable no later than 5 years after the date of issue of the original note or notes creating the indebtedness being funded or refunded. In the case of a city the authority to contract for or accept grants of federal or state aid or both shall be given by a resolution passed in the manner provided in RSA 33:9, and in the case of a town, school district or village district the authority shall be given by a vote by ballot of 2/3 of all the voters present and voting at an annual or special meeting of such corporation; and the giving of such authority shall be sufficient to authorize the appropriate officers as specified in RSA 33:8 and 9 to issue notes as provided in this section without further proceedings by the municipality. Nothing contained in this section shall be construed to authorize the appropriation of any money in a manner which is inconsistent with laws relating to appropriations of money by municipalities.

Source. 1967, 38:2. 1971, 220:1. 1983, 160:1. 1986, 202:6, I(a). 1996, 228:108, eff. July 1, 1996.

Section 33:7-c

33:7-c Borrowing in Emergency Due to Bankruptcy. – Whenever any person, firm or corporation, who or which owns property subject to taxation under any provision of RSA 72, files a petition in bankruptcy, or is adjudicated bankrupt under any chapter of the federal bankruptcy laws, thus causing a substantial delay in or impediment to the payment or collection of property taxes assessed thereon by the city or town in which such property is located, such city or town, if the locally assessed value of such property of the bankrupt taxpayer exceeds 5 percent of the total locally assessed value of all taxable property within the city or town, may borrow money from time to time to meet any such deficit by issuance of its notes in such amount as may be approved by majority vote of its legislative body if a city, or of those present and voting at any annual or duly called special meeting, if a town. The discretion of fixing the date, maturities and denominations, interest or discount rate, the form and other details of said notes and of providing for the issuance and place of payment thereof shall be deemed delegated to the selectmen or the treasurer, unless otherwise voted by said legislative body or town meeting. The issuance of such notes and the provisions thereof shall also be subject to the approval of the commissioner of revenue administration, who may approve the same upon a finding that the proposed borrowing complies with the provisions of this section and is in the best interests of the municipality. The provisions of RSA 31:5 shall not apply to action by special town meetings under this section. Such notes may be renewed subject to the provisions of this section and subject to the approval of the commissioner of revenue administration. Indebtedness incurred under this section shall not be subject to the debt limit prescribed by RSA 33:4-a and shall be excluded from the definition of net indebtedness in RSA 33:1. All taxes recovered from the bankrupt or through the bankruptcy proceedings shall be promptly applied toward the reduction of notes issued under this section. The commissioner may, from time to time, require reports from any such municipality as to progress in retirement of such indebtedness. All notes issued under this section shall be general obligations.

Source. 1988, 104:1, eff. April 18, 1988.

Section 33:7-d

33:7-d Tax Lien Redemption Notes. –

I. Any city or town in which the provisions of RSA 80:58-86 are in effect may incur debt in anticipation of redemption of real estate tax liens held by the city or town, in order to pay current maintenance and operation expenses or to fund cash deficits, and may issue notes therefor that are secured and made payable in accordance with this section, notwithstanding the provisions of RSA 33:7.

II. Notes issued under this section shall be general obligations but may also be secured, pursuant to a vote or a resolution of the local legislative body of the city or town, by a pledge of all or a portion of the proceeds of payments in redemption made under RSA 80:69 and RSA 80:71. Any such proceeds so pledged shall be deposited upon receipt in a segregated account to be held by the treasurer, or a corporate trustee designated by the treasurer, shall be applied without appropriation to the payment of such notes, and shall not be used for any other purpose until the notes and the interest on such notes are paid in full; provided that any earnings derived from investment of moneys in the account shall be credited to the general

fund of the city or town and shall be available for appropriation for any lawful purpose. Any resolution adopted under this section may contain such covenants or restrictions with respect to maintenance, investment and disposition of the account, and any other provisions for protecting and enforcing the rights, security and remedies of the noteholders as may be, in the discretion of the city council or board of selectmen, reasonable and proper and not in violation of law. Any pledge made under this section shall be valid and binding and deemed continuously perfected from the time the pledge is made; and any proceeds so pledged and then held or thereafter acquired shall immediately be subject to the lien of that pledge. The resolution authorizing or creating the pledge need not be recorded other than in the records of the city or town clerk and no filing of the resolution need be made under RSA 382-A.

III. Notes issued under this section may be sold at a discount and shall be payable not later than 3 years from their dates. Notes issued for a shorter period may be refunded by the issue of other notes, provided that the period from the date of issue of the original notes to the date of maturity of the refunding notes shall not exceed 3 years. No notes may be issued or refunded under this section in a principal amount that would cause the total aggregate principal amount of notes outstanding under this section to exceed the total amount of real estate tax liens then held by the city or town.

Source. 1992, 173:1, eff. May 8, 1992.

Section 33:7-e

33:7-e Lease Agreements of Equipment. – The governing body may enter into leases of equipment as required by the municipality. Appropriations to fund lease agreements with nonappropriation clauses may be approved by a simple majority vote of the legislative body. Lease agreements with nonappropriation clauses shall not be treated as debt under RSA 33:4-a. For the purposes of this section, "lease" shall include lease-purchase, sale and lease back, installment sale, or other similar agreement to acquire use or ownership of such equipment as is from time to time required by the municipality. For purposes of this section and RSA 382-A, building or facility improvements related to the installation, purpose, or operation of such equipment shall be deemed to constitute equipment and the costs of such improvements may be financed through lease agreements under this section.

Source. 1999, 35:1, eff. July 10, 1999. 2014, 60:1, eff. July 26, 2014.

Section 33:8

33:8 Town or District Bonds or Notes. – Except as otherwise specifically provided by law, the issue of bonds or notes by any municipal corporation, except a city or a town which has adopted a charter pursuant to RSA 49-B, without a budgetary town meeting, shall be authorized by a vote by ballot of 3/5, and the issue of tax anticipation notes, by a vote of a majority, of all the voters present and voting at an annual or special meeting of such corporation, called for the purpose. The issue of notes or bonds by a municipality that has adopted an optional form of legislative body under RSA 49-D:3, I-a or RSA 49-D:3, II-a shall be authorized by either a 2/3 or 3/5 vote as adopted and provided for in the charter. If such charter does not specify which majority vote is required, then the required majority vote shall be 3/5. Only votes in the affirmative or negative shall be included in the calculation of any

majority. No such action taken at any special meeting shall be valid unless a majority of all the legal voters are present and vote at such special meeting, unless the governing board of any municipality shall petition the superior court for permission to hold an emergency special meeting, which, if granted, shall give said special meeting the same authority as an annual meeting. The warrant for a special meeting shall be published once in a newspaper having a general circulation in the municipality within one week after the posting of such special meeting. The warrant for any such annual or special meeting shall be served or posted at least 14 days before the date of such special meeting. Every warrant shall be deemed to have been duly served or posted, if the return on the warrant shall so state, and it shall be certified by the officer or officers required to serve or post the same. All bonds or notes, authorized in accordance with this chapter, shall be signed by the governing board, or a majority of the governing board, and countersigned by the treasurer of the municipality, and shall have the corporate seal, if any, affixed to it. The discretion of fixing the date, maturities, denominations, the interest rate, or discount rate in the case of notes, the place of payment, the form and other details of said bonds or notes and of providing for the sale of such bonds or notes, may be delegated to the governing board or to the treasurer and shall, to the extent provision therefor shall not have been made in the vote authorizing the same, be deemed to have been delegated to the governing board. Bonding authority under this section may be limited or rescinded as provided in RSA 33:8-f.

Source. 1895, 43:3. PL 59:9. RL 72:9. 1953, 258:1, par. 8. RSA 33:8. 1969, 438:2. 1970, 18:2. 1983, 160:2. 1991, 304:1, eff. Aug. 23, 1991. 1999, 134:1, eff. Aug. 17, 1999. 2002, 246:1, eff. July 16, 2002. 2004, 254:1, eff. Aug. 14, 2004. 2009, 229:1, eff. Jan. 1, 2010. 2020, 38:19, eff. Sept. 27, 2020.

Section 33:8-a

33:8-a Procedure for Authorizing Bonds or Notes in Excess of \$100,000. –

- I. There shall be at least one public hearing concerning any proposed municipal bond or note issue in excess of \$100,000 held before the governing board of any municipality. Said hearing shall be held at least 15 days, but not more than 60 days prior to the meeting, or adjourned session thereof, at which the bond or note issued is to be voted upon. Notice of the time, place and subject of such hearing shall be published in a newspaper of general circulation in the municipality at least 7 days before it is held. Whenever possible the governing board shall determine the form of the warrant article after the public hearing.
- II. All articles appearing in the warrant which propose a bond or note issue exceeding \$100,000 shall appear in consecutive numerical order and shall be acted upon prior to other business except the election of officers, action on the adoption, revision, or amendment of a municipal charter, and zoning matters or as otherwise determined by the voters at the meeting. Polls shall remain open and ballots shall be accepted by the moderator on each such article, for a period of not less than one hour following the completion of discussion on each respective article. A separate ballot box shall be provided for each bond article to be voted upon pursuant to this section.
- III. The provisions of this section shall not apply to cities nor to any borrowing under the authority of RSA 33:7, relative to tax anticipation notes.
- IV. Upon favorable approval on the motion to reconsider the vote on a bond or note issue under paragraphs I and II, actual reconsideration of the bond issue shall not take place until the

expiration of at least 7 days from the date on which the original vote on the motion was taken. Notice of time and place where such reconsideration shall take place shall be published in a newspaper of general circulation in the municipality at least 2 days before the reconsideration vote. Wherever required, the provisions of RSA 33:8-a shall apply.

V. Bonding authority under this section may be limited or rescinded as provided in RSA 33:8-f.

Source. 1971, 270:1. 1973, 25:1; 543:1. 1979, 43:1. 1983, 160:3, eff. Aug. 9, 1983. 2009, 229:2, eff. Jan. 1, 2010. 2014, 292:3, eff. Sept. 30, 2014.

Section 33:8-b

33:8-b Repealed by 1973, 25:2, eff. March 2, 1973. –

Section 33:8-c

33:8-c Alternate Procedure for Authorizing Town or Village District Bonds or Notes for Municipal Small Scale Power Facilities. –

I. By a 2/3 vote, the governing board of a town or village district may call a special meeting for the purpose of authorizing the issuance of bonds or notes for the municipal financing of small scale power facilities, as such facilities are defined in RSA 374-D:1. A special meeting held under this section shall have the same authority as that of an annual town meeting. The issuance of such bonds or notes shall be authorized by a vote of 2/3 of all the voters present and voting at the special meeting.

II. The warrant for such special meeting shall be published in a newspaper of general circulation in the municipality at least once a week for 2 consecutive weeks after the posting of such warrant. The warrant for such special meeting shall be served or posted at least 14 days before the date of the meeting. Every warrant shall be deemed to have been duly served or posted, if the return on the warrant shall so state, and it shall be certified by the officer or officers required to serve or post the warrant.

III. There shall be at least one public hearing concerning any such proposed municipal bond issue held before the governing board of the municipality, before a special meeting held to vote on such issue. Said hearing shall be held at least 15 days, but not more than 60 days before the special meeting at which the bonds or notes to be issued are to be voted on. Notice of the time, place, and subject of such hearing shall be published in a newspaper of general circulation in the municipality at least 7 days before it is held. If a hearing is held under RSA 35:8-a or RSA 32, said hearing shall be sufficient for this purpose.

IV. All bonds or notes authorized in accordance with this section shall be signed by the governing board, or a majority of the board, and countersigned by the treasurer of the issuing municipality, and shall have the corporate seal, if any, affixed to such bonds or notes. The discretion of fixing the date, maturities, denominations, the interest rate, or discount rate in the case of notes, the place of payment, the form and other details of said bonds or notes and of providing for their sale, may be delegated to the governing board or to the treasurer and shall, to the extent provision for such delegation shall not have been made in the authorizing vote, be deemed to have been delegated to the governing board.

Source. 1981, 545:3, eff. Aug. 29, 1981.

Section 33:8-d

33:8-d Procedures for Authorizing Bonds or Notes in Municipalities Adopting Charters Pursuant to RSA 49-B, Without a Budgetary Town Meeting. –

I. The town council of any town which has adopted a charter pursuant to RSA 49-B, and which has chosen the procedures as set forth in this section, shall have the authority to issue bonds or notes, as follows:

(a) At least one public hearing shall be held at least 15 days, but not more than 60 days, prior to the vote on the bond issue or note. Notice of the time, place and subject matter of such hearings shall be published in a newspaper of general circulation in the municipality at least 7 days before the hearing is held and posted in at least 2 public places in the municipality.

(b) The issuance of any bonds or notes shall appear as an agenda item on the public agenda of the town council meeting at which any vote is scheduled to be taken and any action taken on such item shall be by a recorded roll call vote.

(c) A 2/3 majority vote of the town council shall be required to authorize the issuance of bonds or notes.

(d) The authority of the town council to issue bonds or notes pursuant to this paragraph is limited to an amount not in excess of 10 percent of the town's operating budget for the most recently concluded fiscal year.

II. In the event that a proposed bond issue or note is in excess of 10 percent of the town's operating budget for the most recently concluded fiscal year, a referendum shall be held on said issuance, as follows:

(a) The town council shall, after notice and public hearing at a regularly scheduled council meeting, order a referendum on the issuance to be held on the Tuesday not less than 60 nor more than 67 days from the regular meeting at which the order is passed.

(b) The town council shall hold at least one additional public hearing on the proposed bond or note after the issuance of its order for a referendum. The hearing shall be held at least 30 days, but not more than 60 days, prior to the referendum.

(c) The same notice requirements for public hearings on issuance of bonds or notes by vote of the town council shall apply to public hearings on bonds or notes to be authorized by referendum.

(d) An additional public hearing shall be held if the proposed bond or note issue is substantively altered by the town council after public hearing. Subsequent public hearings shall be held at least 14 days after the prior public hearing and shall comply with the same notice requirements.

(e) An official copy of the final bond or note proposal shall be placed on file with the town clerk and made available to the public 7 days before the referendum and displayed at the voting place on the day of the referendum.

(f) The town clerk shall prepare an official ballot which shall include the following question: "Are you in favor of appropriating the sum of \$ _____ for the purpose of _____, with said sum to be in addition to any federal, state or private funds made available therefor, and of authorizing the issuance of not more than \$ _____ of bonds or notes in accordance with the provisions of the municipal finance act, RSA Chapter 33?"

When submitting the question under this section to the voters, there shall be 2 squares printed after the question, one with the word "yes" beside it and another with the word "no" beside it.

(g) If a 2/3 majority of the voters present and voting on the issuance of bonds or notes shall vote in the affirmative, the appropriation and issuance of bonds or notes in the amounts so

stated in the question shall be declared to have been adopted.

III. The issuance of tax anticipation notes shall be authorized by a majority vote of the town council.

IV. This section shall not apply to towns which have adopted a charter calling for a budgetary town meeting pursuant to RSA 49-D:3, III. The issuance of bonds or notes in such towns shall be governed by RSA 33:7, 33:8 and 33:8-a.

Source. 1991, 304:2. 1993, 176:5. 1994, 87:1, eff. July 5, 1994.

Section 33:8-e

33:8-e Town Council Authority to Issue Bonds and Notes. – Any town which has adopted a charter pursuant to RSA 49-B and which does not have a budgetary town meeting, may choose in its charter to allow the town council to follow the procedures set out in RSA 33:8-d or RSA 33:9 for the issuance of bonds and notes.

Source. 1994, 87:2, eff. July 5, 1994.

Section 33:8-f

33:8-f Procedures to Limit or Rescind Bonding Authority for Bonds or Notes. –

I. In any vote to approve bonding authority, a town may limit the length of time the bond authorization remains valid. If, after the expiration of any such period, no bond or note has been issued, the bonding authority shall be considered for all purposes as rescinded.

II. A town may vote at an annual meeting to rescind an authorized but unissued bond or note following the same procedures as would be required to adopt such bond or note, provided that:

(a) A vote to rescind shall not take place less than 5 years after the vote to authorize the bond or note;

(b) The vote to rescind must pass by the same majority required, at the time of the rescission vote, to adopt a bond or note; and

(c) Notwithstanding RSA 33:8-a, II, a warrant article proposing the rescission of a bond or note in excess of \$100,000 need not be acted upon prior to other business.

Source. 2009, 229:3, eff. Jan. 1, 2010.

Section 33:9

33:9 City Bonds. – The issue of bonds or tax anticipation notes by a city shall be authorized by a resolution of the city councils, passed by at least 2/3 of all the members of each branch thereof. All such bonds and notes shall be signed by a mayor and countersigned by the city treasurer, and shall have the city seal affixed thereto. The discretion of fixing the date, maturities, denominations, place of payment, interest rate, or discount rate in the case of notes, the form and other details of said bonds or notes, and of providing for the sale thereof, may be delegated to the city treasurer and shall, to the extent provision therefor shall not have been made in the vote authorizing the same, be deemed to have been delegated to the treasurer with approval of the mayor.

Source. 1895, 43:4. PL 59:11. RL 72:11. 1953, 258:1, par. 9, eff. Jan. 1, 1954.

Section 33:10

33:10 County Bonds. – County bonds shall be authorized and issued as provided in RSA 25 and 28, provided that a public hearing is held which shall be advertised at least 7 days before said public hearing, in some daily newspaper having a wide circulation in the county, giving the time and place of the hearing; and provided that not more than 14 days after said public hearing the county convention shall approve such bond issue by at least 2/3 of the county convention present and voting and provided further that a majority of the whole convention shall be present.

Source. PL 59:12. RL 72:12. 1953, 258:1, par. 10. RSA 33:10. 1957, 109:1, eff. July 7, 1957.

Section 33:11

33:11 Authentication of Bonds. – All bonds issued under authority of this chapter shall bear an authenticating certificate signed by an authorized officer of a bank or trust company doing business in the state of New Hampshire or in the commonwealth of Massachusetts, or by the commissioner of revenue administration, or by a notary public or justice of the peace. The authenticating certificate endorsed upon such bond shall identify such bond as being one of the particular issues described therein, shall certify the genuineness of the signatures and the seal, if any, thereto affixed and shall state the name of the attorney or attorneys who rendered an opinion approving the legality of such issue. A signed copy of such legal opinion shall be furnished to the commissioner of revenue administration within 10 days after the bonds are delivered to the purchaser thereof. The provisions of this section shall not apply to bonds or notes issued to secure a principal sum of \$17,000 or less when the bonds or notes are payable over a period not exceeding 5 years from the date of issue.

Source. 1953, 258:1, par. 11. RSA 33:11. 1973, 544:11, II. 1994, 167:1, eff. Jan. 1, 1995.

Section 33:11-a

33:11-a Agreements Relating to Registered Bonds and Notes. – In connection with the issuance by a municipality or county of original or replacement bonds or notes in registered form, the treasurer of the municipality or county, with the approval of the officer or officers authorized to sign such bonds or notes, is authorized to contract for and engage the services of any bank, trust company, banking institution or financial institution within or without the state to perform authentication, registration, transfer, exchange, record and paying agent functions, including, without limitation, the preparation, signing and issuance of checks in payment of such bonds or notes, the preparation and maintenance of records, reports and accounts and the performance of such related duties as may be necessary or desirable in connection with such bonds or notes. The treasurer, with such approval, may also enter into agreements with banks, trust companies, banking institutions and financial institutions to act as custodian or financial intermediary in connection with the establishment and maintenance by others of a central depository system for the transfer of interests in such bonds or notes. Any agreement entered into under this section shall include provisions for indemnifying the municipality or county for

losses sustained by it on account of the negligence of a designated bank, trust company, banking institution or financial institution or on account of the failure of such designated bank, trust company, banking institution or financial institution to perform faithfully its duties and obligations under the agreement. Such agreement may include additional provisions necessary or desirable to protect the municipality or county and may provide for the limitation of liabilities of the parties, indemnification or payment of liquidated damages.

Source. 1983, 365:1, eff. June 19, 1983.

Section 33:12

33:12 Register. – The treasurer of every municipal corporation shall keep a register, in such form as may be prescribed by the commissioner of revenue administration, which shall state the denomination, number and date of every bond or note issued by the municipality, the time when and the place where the principal thereof and interest, if any, thereon are payable and such other information as the commissioner of revenue administration may prescribe. The commissioner of revenue administration shall inspect the register provided for herein whenever it shall make any audit of the accounts of a municipal corporation.

Source. 1895, 43:6. PL 59:19. RL 72:19. 1953, 258:1, par. 12. RSA 33:12. 1973, 544:8, eff. Sept. 1, 1973.

Section 33:13

33:13 Repealed by 1957, 95:2, eff. Jan. 1, 1958. –

Section 33:14

33:14 Report of Borrowing. – The treasurer of any municipal corporation, within 10 days after the delivery of an issue of bonds or notes authorized by this chapter to the purchaser thereof, shall submit to the commissioner of revenue administration a report setting forth the details of the issue in such form as the commissioner may prescribe. Failure to make said report, however, shall not affect the validity of any issue of bonds or notes.

Source. 1953, 258:1, par. 14. RSA 33:14. 1973, 544:8, eff. Sept. 1, 1973.

Section 33:15

33:15 Regularity Presumed. – All bonds or notes purporting to be issued under authority of this chapter, and executed as hereinbefore provided, shall, in favor of bona fide holders, be conclusively presumed to have been duly and regularly authorized and issued in accordance with the provisions herein contained, and no such holder thereof shall be obliged to see the propriety of the purpose of the issue, to the regularity of any of the proceedings relating thereto, or to the application of the proceeds thereof. Said bonds or notes shall be negotiable in all respects and to the same extent as other securities negotiable by the law merchant except as herein otherwise provided. Any of such bonds or notes, if properly executed by officers of the municipality in office on the date of execution, shall be valid and binding according to their

terms notwithstanding that before the delivery thereof and payment therefor such officers shall have ceased to be officers of the municipality.

Source. 1895, 43:7. PL 59:21. RL 72:21. 1953, 258:1, par. 15, eff. Jan. 1, 1954.

Section 33:16

33:16 Tax Exemption. – All bonds and notes, and the interest thereon, heretofore or hereafter issued by municipal corporations and counties under the provisions of this chapter or of any general or special act, heretofore or hereafter enacted, shall be exempt from taxation in the state of New Hampshire. For the purpose of this section the amount of the discount on any notes which are sold at discount shall be deemed to be interest paid in advance.

Source. 1953, 258:1, par. 16, eff. Jan. 1, 1954.

Section 33:17

33:17 Construction of Other Legislation. – Any special act, heretofore or hereafter enacted shall be construed so as not to lessen the amount of indebtedness which the municipality affected would be authorized to incur under the terms of this chapter, unless such act expressly provides for such limitation.

Source. 1931, 115:1. RL 72:22. 1953, 258:1, par. 17, eff. Jan. 1, 1954.

Section 33:18

33:18 Saving Clause. –

- I. Nothing contained herein shall impair the validity of any debt properly issued by a municipality or county under authority of any general or special act so repealed hereby.
- II. Chapter 9, Laws of 1953, [RSA ch. 204], shall not be deemed repealed by this act.

Source. 1953, 258:2, eff. Jan. 1, 1954.

Section 33:19

33:19 Validity and Enforceability of Certain Obligations and Indebtedness. – Any obligation and indebtedness incurred under this chapter prior to January 1, 1999 and any obligation and indebtedness incurred under this chapter on or after January 1, 1999 which mature on or before March 31, 2000 shall be a valid and enforceable obligation and debt of the municipality that approved such obligation and indebtedness in the manner required by this chapter, notwithstanding the fact that all or any portion of the tax revenues that the municipality expects to use to repay such indebtedness or obligation is, or can reasonably be expected, to be derived from tax revenues from levies for the school portion of the municipality's tax rate. No member of any municipal legislative body or governing body, and no officer of any municipality, shall have any official or personal liability as a result of executing and delivering, on behalf of such municipality, any such obligation or debt authorized in said manner.

Source. 1999, 2:1, eff. Feb. 3, 1999.

Section 33:20

33:20 Redevelopment Districts in Unincorporated Places and Redevelopment District Bonds. – In an unincorporated place, the county commissioners, with the approval of a majority of the county convention present and voting, may: (i) separately from, and in addition to, bonds guaranteed pursuant to RSA 162-I:9-a, authorize the issuance of bonds by the county, the source for repayment of which shall be limited to assessment revenues generated by redevelopment districts created under this section, and shall not be a general obligation of the county and not included in net indebtedness as defined in RSA 33:1, III; and (ii) establish redevelopment districts to ensure that assessment revenues generated hereunder from revitalization projects are sufficient to repay such bonds. The boundaries of the redevelopment district shall be configured so that it includes, but is not limited to, all of the property available to be developed, redeveloped, or revitalized through the issuance of such bonds, or otherwise benefiting from the improvements financed, in whole or in part, with the proceeds of any bonds issued by the county hereunder or bonds issued by the business finance authority and guaranteed pursuant to RSA 162-I:9-a. Every owner of each lot or parcel located within the redevelopment district shall be subject to an assessment. The amount of the assessment shall be sufficient to provide for repayment of the debt service related to the bond. The terms of any bonds to be issued by the county, and the amount of the assessment, payment terms and method for collection, shall be established in a financing plan prepared by the bond recipient and adopted by the county commissioners. The financing plan shall include the delegation of collection responsibilities to the county. The county commissioners may enter into such agreements as they deem necessary to ensure repayment and to implement the financing plan and including without limitation such terms and conditions as is deemed necessary to provide for the segregation and pledge of the assessments to secure repayment of the bonds. The assessment shall be used solely to pay debt service related to the bond and pay the county's expenses of establishing and administering the redevelopment district and issuing the bonds. The incremental increase in value of any project located in a redevelopment district shall be exempt from all property taxes and shall not be considered in the apportionment of county taxes to the unincorporated place, for so long as any bonds issued under this section or guaranteed pursuant to RSA 162-I:9-a, I remain outstanding. The equalization and apportionment provisions of RSA 21-J shall be applied in a manner consistent with the foregoing sentence. Any unpaid assessment under this chapter shall constitute a lien pursuant to RSA 80 on the assessed property. Collection and enforcement of assessments under this section shall be in accordance with RSA 80. The county commissioners may negotiate a payment in lieu of taxes agreement with the project developer or developers in the redevelopment district who shall also pay all fees for an independent bond counsel. In order to establish a redevelopment district, issue bonds, and adopt a financing plan hereunder, the county commissioners must find that such actions will likely create, revive, or preserve employment opportunities or increase the social or economic prosperity of the county, any of which would be in the public interest. The county commissioners may negotiate with the project developer or developers to arrange for administration of the redevelopment district, including without limitation fire protection and public safety services, and to provide funding for said administration and services through assessments on available valuation of property within the redevelopment district, fees to property owners, direct payment by a developer or

developers, or other means. Under no circumstances shall the county or the unincorporated place, as issuer of a bond under this section, have any obligation of any kind to repay any of the principal or interest of the bond. In this section, "redevelopment district" in an unincorporated place means an eligible facility in an unincorporated place designated as a redevelopment district by the county commissioners.

Source. 2019, 32:1, eff. May 15, 2019.

TITLE XV EDUCATION

Chapter 195 COOPERATIVE SCHOOL DISTRICTS

Section 195:1

195:1 Definitions. –

The terms used in this chapter shall be construed as follows, unless a different meaning is clearly apparent from the language or context:

- I. "Cooperative school district" means a district composed of 2 or more school districts of the state associated together under the provisions of this chapter and may include either the elementary schools, the secondary schools, or both.
- II. "Elementary school" shall mean all grades from the kindergarten or grade one through grade 6, or kindergarten or grade one through grade 8.
- III. "Secondary school" shall mean all grades from grade 7 through grade 12, or grade 9 through grade 12.
- IV. "Cooperative school board" shall mean a school board serving a cooperative school district.
- V. "Pre-existing district" shall mean a district or portion of a district which is included within the boundaries of a proposed or established cooperative school district.
- VI. [Repealed.]
- VII. "Commissioner" shall mean commissioner of education.
- VIII. "Date of operating responsibility" shall mean the date or dates set in the resolution adopted at the organization meeting or in the articles of agreement adopted by the several school districts on which the cooperative school district shall take over operating control of those schools within such district which it was organized to operate. Wherever the words "establishment" or "date of establishment" appear in this chapter, they shall be given a meaning synonymous with "date of operating control".
- IX. "Valuation" shall mean the valuation as determined by the commissioner of revenue administration for debt limits, under the provisions of RSA 33.

Source. 1947, 199:1. 1951, 213:1, par. 1. 1953, 225:1. RSA 195:1. 1955, 334:6. 1963, 258:3. 1973, 544:8. 1986, 41:29, VII, eff. April 3, 1988.

Section 195:2

195:2 Standards. –

- I. (a) It is the purpose of this chapter to increase educational opportunities within the state by encouraging the formation of cooperative school districts which will each:
 - (1) Be a natural social and economic region.
 - (2) Have an adequate minimum taxable valuation.

(3) Have a number of pupils sufficient to permit the efficient use of school facilities within the district and to provide improved instruction.

(b) The state board of education shall approve articles of agreement for a proposed cooperative school district, or agreements for the enlargement of a cooperative school district, only after determining that the formation or enlargement of the district will be in accord with such standards and the purposes set forth herein.

II. [Repealed.]

III. Advisory Powers of Board. The board may prepare recommended forms of articles of agreement and existing arrangements for cooperative school districts and may furnish its advisory services to cooperative school district planning boards or school boards who have such matters under consideration.

Source. 1951, 213:1, par. 2. RSA 195:2. 1963, 258:4. 1979, 459:4. 1996, 158:1, 2, eff. July 1, 1996.

Section 195:3

195:3 Repealed by 1963, 258:14, eff. July 1, 1963. –

Section 195:4

195:4 Powers. –

I. During the period from the date of the vote of the organization of any cooperative school district organized prior to July 1, 1963, to the date of operating responsibility such cooperative school district shall have all the authority and privileges of a regular school district for bonding purposes, for the construction of school facilities and for all other necessary functions to obtain proper facilities for the provision of a complete program of education. When necessary the school board of the cooperative school district is authorized to prepare a budget and call a special meeting of the voters of the district for the purpose of adopting the budget and to determine the financial appropriations. Such meeting shall have the same authority as an annual meeting for these purposes.

II. Election of Officers. Every such school district may, as provided in RSA 195:19, adopt a bylaw to specify the number, composition, method of selection, and terms of office of its cooperative school board; provided that its cooperative school board shall consist of an odd number of members, not more than 15 for terms not exceeding 3 years.

III. Checklists. At the meetings held in the preexisting districts for the purpose of accepting the articles of agreement, or any existing arrangements, and at the organization meeting of the cooperative school district the checklist for each preexisting district shall be used. The school board of any preexisting district which does not have a checklist shall make, post, and correct a list of the voters in the district for use at such meetings as supervisors are required to do in regard to the list of voters in their towns. Thereafter the cooperative school board shall make, post, and correct a list of the voters of the cooperative school district acting as supervisors are required to do, except that such list shall indicate with respect to each voter the preexisting district in which the voter is domiciled. Any 2 members of the cooperative school board shall constitute a quorum at sessions for the correction of the checklist. Notwithstanding the foregoing provisions whenever each of the preexisting school districts is coextensive with the town in which it is located the cooperative school district may, at an annual cooperative school

district meeting, under an article in the warrant for such meeting, vote that the supervisors of each town, acting as the supervisors of the cooperative school district, shall make, post and correct in each preexisting district a checklist of the voters in each preexisting district and shall certify the making, posting, and correction of the checklist acting as supervisors of the cooperative school district. At each annual meeting for the election of officers of the cooperative district the checklists prepared by the supervisors in each preexisting district in accordance with the provisions of this paragraph shall be used and the town supervisors from each preexisting district shall attend such annual meeting. The voters of the cooperative district shall be those whose names appear on the checklists as provided by this paragraph. The supervisors shall be paid such compensation as the district may provide.

IV. For purposes of state-wide supervision a cooperative school district shall be a school district.

V. The members of the cooperative school board shall serve with or without remuneration as the district shall determine, but they shall be paid their necessary expenses while upon official business.

Source. 1951, 213:1, par. 4. 1953, 225:3. RSA 195:4. 1961, 44:1; 206:2, 3. 1963, 258:2. 1971, 252:2. 1979, 321:3. 1996, 158:3; 222:14. 2003, 289:18, eff. Sept. 1, 2003.

Section 195:4-a

195:4-a Repealed by 1996, 158:19, II, eff. July 1, 1996. –

Section 195:5

195:5 School Board; Powers and Duties. –

The cooperative school board elected at the organization meeting shall organize and take office at the close of such meeting and proceed to assume its responsibilities and duties with respect to the administration and planning of the new cooperative school district; provided, however, that the cooperative board shall have no administrative authority as to the schools in the pre-existing districts until the date of operating responsibility. Thereafter all cooperative school district officers shall assume office at the close of the annual meeting. The cooperative school board shall have the same powers and duties as school boards in school districts as prescribed by RSA 189. Except as provided in this chapter, all the provisions of this chapter or of any other general law relating to or affecting school districts in the state shall apply to cooperative school districts organized as herein provided.

I. Clerk. The cooperative school board shall appoint annually and fix the salary of the district clerk who shall not be a member of the cooperative school board. The district clerk shall serve also as the clerk of the cooperative school board.

II. Treasurer. The treasurer of a cooperative school district shall be appointed by the cooperative school board for one or more terms not to exceed 5 years each, shall not be a member of the cooperative school board, and shall receive for services such sum as the cooperative school board may determine. The treasurer shall, before entering upon the duties of such office, give a bond to the cooperative school district with a surety company authorized to do business within the state in a form approved by the commissioner of revenue administration, and the premium shall be paid by the cooperative school district. The

provisions of RSA 21-J:17, applicable to uniform accounting by school districts, shall apply to cooperative school districts.

Source. 1947, 199:4, 5. 1951, 213:1, par. 5. 1953, 225:4. RSA 195:5. 1963, 258:5. 1973, 544:8. 1996, 222:4, eff. Aug. 9, 1996.

Section 195:6

195:6 Powers and Duties of Cooperative School Districts. –

I. Each cooperative school district shall be a body corporate and politic with power to sue and be sued, to acquire, hold and dispose of real and personal property for the use of schools therein, and to make necessary contracts in relation thereto, and have and possess all the powers and be subject to all the liabilities conferred and imposed upon school districts under the provisions of RSA 194. Whenever a cooperative school district assumes all the functions of a pre-existing district, it shall also assume the outstanding indebtedness and obligations thereof as of the date of operating responsibility; and on such date of operating responsibility the pre-existing districts shall be deemed dissolved, and any and all assets, property and records thereof not previously disposed of shall vest in the cooperative school district, unless otherwise provided in the articles of agreement or existing arrangements.

II. Each cooperative school district shall have the power to borrow money and issue its notes or bonds in conformity with the provisions of RSA 33, provided, however, indebtedness of a cooperative district organized to provide both elementary and secondary schools may be incurred to an amount not to exceed 10 percent of its assessed valuation as last equalized by the commissioner of revenue administration.

III. Whenever only a part of the educational facilities of a local school district are incorporated into a cooperative school district, such local district shall continue in existence and function as previously. The cooperative school district shall assume only those outstanding debts and obligations of the local school district which pertain to the property acquired by the cooperative school district for use by the cooperative school district. In such case no cooperative school district shall for elementary school purposes incur debt to an amount exceeding 5 percent, and for secondary school purposes, if organized for grades 9 through 12, to an amount exceeding 5 percent, and for secondary school purposes if organized for grades 7 through 12, to an amount not exceeding 6 percent of the total assessed valuation of such district as last equalized by the commissioner of revenue administration. No cooperative school district described in this paragraph shall incur indebtedness if it subjects the taxable property of any school district forming a part thereof to debt, when added to the debt of such school district, of more than 10 percent of the total assessed value of such taxable property as last equalized by the commissioner of revenue administration.

Source. 1947, 199:3. 1951, 213:1, par. 6. 1953, 225:5, 6. RSA 195:6. 1955, 334:5, 8. 1957, 126:1, 2. 1959, 209:1, 2. 1963, 258:6. 1973, 544:8. 1996, 158:4, eff. July 1, 1996.

Section 195:7

195:7 Costs of Capital Outlay and Operation. –

I. If a cooperative school district was organized prior to July 1, 1963, during the first 5 years after the formation of a cooperative school district each preexisting district shall pay its share

of all capital outlay costs and operational costs in accordance with either one of the following formulas as determined by a majority vote of the cooperative district meeting:

- (a) All such costs shall be apportioned on the basis of the ratio that the equalized valuation of each preexisting district bears to that of the cooperative district; or
- (b) One-half of all such costs shall be apportioned on the basis of the ratio that the equalized valuation of each preexisting district bears to that of the cooperative district and 1/2 shall be apportioned on the average daily membership for the preceding year.
- (c) Some other formula offered by the cooperative school board with the board's recommendation, adopted by the cooperative school district and approved by the state board of education.

II. Home education pupils who do not receive services from the cooperative school district, except an evaluation pursuant to RSA 193-A:6, II, shall not be included in the average daily membership relative to apportionment formulas.

Source. 1951, 213:1, par. 7. RSA 195:7. 1955, 334:9. 1959, 195:1. 1961, 206:4. 1996, 158:5; 222:15. 1999, 17:37, eff. April 29, 1999; 281:5, eff. July 16, 1999.

Section 195:8

195:8 Reconsideration Procedure. – If a cooperative school district was organized prior to July 1, 1963, the basis for the apportionment of all such costs may be subject to review, pursuant to an article for that purpose duly inserted in the warrant for a district meeting to be held at any time after the expiration of the 5-year period measured from the date of the first annual meeting. If the apportionment formula for a cooperative school district has been duly changed, or if an article to continue the current formula has been passed at a district meeting, the basis for the apportionment of all such costs may be subject to review, pursuant to an article for that purpose duly inserted in the warrant for a district meeting to be held at any time after the expiration of the 5-year period measured from the date of the meeting at which the last change was made to the cost apportionment formula or the last article to continue the current formula was passed. In either case, the cooperative school district may then by majority vote elect to apportion all such costs by the adoption of one of the formulas set forth in RSA 195:7, I(a), (b), or (c). Such apportionment may be reviewed in the same manner at any time in order to permit the enlargement of the territory of a school district or an increase in the number of grades for which the district shall be responsible.

Source. 1947, 199:8. 1951, 213:1, par. 8. 1953, 226:8. RSA 195:8. 1955, 334:10. 1959, 195:2. 1961, 206:5. 1963, 258:7. 1996, 158:5; 222:16. 2000, 59:1, eff. June 16, 2000. 2021, 80:1, eff. Aug. 17, 2021.

Section 195:9

195:9 Taking Over Property. –

I. Whenever a cooperative school district planning board is formed and it is proposed that a cooperative school district is to be established, the properties belonging to the districts that are to be used by the cooperative district shall be separately appraised by a committee to consist of 3 persons. The commissioner of education shall designate one person on the committee, and the commissioner of revenue administration shall designate 2 persons, one of whom shall be a

member of or a qualified appraiser employed by the department of revenue administration. A member who is not in the employ of the state shall be paid \$25 per day plus actual expenses in the performance of such member's duties. A member who is in the employ of the state shall not be paid extra compensation other than the state salary, but shall be reimbursed for actual expenses in the performance of such member's duties.

II. All expenses incurred in conducting an appraisal by the persons designated by the commissioner of revenue administration including the salaries and expenses of state employees, shall be paid in the first instance from the appropriation for the department of revenue administration. Likewise, the salary and expenses incurred by the person designated by the commissioner of education, including the salaries and expenses of state employees, shall be paid in the first instance from the appropriation for the department of education. The commissioner of revenue administration and the commissioner of education shall report the amount of money paid by them for the appraisal to the cooperative school district planning board. The planning board shall reimburse the department of revenue administration and the department of education for these expenses. If the planning board does not have sufficient funds to make reimbursement, it shall apportion the expenses among the several districts requesting the appraisal. The reimbursements shall be credited to the appropriations for the department of revenue administration and the department of education.

III. The decision of the committee with respect to the appraisal shall be final. Unless otherwise provided in the articles of agreement, at the next annual assessment a tax equivalent to the total appraised value of the property to be used by the cooperative district shall be levied upon the several districts comprising the cooperative school district in the proportion that the equalized valuation of each bears to the equalized valuation of the whole and there shall be remitted to the taxpayers of each pre-existing district the appraised value of its property. Whenever the cooperative school board decides the foregoing adjustment will work a hardship on any one or all of the pre-existing districts, it may, of its own motion, or upon petition of any of the residents of a pre-existing district provide that such adjustment be made over a period of not exceeding 20 years.

Source. 1951, 213:1, par. 9. RSA 195:9. 1955, 334:11. 1963, 258:8. 1967, 340:1. 1973, 544:11, XXV. 1996, 222:7, eff. Aug. 9, 1996.

Section 195:9-a

195:9-a Property Not Taken Over by District. – Whenever a cooperative district is formed and assumes all of the functions of a preexisting school district but does not take over all of the property in a preexisting district, the school board of such preexisting district shall call a special school district meeting prior to the time of establishment of the cooperative district to see what action shall be taken relative to the remaining property. Where such special meeting neglects to dispose of remaining real property, the successor in interest to a preexisting school district that is coextensive with a city or town is the city or town.

Source. 1955, 334:1. 2001, 35:3, eff. June 8, 2001.

Section 195:10

195:10 Disposal of Property. – Whenever any property of a cooperative school district is disposed of, the proceeds thereof shall be credited to each pre-existing district in the same proportion as the costs of making capital improvements are credited.

Source. 1951, 213:1, par. 10, eff. Aug. 13, 1951.

Section 195:11

195:11 Continuance of Trust Funds. – All trust funds held or enjoyed by any pre-existing district shall be held and applied as the terms of the trust indicate. If such trust allows, the funds may be applied for the same uses and purposes of the cooperative district.

Source. 1951, 213:1, par. 11. RSA 195:11. 1955, 334:12, eff. Aug. 5, 1955.

Section 195:11-a

195:11-a Capital Reserves and Cash Balances. – When all of the functions of a school district are to be assumed by a cooperative district the balance of any capital reserve fund established by a school district and any cash balance in the hands of the treasurer or money due the district at the time of establishment of the cooperative district less any outstanding bills or debts other than long term indebtedness which is to become the obligation of the cooperative district, shall be used as a credit against the cooperative district assessment to be raised by the pre-existing district for the first year of operation or may be spread over a period of not more than 5 years as the voters of the pre-existing school district shall determine at either any annual meeting or a special school district meeting called for that purpose prior to the establishment of the cooperative district.

Source. 1955, 334:2, eff. Aug. 5, 1955.

Section 195:12

195:12 Budget. – At least 30 days prior to the annual meeting, the cooperative school board shall prepare a budget for the ensuing year, after holding at least one public hearing upon a preliminary budget at some convenient place in the district, of which at least 7 days' notice shall have been given, and said budget, subsequent to its final approval by such board, shall be posted in a public place in each pre-existing district and given such other publication as the cooperative school board may determine. The provisions of RSA 32 shall apply to a cooperative school district.

Source. 1947, 199:9. 1951, 213:1, par. 12. 1953, 225:7. RSA 195:12. 1963, 258:9. 1996, 158:6, eff. July 1, 1996.

Section 195:12-a

195:12-a Budget Committee. –

I. A cooperative school district at an annual meeting, under a proper article in the warrant, may vote to establish a budget committee pursuant to RSA 32:14 and may rescind such action

in a like manner. The budget committee shall have the same number of members as the cooperative district school board plus one additional member from the school board as provided in this paragraph. The terms of office and manner of election of members shall be determined in the same manner as for the cooperative school board. Whenever it is voted to establish a budget committee, the moderator in the first instance shall appoint the members of the budget committee, except for the additional member appointed from the school board, within 15 days of the vote establishing the committee. The members appointed by the moderator shall serve until the next annual meeting when the meeting shall elect their successors. No member of the cooperative school board shall be appointed or elected to the budget committee except that the chairperson of the cooperative school board shall appoint a member of the board to serve on the budget committee with all the powers and duties of any other member of the committee. After appointment or election the budget committee shall promptly organize and choose a chairperson, vice-chairperson, and secretary. The secretary shall keep records of the proceedings of the budget committee, which shall be public records open to public inspection.

II. Such cooperative school budget committee shall have the powers and duties of the municipal budget committee under the provisions of RSA 32 insofar as the budget for the cooperative school district is concerned and insofar as RSA 32 is applicable to the cooperative school budget.

III. Such committee shall seasonably provide the cooperative school board with a sufficient number of copies of the budget prepared by it, and the same shall be posted with each copy of the warrant in the manner provided by RSA 195:13.

Source. 1961, 206:6. 1963, 258:10, 10-a. 1967, 136:1, 2. 1971, 252:3. 1979, 321:4. 1996, 158:6, eff. July 1, 1996; 222:17, eff. July 1, 1996.

Section 195:13

195:13 Meetings, Annual, Special. – A meeting of every cooperative school district shall be held annually between the dates set forth in RSA 197:1 for the choice of district officers, raising and appropriating money for the support of its schools for the fiscal year beginning the next July, and for the transaction of other district business. Special meetings may be called by majority vote of the school board. A special meeting shall be held within 30 days following the receipt by the school board of a petition calling for such a meeting and setting forth the subject matter upon which action is desired signed by at least 5 percent of the voters who are duly registered on the checklists of the district on the date the petition is submitted. The provisions of RSA 197, excepting the provisions of RSA 197:2, shall apply to cooperative school district meetings, except that a copy of the warrant shall be posted in a public place in each pre-existing district as well as at the place of meeting.

Source. 1942, 199:10. 1951, 213:1, par. 13. RSA 195:13. 1969, 211:1. 1971, 562:5. 1973, 427:1. 1981, 250:2, eff. Sept. 1, 1981.

Section 195:13-a

195:13-a Repealed by 1979, 321:2, I, eff. Aug. 21, 1979. –

Section 195:14

195:14 Certification of District Taxes. –

I. Voted Appropriations.

(a) The cooperative school board shall annually within 20 days of the close of the meeting certify to the commissioner of revenue administration and the state department of education, upon blanks prescribed and provided by the commissioner of revenue administration for the purpose, a certificate of the several appropriations voted by the district and estimated revenues, so far as known, and such other information as the commissioner of revenue administration may require.

(b) The commissioner of revenue administration shall examine such certificates and delete any appropriations which appear not made in accordance with the law, and adjust any sum, in accordance with RSA 21-J:35, which may be used as a setoff against the amount appropriated when it appears to the commissioner of revenue administration such adjustment is in the best public interest.

(c) The commissioner of revenue administration shall certify to the state department of education the amount to be apportioned among the pre-existing school districts. This amount shall be the balance before the adequate education grant revenues are applied.

(d) Unless the provisions of RSA 195:14-a are adopted, the state department of education shall determine each municipality's proportional share of the net appropriation after application of the grants as follows:

(1) First, the department shall determine each pre-existing district's proportional share of the amount to be apportioned based on the cooperative school district formula.

(2) Second, the department shall then deduct each pre-existing school district's adequate education grant.

(3) If the resulting amount is less than zero, the department shall reduce the adequate education grant under RSA 198:41 by the difference.

(4) The department shall notify the commissioner of the department of revenue administration of its determination.

(e) Upon certification by the commissioner of revenue administration, the selectmen of each town shall seasonably assess the taxes as provided by law.

(f) The selectmen shall pay over to the treasurer of the cooperative district such portions of the sums so raised as may reasonably be required according to a schedule of payments needed for the year as prepared by the treasurer and approved by the cooperative school board, but no such payment shall be greater in percentage to the total sum to be raised by one local district than that of any other local district comprising such cooperative school district.

II. Non-voted Appropriations.

(a) Whenever a cooperative school district assumes any obligations of a preexisting district the cooperative school board shall also certify to the commissioner of revenue administration and the state department of education the amount to be raised by taxation to pay such obligations as they become due, and the state department of education shall determine the proportional part thereof to be borne by each preexisting district and notify the commissioner of revenue administration.

(b) The commissioner of revenue administration shall then add the amount determined under subparagraph (a) to the other sums to be raised by said pre-existing districts and include the same in computing the rate percent of taxation for each pre-existing district, unless the articles of agreement or existing arrangement provides otherwise.

(c) Whenever a cooperative school district has assumed the obligations of a preexisting district, the amount of each payment of principal and interest on all obligations which have been thus assumed shall be annually assessed and collected without any vote or other act of approval whatsoever.

III. (a) The adequate education grant used in subparagraph I(d) shall be based on the revised estimated revenues contained in the report required in RSA 198:4-d, II.

(b) If the commissioner finds that the actual adequacy grant used in the prior year was inaccurate or inappropriate, the commissioner shall perform a town-specific reconciliation adjustment for each town's estimates in question against the apportionment. The difference between the recomputed apportionment and the apportionment determined under subparagraph (a), and the difference between the actual adequate education grant provided under RSA 198:42 for the prior year and the grant amount estimated in the prior year under subparagraph (a), shall be the basis for the town-specific reconciliation adjustment.

Source. 1947, 199:11. 1951, 213:1, par. 14. RSA 195:14. 1955, 334:3. 1963, 258:11. 1973, 544:8. 1995, 137:5. 1996, 158:7. 1999, 17:38; 281:6-8. 2004, 200:10. 2005, 257:16. 2006, 6:5. 2007, 270:3, eff. June 29, 2007. 2012, 198:8, eff. July 1, 2012.

Section 195:14-a

195:14-a Alternative Method of Apportioning Operating Costs. –

I. As an alternative to the apportionment of operating costs set forth in RSA 195:14, the cooperative school board may fix a specific percentage of the state adequate education grant amount received in a given year to be applied to the operating costs of the cooperative school district, before the apportionment of remaining cooperative school district operating costs. Such percentage shall not be less than zero percent and not more than 100 percent and shall be the same in each city or town in the cooperative school district.

II. The question on the adoption of an alternative method of apportioning operating costs shall be proposed as an article in the warrant of the next cooperative school district annual or special meeting pursuant to RSA 195:13. A majority of voters present and voting on the question in each city or town in the cooperative school district shall be required to approve the alternative method of apportioning operating costs. Upon approval, the clerk of the cooperative school district shall send to the state board of education a certified copy of the warrant.

III. The procedure for modification or rescission of an alternative method of apportioning operating costs shall be as set forth in the alternative method of apportioning operating costs and shall not be subject to the provisions of RSA 195:18, III(i). A majority of voters present and voting on the question in each city or town in the cooperative school district shall be required to approve the modification or rescission.

Source. 2004, 244:1. 2006, 6:6. 2007, 270:3, eff. June 29, 2007.

Section 195:15

195:15 State Aid. – The state aid to which a cooperative elementary and/or secondary district shall be entitled shall be the total of those shares of the aid to which the pupils attending the cooperative district would have entitled the pre-existing districts, had they

remained in the pre-existing districts. For the purposes of crediting the cooperative district's adequate education cost to the pre-existing districts, each such pre-existing district shall have its adequate education cost under RSA 198:38, VII credited against its share of the cooperative school district budget. However, cooperative school districts formed by 2 or more pre-existing districts whose boundaries approximate those of a single township in which they are located shall be treated as a single school district for the purposes of this section.

Source. 1947, 199:12. 1951, 213:1, par. 15. RSA 195:15. 1955, 334:13. 1996, 158:8. 1999, 281:9. 2004, 200:11, eff. June 9, 2004.

Section 195:15-a

195:15-a Building Aid. – Except as hereinafter provided, for the purpose of receiving state building aid, or other similar aid toward school buildings, which may hereafter be provided, the amount of such aid for cooperative school districts shall apply only to those cooperative or union school districts which were formed from 2 or more districts from 2 or more towns. A cooperative school district formed as a result of a conversion from an authorized regional enrollment area plan shall not be eligible for school building aid for the purchase of property in a pre-existing district which had received building aid for the construction of said building or buildings, provided, however, that any aid for which the pre-existing district is currently eligible shall be continued and shall be paid to the cooperative school district. A cooperative school district formed from 2 or more school districts within one town shall be deemed to be a school district and not a cooperative school district insofar as receipt of state building or other similar aid toward school buildings is concerned. The limitations of this section relative to cooperative school districts formed from districts within one town shall apply only to those which are so organized after July 1, 1955. Such cooperative school district organized prior to July 1, 1955, shall be deemed a cooperative school district for the purpose of receiving such building aid.

Source. 1955, 334:14. 1997, 320:1, eff. July 1, 1998.

Section 195:16

195:16 Enlargement of Territory. –

A cooperative school district organized prior to July 1, 1963 may be enlarged in the following manner:

I. The school board of any school district situated in proximity to an existing cooperative school district may petition the cooperative school board to meet with it to study jointly the advisability and the terms of enlarging the cooperative school district to include such district. It shall thereupon be the duty of the cooperative school board to meet with the other school board as requested and engage in such joint study. After such joint study the 2 school boards may recommend that the cooperative school district be so enlarged, and if they so recommend, they shall submit proposed articles of agreement in writing signed by a majority of each board setting forth in detail:

(a) The date of operating responsibility, when the cooperative district shall assume control of operation of schools within the joining school district, upon which date the joining school district shall cease to exist;

(b) The number, composition, method of selection and terms of office of its cooperative school board, all in accordance with the provisions of RSA 195:19 through 23 inclusive, provided that its cooperative school board shall consist of an odd number of members not more than 15 for terms not exceeding 3 years;

(c) The specific school properties and other assets in the district to be acquired by the cooperative school district and the disposition of those not acquired including the records;

(d) The initial location of the school or schools which will serve the joining school district;

(e) The indebtedness of the joining school district which the cooperative school district is to assume;

(f) The method of apportioning the capital outlay costs and operational costs under RSA 195:7 or under the articles of agreement of the cooperative school district, which method may be different from the formula previously adopted by the cooperative school district notwithstanding the provisions of RSA 195:8 or its articles of agreement;

(g) The manner in which state aid referred to in RSA 195:15 or any other available state aid shall be allocated, unless otherwise expressly provided by law;

(h) Provisions similar to those outlined in RSA 195:18, IV, if desirable; and

(i) Any other matters, not incompatible with law, which the 2 school boards may consider appropriate to include in the agreement.

II. An executed copy of such proposed articles of agreement shall be submitted to the board; and if it finds that the proposed enlargement would be in accord with the standards set forth in RSA 195:2 and approves the agreement, it shall cause the agreement to be submitted to the cooperative school district and to the joining school district for acceptance by each.

III. The cooperative school board and the school board of the joining school district, upon receipt of written notice of such approval by the board, shall cause the agreement to be filed with their respective district clerks and submitted to the voters of their respective districts as soon as may reasonably be possible at duly called meetings, the voting to be by ballot with the use of the checklist, after reasonable opportunity for debate in open meeting. The article in the warrant and the question on the ballot shall be in substantially the following form:

"Shall the proposed agreement on file with the district clerk, joining _____ school district to _____ cooperative school district be approved?"

Yes _____ No _____

If a majority of the voters present and voting at such meetings in each district shall vote in the affirmative, the clerk of each district shall forthwith send to the board a certified copy of the warrant, certificate of posting, evidence of publication, if required, and minutes of meeting. If the board finds that a majority of the voters present and voting in each district meeting have voted in favor of the enlargement, it shall issue its certificate to that effect, and such certificate shall be conclusive evidence of the lawful enlargement of the cooperative school district.

Articles of agreement so adopted shall be deemed to amend the inconsistent provisions in any pre-existing articles of agreement of the cooperative school district.

III-a. Within 60 days after the board has issued its certificate of the lawful enlargement of the cooperative school district, the board shall fix a time and place for a special meeting of the qualified voters within the districts, and shall prepare the warrant for the meeting after consultation with school boards of the pre-existing school district and cooperative school district. The warrant shall include articles for the selection of such school board members as

may be necessary as a result of the enlargement and other items of business that require action under the terms of the articles of agreement. The warrant shall be under the hand of the commissioner, in the name of the board, and the commissioner shall cause attested copies of same to be posted at least 14 days before the meeting in 3 public places in each district and a copy of the same to be published at least one week before the date of the meeting in some newspaper generally circulated within the cooperative school district. The expense of posting and publishing the warrant shall be paid by the state. The agent or agents of the commissioner who post and cause publication of the warrant shall make a return thereof, which, with the warrant, shall be made a part of the district records. The meeting shall be called to order by the moderator of the cooperative school district. This meeting shall have the same power and authority as an annual meeting with reference to the raising or appropriating of money. At this meeting and at all future special and annual meetings, qualified voters of the joining district are eligible for participation in all matters of the cooperative school district.

IV. Except for operating responsibility with respect to the schools in the joining district, which authority shall commence on the date specified in the articles of agreement, the cooperative school district and its school board shall have full powers and duties in the enlarged district from the date of the certificate of enlargement.

V. The failure of the voters to approve the acquisition of a school district shall not prevent the commencement of enlargement proceedings under this section with respect to such district thereafter.

Source. 1951, 213:1, par. 16. RSA 195:16. 1963, 258:12. 1969, 70:1. 1971, 252:4, 5. 1996, 158:9, eff. July 1, 1996.

Section 195:16-a

195:16-a Increase or Decrease in Grades. – Any cooperative school district may amend its existing arrangement or articles of agreement to increase or decrease the grades for which the cooperative school district provides education. If the cooperative district was organized pursuant to RSA 195:18, it shall proceed by amendment of its articles of agreement. The cooperative school board shall cease responsibility for the excluded school grades as of the date specified in the amended articles of agreement or the existing arrangement.

Source. 1963, 258:13. 1996, 158:9. 1997, 320:3, eff. Aug. 22, 1997.

Section 195:16-b

195:16-b Power of Eminent Domain. – Whenever a cooperative school district cannot acquire by purchase a good title to any real estate or interest therein needed by it for its purposes either because of the unwillingness of the owner to sell at a reasonable price, the owner's inability to convey a good title, or for other reason, the cooperative school district may apply by petition to the superior court for the county in which such real estate or interest therein is located to acquire such real estate or interest therein in the name of such district and to have assessed the damages occasioned by the taking. Thereafter the procedure shall follow that prescribed in RSA 498-A.

Source. 1963, 258:13. 1996, 222:9, eff. Aug. 9, 1996.

Section 195:16-c

195:16-c Powers of Superior Court as to Pre-existing Districts. – If there shall arise any occasion which shall require the doing of any act or thing by or in behalf of a pre-existing district which has ceased to exist by reason of its inclusion in a cooperative school district, the superior court shall have the power, upon application of 3 registered voters domiciled in the territory of the pre-existing school district, to appoint an agent who, subject to the approval of the superior court, shall have the power on behalf of and in the name of the pre-existing school district to do any act or thing that may be just under the circumstances.

Source. 1963, 258:13. 2003, 289:19, eff. Sept. 1, 2003.

Section 195:17

195:17 Repealed by 1996, 158:19, eff. July 1, 1996. –

Cooperative School Districts Hereafter Formed

Section 195:18

195:18 Procedure for Formation of Cooperative School District. –

Cooperative school districts shall be organized solely in accordance with the following procedure:

I. (a) Any school district pursuant to an article in the warrant for any annual or special meeting may vote to create a cooperative school district planning committee consisting of 3 qualified voters of whom at least one shall be a member of the school board. The members of the committee shall be elected at the meeting at which the committee is created, unless the district determines that they shall be appointed by the moderator. The members of the committee shall serve without pay for a term ending (1) at the third annual meeting of the district following the creation of the committee, if the committee is created at an annual meeting, or (2) at the first annual meeting of the district next following the expiration of 3 years from the date of the creation of the committee, if the committee is created at a special meeting, or (3) upon the final adjournment of the organization meeting of any cooperative school district of which the district becomes a part. If the term of the committee ends at an annual meeting of the district, the district may create a successor cooperative school district planning committee pursuant to the foregoing provisions. Vacancies on the committee shall be filled by the moderator for the balance of the unexpired term. The district may appropriate money to meet the expenses of the committee at the meeting at which it is created or at any subsequent district meeting notwithstanding the provisions of RSA 32 or RSA 197:3, and such expenses may include the cost of publication and distribution of reports. Cooperative school district planning committees from any 2 or more school districts may join together to form a cooperative school district planning board which shall organize by the election of a chairperson and a clerk-treasurer. The planning board may thereafter admit to membership planning committees from other school districts, but the members of a planning committee shall not be members of more than one planning board at any one time. A cooperative school district planning board shall act by a majority vote of its total membership.

(b) Any school district which votes at any annual or special district meeting to create a cooperative school district planning committee under RSA 195:18 shall elect the members of such committee as provided in RSA 195:18.

II. It shall be the duty of the cooperative school district planning board to study the advisability of establishing a cooperative school district in accordance with the standards set forth in RSA 195:2, its organization, operation and control, and the advisability of constructing, maintaining and operating a school or schools to serve the needs of such district; to estimate the construction and operating costs thereof; to investigate the methods of financing such school or schools, and any other matters pertaining to the organization and operation of a cooperative school district; and to submit a report or reports of its findings and recommendations to the several school districts.

III. A cooperative school district planning board may recommend that a cooperative school district composed of all the school districts represented by its membership or any specified combination of such school districts be established. The planning board shall prepare proposed articles of agreement for the proposed cooperative school district, which shall be signed by at least a majority of the membership of the planning board, which set forth the following:

(a) The school districts which shall be combined to form the proposed cooperative school district and the name of such cooperative school district.

(b) The number, composition, method of selection and terms of office of its cooperative school board, all in accordance with the provisions of RSA 195:19 through 23 inclusive, provided that the cooperative school board shall consist of an odd number of members not more than 15 for terms not exceeding 3 years.

(c) The grades for which the cooperative school district shall be responsible.

(d) The specific properties of pre-existing districts to be acquired by the cooperative school district and the general location of any proposed new schools to be initially established or constructed by the cooperative school district.

(e) The method of apportioning the operating expenses of the cooperative school district among the several preexisting districts and the time and manner of payment of such shares. Home education pupils who do not receive services from the cooperative school district, except an evaluation pursuant to RSA 193-A:6, II shall not be included in the average daily membership relative to apportionment formulas.

(f) The indebtedness of any preexisting district which the cooperative school district is to assume.

(g) The method of apportioning the capital expenses of the cooperative school district among the several preexisting districts, which need not be the same as the method for apportioning operating expenses, and the time and manner of payment of such shares. Capital expenses shall include the costs of acquiring land and buildings for school purposes, including property owned by a preexisting district; the construction, furnishing and equipping of school buildings and facilities; and the payment of the principal and interest of any indebtedness which is incurred to pay for the same or which is assumed by the cooperative school district. Home education pupils who do not receive services from the cooperative school district, except an evaluation pursuant to RSA 193-A:6, II, shall not be included in the average daily membership relative to apportionment formulas.

(h) The manner in which the state aid referred to in RSA 195:15, or any other available state aid, shall be allocated, unless it is otherwise expressly provided by the law making such aid available.

(i) The method by which the articles of agreement may be amended with the approval of the board; except that no amendment may permit secession of territory. The provisions adopted

under either subparagraph (e) or (g) above may be subject to review pursuant to an article for that purpose duly inserted in the warrant for a district meeting which may be held at any time after the expiration of the 5-year period measured from the date of the first annual meeting. If the apportionment formula for a cooperative school district has been duly changed, or if an article to continue the current formula has been passed at a district meeting, the basis for the apportionment of all such costs may be subject to review pursuant to an article for that purpose duly inserted in the warrant for a district meeting which may be held at any time after the expiration of the 5-year period measured from the date of the meeting at which the last change was made to the cost apportionment or the last article to continue the current formula was passed. However, such provisions may be amended at any time in order to permit the enlargement of a cooperative school district or an increase in the number of grades for which the cooperative school district shall be responsible.

(j) The date of operating responsibility of the proposed cooperative school district, and a proposed program for the assumption of operating responsibility for education by the proposed cooperative school district and any school construction; which the cooperative school district shall have the power to vary by vote as circumstances may require.

(k) For cooperative districts formed after the effective date of this subparagraph, a plan for dissolution of the cooperative school district. Issues to be considered shall include, but shall not be limited to, the process for ongoing education following dissolution, maintenance of student records, employment, ongoing liability, capital issues, and bond issues.

(l) Any other matters, not incompatible with law, which the cooperative school district planning board may consider appropriate to include in the articles of agreement.

IV. Notwithstanding the provisions of RSA 195:9, the articles of agreement, or any amendment thereto, may provide for the donation, the sale or the transfer under a lease-purchase agreement of any school property owned by a pre-existing district to the cooperative school district, except that no lease-purchase agreement shall extend for a period of more than 20 years. The adoption of the articles of agreement or any such amendment shall be sufficient authorization for the appropriate school boards to carry out the transaction. Obligations incurred by the cooperative school district in connection with any lease-purchase agreement hereunder shall not be deemed indebtedness of the cooperative school district for the purposes of ascertaining its borrowing capacity.

V. Before final approval of a proposed articles of agreement by the planning board, it shall hold at least one public hearing thereon within the proposed cooperative school district and shall give such notice thereof as it may determine to be reasonable. An executed copy of the proposed articles of agreement shall be submitted by the planning board to the board, and, when the board finds that the same are in accord with the standards set forth in RSA 195:2, it shall approve the same and cause them to be submitted to the school boards of the several pre-existing districts for acceptance by the districts as provided in paragraph VI. Upon such submission, the board shall cause the approved articles of agreement to be published once in some newspaper generally circulated within the proposed cooperative school district at the expense of the state. The planning board may amend a proposed articles of agreement to conform to recommendations of the board after holding a further public hearing thereon with notice as above provided.

VI. Upon the receipt of written notice of the board's approval of the articles of agreement, the school board of each preexisting district which is to be included in the cooperative school district shall cause the articles of agreement to be filed with the clerk of such preexisting district and submitted to the voters of the district as soon as may reasonably be possible at an annual meeting or at a special meeting called for the purpose, the voting to be by ballot with

the use of the checklist, after reasonable opportunity for debate in open meeting. The duty to call such meeting for such purpose may be enforced by the superior court in an equity proceeding commenced by any voter or taxpayer of such school district. The article in the warrant for each district meeting and the question on the ballot to be used at the meeting shall be in substantially the following form:

"Shall the school district accept the provisions of RSA 195 (as amended) providing for the establishment of a cooperative school district, together with the school districts of _____ and _____ etc., in accordance with the provisions of the proposed articles of agreement filed with the school district clerk?"

Yes _____ No _____

If a majority of the voters present and voting in each district shall vote in the affirmative, the clerk of each preexisting district shall forthwith send to the board a certified copy of the warrant, certificate of posting, evidence of publication if required, and minutes of the meeting in such district. If the board finds that a majority of the voters present and voting in each preexisting district meeting have voted in favor of the establishment of the cooperative school district, it shall issue its certificate to that effect. Such certificate shall be conclusive evidence of the lawful organization and formation of the cooperative school district as of the date of its issuance.

VII. If any pre-existing district fails to vote in the affirmative on the proposed articles of agreement within 90 days after its school board receives notice of approval thereof by the board, such district shall be deemed to have rejected the same. If the proposed articles of agreement fail of adoption as herein required, they may be resubmitted to all or a different combination of the several pre-existing districts either in their original form or as amended by the cooperative school district planning board, with the approval of the board, such articles if amended to be published once by the board as provided in the case of initial articles of agreement in paragraph V, and shall in such case be again acted upon by each district, as provided herein; but, prior to the approval thereof by the board for resubmission, the planning board shall hold one further hearing thereon as provided in paragraph V in the case of initial articles of agreement.

VIII. The board shall fix a time and place for a special meeting of the qualified voters within the cooperative school district for the purpose of organization and shall prepare the warrant for the meeting after consultation with the cooperative school district planning board. The warrant shall include articles for the selection of a school board and other necessary officers, the appropriation of money for the operation of the district, and any other items of business that require action at the organization meeting. The warrant shall be under the hand of the commissioner, in the name of the board, and the commissioner shall cause attested copies of same to be posted at least 14 days before the meeting in 3 public places in each pre-existing district and a copy of the same to be published at least one week before the date of the meeting in some newspaper generally circulated within the cooperative school district. The expense of posting and publishing the warrant shall be paid by the state. The agent or agents of the commissioner who post and cause publication of the warrant shall make a return thereof, which, with the warrant, shall be made a part of the district records. The organization meeting shall have the same power and authority as an annual meeting with reference to the raising or appropriating of money.

IX. The organization meeting of a cooperative school district shall be called to order by the chairperson of the cooperative school district planning board, or by the clerk-treasurer thereof, who shall serve as temporary chairperson for the first order of business which shall be the election of a moderator and of a temporary clerk, by ballot, who shall be qualified voters of the district. From and after the issuance of the certificate of formation by the board to the date of operating responsibility of the cooperative school district, such district shall have all the authority and powers of a regular school district for the purposes of incurring indebtedness, for the construction of school facilities and for such other functions as are necessary to obtain proper facilities for a complete program of education. When necessary in such interim, the school board of the cooperative school district is authorized to prepare a budget and call a special meeting of the voters of the district, which meeting shall have the same authority as an annual meeting, for the purpose of adopting the budget, making necessary appropriations, and borrowing money. Whenever the organization meeting is held on or before April 20 in any calendar year, no annual meeting need be held in such calendar year. Sums of money raised and appropriated at the organization meeting or any interim meeting prior to the first annual meeting shall be forthwith certified to the commissioner of revenue administration and the state department of education upon blanks prescribed and provided by the commissioner of revenue administration for the purpose, together with a certificate of estimated revenues, so far as known, and such other information as the commissioner of revenue administration may require. The commissioner of revenue administration shall examine such certificates and delete any appropriations which appear not made in accordance with the law, and adjust any sum which may be used as a setoff against the amount appropriated when it appears to the commissioner such adjustment is in the best public interest. The commissioner of revenue administration shall certify to the state department of education the total amount of taxes to be raised for said cooperative school district and the state department of education shall determine the proportional share of said taxes to be borne by each preexisting school district and notify the commissioner of revenue administration of its determination. Upon certification by the commissioner of revenue administration the selectmen of each town shall seasonably assess the taxes as provided by law. The selectmen shall pay over to the treasurer of the cooperative district such portion of the sums so raised as may reasonably be required according to a schedule of payments needed for the year as prepared by the treasurer and approved by the cooperative school board, but no such payment shall be greater in percentage to the total sum to be raised by one local district than that of any other local district comprising such cooperative school district.

X. The provisions of RSA 195:7 and 8 shall not apply to cooperative school districts organized under this section, but all other sections of this chapter shall apply to such districts, except as otherwise expressly provided in this section or in any articles of agreement adopted pursuant hereto.

XI. Notwithstanding the provisions of paragraphs I-X or any other law to the contrary, no single school district that includes a city shall be prohibited from participating in a school district planning committee.

Source. 1963, 258:1. 1971, 252:6, 7. 1973, 544:8. 1991, 148:1. 1996, 158:10-12; 222:11-13, 18. 1999, 17:39, 40; 281:10, 11. 2000, 59:2, eff. June 16, 2000. 2018, 255:1, eff. Aug. 11, 2018. 2021, 80:2, eff. Aug. 17, 2021.

Apportionment of Cooperative School Boards

Section 195:19

195:19 Statement of Policy. – It is the purpose of this subdivision to provide a means for cooperative school districts now existing or hereafter formed to meet the constitutional mandate of one-man one-vote as announced by the United States supreme court. It is the intention of the legislature to provide flexibility to the cooperative school district in meeting the requirements of the one-man one-vote doctrine within the limitations of this chapter.

Source. 1971, 252:1, eff. Aug. 22, 1971.

Section 195:19-a

195:19-a Composition of Cooperative School Boards. –

The number, composition, method of selection, and terms of members of cooperative school boards shall be as provided in the bylaws or articles of agreement of the cooperative school district, as the case may be; provided, however, that such bylaws and articles of agreement shall be limited to the alternatives contained herein where applicable; and provided further that no cooperative school district in existence on August 22, 1971 shall be required to conform hereto unless it is so voted pursuant to RSA 671:9.

I. All members of the cooperative school board shall be elected at large; or

II. The cooperative school district shall be divided into single board member districts according to population with as nearly equal population in each district as possible; or

III. The cooperative school district shall be divided into multiboard member districts or a combination of single member or multimember districts so that proportional representation will be most nearly achieved; or

IV. The members of the cooperative school board shall each be domiciled in and represent a pre-existing district with each pre-existing district having at least one such resident representative but all members of the cooperative school board shall be elected at large; or

V. Such other method of selection of cooperative school board members compatible with proportional representation, one-man one-vote principle as may be approved by the state board of education.

VI. The terms of the members of the cooperative school board shall be as provided in the bylaws or articles of agreement provided that in no case shall such terms exceed 3 years.

VII. Whenever the bylaws or articles of agreement provide for the election of cooperative school board members pursuant to this chapter, said election shall be with the use of the non-partisan ballot system under RSA 669.

Source. 1996, 158:13, eff. July 1, 1996.

Section 195:19-b

195:19-b Reapportionment. – Any cooperative school district organized under any of the provisions of RSA 195 or pursuant to any special act may at any regular or special meeting vote to change the number, composition, method of selection, and terms of office of members on the board of the district, provided that in no event shall the board exceed 15 members nor terms exceed 3 years; and may change the apportionment of the board in relation to the pre-existing school districts.

Source. 1996, 158:13, eff. July 1, 1996.

Section 195:19-c

195:19-c Special Provisions for Cooperative School Districts. –

I. At the organizational meeting of the cooperative school district, the checklists for each pre-existing district shall be used. The school board of any pre-existing district which does not have a checklist shall make a list of the legal voters in the district for use at such meeting as supervisors are required to do in towns as provided in RSA 654:25-654:31. Thereafter, the cooperative school board shall make, correct and post a list of the legal voters of the cooperative school district acting as supervisors are required to do; except that such list shall indicate with respect to each voter the pre-existing district in which he is domiciled.

Notwithstanding the foregoing provisions, whenever each of the pre-existing school districts is coextensive with the town in which it is located, the cooperative school district may, at an annual cooperative school district meeting, under an article in the warrant for such meeting, vote that the supervisors of each town, acting as the supervisors of the cooperative school district, shall make, correct and post in each pre-existing district a checklist of the voters in each pre-existing district and shall certify to the same acting as supervisors of the cooperative school district and shall attend the cooperative school district meeting. At each cooperative school district election, the checklists prepared by the supervisors in each pre-existing district in accordance with this section shall be used.

II. An updated checklist shall be used at all cooperative school district elections and meetings for the same purposes as checklists are used by towns as provided in RSA 669:5.

III. Notwithstanding any other provision of law, any registered voter on a town or city checklist, who has his domicile within a cooperative school district, shall be eligible to vote at any cooperative school district election or meeting in the district where he has his domicile. The supervisors of the checklists for the various cities and towns within a cooperative school district shall make an appropriate notation on their respective checklists with respect to which school district a registered voter is entitled to vote in.

IV. Notwithstanding any other provision of law, any cooperative school district, which uses the checklists of the cities and towns within the district for an election or meeting pursuant to paragraph III, shall not be required to maintain a separate school district checklist or conduct sessions of the supervisors of the checklist.

Source. 1996, 158:13, eff. July 1, 1996.

Section 195:20

195:20 Repealed by 1979, 321:2, II, eff. Aug. 21, 1979. –

Section 195:21

195:21 Repealed by 1979, 321:2, III, eff. Aug. 21, 1979. –

Section 195:22

195:22 Method of Proposal. –

A plan for reapportionment, including the terms of office of members to be elected pursuant thereto, as provided for by RSA 195:19-c:

I. May be submitted to the voters by the school board at any regular meeting of the district, and

II. Shall be submitted to the voters on petition, which shall include the proposed plan, to the school board, signed by no less than 10 percent of the qualified voters in a cooperative district at the next regular meeting or at a special meeting of the district if requested in the petition.

Source. 1971, 252:1. 1996, 158:14, eff. July 1, 1996.

Section 195:23

195:23 Repealed by 1979, 321:2, IV, eff. Aug. 21, 1979. –

Withdrawal From Cooperative School District

Section 195:24

195:24 Repealed by 1996, 158:19, eff. July 1, 1996. –

Section 195:25

195:25 Procedure for Review. –

I. After the tenth anniversary of the date of operating responsibility, the school board of a cooperative school district may initiate a review of the feasibility and suitability of the withdrawal of one or more member districts from the cooperative district. A similar review shall be initiated if, after the tenth anniversary of the date of operating responsibility, a pre-existing district shall, by a majority vote on a warrant article at a regular or special town meeting, direct the school board of a cooperative school district to initiate such a review. In either case, the review shall be conducted by a committee composed of one member of the school board from each of the pre-existing districts, one member of the board of selectmen from each town within the cooperative school district, and such other members as may be appointed by the committee. The committee shall have its first meeting no later 60 days following its creation or by the vote at the annual meeting which established the committee.

II. Within 180 days after the committee's first meeting, the committee shall report its findings to the state board of education. The committee shall submit a report to the school board of the cooperative school district. The report shall indicate whether the withdrawal of one or more towns from the cooperative school district is recommended, not recommended, or whether more time and information are needed to make a determination.

III. If the committee finds that the withdrawal of one or more towns from the cooperative school district is recommended, the committee shall develop a withdrawal plan in accordance with RSA 195:26. The plan shall be submitted to the state board of education no later than November 1. Members of the committee who voted against recommending withdrawal may file a minority report with the state board of education no later than November 1.

IV. If the committee finds that the withdrawal of one or more towns from the cooperative

school districts is not recommended, the committee shall file a report with the school board of the cooperative school district and the committee shall be dissolved. Members of the committee who voted to recommend the withdrawal of one or more towns from the cooperative school district may file a minority report with the school board of the cooperative school district.

V. If the committee finds that more time and information are needed to make a determination, the committee shall reconvene within 30 days of filing its initial report and continue its work. In such a case, the committee shall, within 180 of filing its initial report, file a subsequent report with the school board of the cooperative school district indicating whether the withdrawal of one or more towns from the cooperative school district is recommended or not recommended. If the committee finds that the withdrawal of one or more towns from the cooperative school district is not recommended, members of the committee who voted to recommend the withdrawal of one or more towns from the cooperative school district may file a minority report with the school board of the cooperative school district. If the committee finds that the withdrawal of one or more towns from the cooperative school district is recommended, the committee shall develop a withdrawal plan in accordance with RSA 195:26. The plan shall be submitted to the state board of education no later than November 1. Members of the committee who voted against the withdrawal plan and its recommendations may file a minority report with the state board of education no later than November 1.

VI. If the state board approves the withdrawal plan, whether submitted by the committee or by minority report, the plan shall be submitted to the voters of the cooperative school district in accordance with RSA 195:29.

Source. 1977, 439:1. 1979, 129:1. 2005, 110:1, eff. June 15, 2005. 2018, 1:1, eff. Mar. 27, 2018.

Section 195:26

195:26 Withdrawal Plan. –

A plan for the withdrawal of a member district or districts of a cooperative school district shall include the following:

- I. The name of the withdrawing district or districts and the grades.
- II. The number, composition, method of selection, and terms of office of the school board of the withdrawing district or districts and of the cooperative school board.
- III. The method of apportioning the operating and capital expenses among the members of the cooperative school district if a change is to be proposed in conjunction with the withdrawal procedure.
- IV. The proposed date of operating responsibility, at which time the withdrawing district shall be responsible for the education of its pupils and after which the cooperative district will no longer have such financial and educational responsibility.
- V. The liability of the withdrawing district for its share of any outstanding indebtedness of the cooperative school district as detailed in RSA 195:27.
- VI. A plan for the education of all students in the withdrawing school district and for the continuation of the school system of the cooperative district. This shall detail the proposed assignment of students in grades operated by the cooperative and withdrawing district or districts including, if any, tuition arrangements or contracts.

VII. Any other matters, not incompatible with law, which the planning committee may consider appropriate to include in the withdrawal plan.

Source. 1977, 439:1, eff. Sept. 3, 1977.

Section 195:27

195:27 Liability of Withdrawing District. – Each withdrawing district shall remain liable for its share of the indebtedness of the capital costs of the cooperative school district which is outstanding when the withdrawal vote takes effect, and the withdrawing district shall pay to the cooperative school district annually (a) that percentage of the payments of principal and interest of such debt thereafter due which is the same as the percentage for which the withdrawing district was responsible in the school year immediately preceding the effective date of the withdrawal vote, and (b) all amounts of state aid for the purchase or construction of school buildings and any other state aids which are lost by the cooperative school district after the withdrawal of a district as a result of such withdrawal, as determined by the state board of education, except that the withdrawing district shall not be liable for any indebtedness or loss of state aid or other aid contracted after the district has duly notified the remaining districts in the cooperative that a withdrawal study is being requested. Payments in discharge of such liability shall be made in accordance with a schedule agreed upon by the school board of the cooperative school district and the withdrawing school district or, in the event they fail to agree, as fixed by the state board of education. Such payments shall be deemed to be trust funds and shall be applied by the cooperative school district solely in payment of its indebtedness which was incurred to finance cooperative school facilities and which was outstanding on the effective date of the withdrawal vote. A school district which withdraws from the cooperative school district shall forfeit its equity in any cooperative district schools.

Source. 1977, 439:1, eff. Sept. 3, 1977.

Section 195:28

195:28 Disposition of Property. – If a pre-existing school district withdraws from the cooperative school district, the cooperative school district shall transfer and convey title to any school building and land located in the withdrawing district to the withdrawing district upon payment by the withdrawing district of the costs of capital improvements and additions to said school building incurred by the cooperative school district, less the share which the withdrawing school district has already paid toward such costs and the share which the withdrawing school district is required to contribute toward such costs as provided in RSA 195:27. The amount of said capital improvements and additions and the time of transfer of title shall be determined by the agreement for withdrawal between the cooperative school district and the withdrawing school district. The withdrawing school district forfeits its equity in all other cooperative school district facilities.

Source. 1977, 439:1, eff. Sept. 3, 1977.

Section 195:29

195:29 Vote on Withdrawal. – If the state board approves the plan for withdrawal, the board shall cause the withdrawal plan to be published once in some newspaper generally circulated within the cooperative school district. Upon receipt of a written notice of the board's approval of the withdrawal agreement, the school board of the cooperative district shall cause the withdrawal plan to be filed with the clerk of the cooperative school district and submitted to the voters of the district as soon as may reasonably be possible at an annual or special meeting called for the purpose, the voting to be by ballot with the use of the checklist, after reasonable opportunity for debate in open meeting. The article in the warrant for the district meeting and the question on the ballot to be used at the meeting shall be in substantially the following form:

"Shall the school district accept the provisions of RSA 195 (as amended) providing for the withdrawal of the preexisting district of _____ from the _____ cooperative school district in accordance with the provisions of the proposed withdrawal plan filed with the school district clerk?"

Yes _____ No _____

If a majority of voters present and voting in the withdrawing preexisting district vote against withdrawal, then the withdrawal process is terminated. If a majority of the voters present and voting in the withdrawing preexisting district shall vote in the affirmative, and a majority of the voters present and voting in the entire cooperative district shall vote in the affirmative, the clerk of the cooperative school district shall forthwith send to the state board of education a certified copy of the warrant, certificate of posting, evidence of publication, and minutes of the meeting. If the board finds that a majority of the voters present and voting have voted in favor of the withdrawal plan, it shall issue its certificate to that effect and such certificate shall be conclusive evidence of the withdrawal of the preexisting district and the continuation of the cooperative school district as of the date of its issuance, or the dissolution of a 2-district cooperative if the cooperative was formed by 2 preexisting districts, provided, however, that a withdrawal plan shall be prepared for a 2-district cooperative and it shall provide for the disposition of property held within the cooperative and a statement of assumption of liabilities. If a majority of voters present and voting reject the plan, the withdrawing district shall have the right to appeal such vote to the state board of education. The state board shall upon receipt of such appeal investigate and report back to the district on its findings and recommendations; and this report may require that there will be another special meeting for a vote of reconsideration.

Source. 1977, 439:1. 1979, 129:2. 1996, 158:15, eff. July 1, 1996. 2018, 78:1, eff. July 24, 2018.

Section 195:30

195:30 Time of Withdrawal. – The vote to withdraw from a cooperative school district shall take effect on July 1 of the calendar year one year subsequent to the date on which the withdrawal vote is passed. A preexisting school district which withdraws from a cooperative school district shall remain a part of the school administrative unit of which it was a member prior to withdrawal unless the withdrawing district complies with the school administrative unit withdrawal process set forth in RSA 194-C:2. After passage of the withdrawal vote and the issuance by the state board of education of its certificate of withdrawal, a special meeting of the voters in the withdrawing district shall be held at a time set by the state board of

education. The warrant for this special meeting, approved by the state board of education and signed by the commissioner, shall provide for the election of officers in the withdrawing school district. The commissioner of education shall have authority to appoint officers pro tem as may be necessary and prepare the warrant for the special meeting held to elect officers. This meeting shall have the same power and authority as an annual meeting with reference to the raising or appropriating of money. The district officers elected at said meeting shall take office immediately and shall carry out the duties of their office and may take any action otherwise permitted by law which is necessary in order to carry out the provisions of the withdrawal.

Source. 1977, 439:1. 1979, 129:3, eff. Aug. 4, 1979. 2010, 5:3, eff. June 18, 2010.

Section 195:31

195:31 Modification. – In the event that the cooperative district adopts the provisions of RSA 194-B, the percentage of pupils authorized by a vote of the cooperative school district shall be permitted to attend a chartered public school which may be established in the district and approved by the voters in accordance with RSA 194-B:3.

Source. 2000, 106:1, eff. July 7, 2000. 2008, 354:1, eff. Sept. 5, 2008. 2009, 241:12, eff. Sept. 14, 2009.

Commission to Study Issues Relating to Pre-Existing Districts Withdrawing from a Cooperative School District

Section 195:32

195:32 Repealed by 2016, 225:2, eff. Nov. 1, 2017. –

TITLE LXIII ELECTIONS

Chapter 671 SCHOOL DISTRICT ELECTIONS

General Provisions

Section 671:1

671:1 Applicability. – The officers of all school districts, including cooperative school districts, shall be elected according to the provisions of this chapter.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:2

671:2 Election Dates. – School district officers shall be elected either at the town meeting as provided in RSA 671:22-26 or at an annual meeting of the district held between the dates set forth in RSA 197:1. Notwithstanding any other provision of law, no election for school district officers shall be held in conjunction with the biennial election. The prohibition in this section against holding an election for school district officers in conjunction with the biennial election shall not apply to the election of the board of education members of the Concord union school district as provided in 1961, 355 as amended by 1983, 123, or any successor charter thereto, or to the election of the Laconia board of education members as provided in section 9:01 of the city charter of Laconia as amended by 1975, 357.

Source. 1979, 321:1. 1981, 250:4. 1991, 370:8. 2004, 254:10. 2011, 255:2, eff. Sept. 11, 2011.

Section 671:3

671:3 Term of Office. – Except as otherwise provided, the term of any officer elected under the provisions of this chapter shall begin upon the officer's election and qualification for office and shall end upon the election and qualification of the officer's successor.

Source. 1979, 321:1. 1997, 176:1, eff. Aug. 11, 1997.

Regular School Districts

Section 671:4

671:4 Board. – A school district which is not a cooperative school district as defined in RSA 195:1 may have a school board of 3, 5, 7, or 9 members, as it shall determine by vote at any annual meeting. They shall serve for a term of 3 years. Insofar as possible, an equal number of the members shall be elected at each school district election. Whenever such a district determines to change the number of board members, it shall also determine the number of members to be elected each year. Such change shall not take effect until the school district election in the year next following the one in which the change is voted. The board will increase or decrease in membership so that there will always be an uneven number of members until the desired number is reached. The school board of a district which does not otherwise vote shall have 3 members.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:5

671:5 Auditors. – At each district election, each district which is not a cooperative school district as defined in RSA 195:1 shall elect one or more auditors. In a district voting to elect 2 or more auditors, their terms shall be staggered so that one auditor shall be elected each year for a term of office of the same number of years as there are auditors; provided, however, that, in the first year, the auditors shall be chosen for varying terms so that the term of one auditor shall expire in the next succeeding year, the term of the second auditor, the next year, and so on for the number of years as there are number of auditors. When voters of the district direct the school board to request an audit by independent public accountants from outside the district, they shall not be required to choose auditors for the year covered by said audit.

Source. 1979, 321:1. 2010, 262:2, eff. Sept. 4, 2010.

Section 671:6

671:6 Other Officers. – Except as provided under RSA 671:6-a, at each school district election, each school district which is not a cooperative school district as defined in RSA 195:1 shall elect a school district clerk, moderator, treasurer, and such optional officers as the voters of the district shall have voted to elect to manage the affairs of the district. The moderator shall take office upon the adjournment of the regular school district meeting held in the year of the moderator's election and upon the moderator's qualification for office, whichever is later. The treasurer shall take office upon the close of the fiscal year for the district and upon the treasurer's qualification for office, whichever is later. An optional officer may not be elected by official ballot until the annual district election first following the establishment of the office. The school district may, by vote, determine to elect a temporary officer or authorize the school board to appoint a temporary officer to serve until the next annual district election.

Source. 1979, 321:1. 1981, 285:2. 1997, 176:2, eff. Aug. 11, 1997.

Section 671:6-a

671:6-a Optional Term. –

I. At any annual school district meeting under an article in the warrant placed there by petition, the voters may vote to determine if they are in favor of having 2-year or 3-year terms for the school district clerk, moderator and treasurer. If the school district has adopted an official ballot, the clerk shall cause the following question to be printed on said ballot: "Are you in favor of changing the terms of the school district clerk, moderator and treasurer from one year to (here insert term option) years, beginning with the terms of the school district clerk, moderator and treasurer to be elected at next year's regular school district meeting?" Said question shall be printed in the form prescribed by RSA 656:13. If the school district has not adopted an official ballot, the clerk shall cause the same question to be printed upon special ballots which shall be used to determine the vote of the school district. If a majority of those voting on the question vote in favor of 2-year or 3-year terms, at the next annual meeting after the vote of approval, the school district shall elect a school district clerk, moderator and treasurer for 2-year or 3-year terms in accordance with the results of such vote.

II. After the 2-year or 3-year terms for school district clerk, moderator and treasurer have been established, at any annual school district meeting held the year before the end of the 2-year or 3-year term, under an article in the warrant placed there by petition, the voters may vote to determine if they are in favor of changing the 2-year or 3-year terms for the school district clerk, moderator and treasurer. If the school district has adopted an official ballot, the clerk shall cause the following question to be printed on said ballot: "Are you in favor of changing the terms of the school district clerk, moderator and treasurer from (here insert term option) years to (here insert term option) year(s), beginning with the terms of the school district clerk, moderator and treasurer who shall be elected at next year's regular school district meeting?" The question shall be printed in the form prescribed by RSA 656:13. If the school district has not adopted an official ballot, the clerk shall cause the same question to be printed upon special ballots which shall be used to determine the vote of the school district. If a majority of those voting on the question vote in favor of changing the terms, at the next annual school district meeting, the voters shall elect the clerk, moderator and treasurer in accordance with the result of such vote.

III. The terms of the school district clerk, moderator and treasurer shall all be for one year, for 2 years, or for 3 years. The terms of only one or 2 of such officers shall not be changed independently of the other one or 2 officers.

IV. The power of choosing one year, 2-year, or 3-year terms for the school district clerk, moderator and treasurer shall not extend to any other officers of the school district.

Source. 1981, 285:1. 1997, 176:3, eff. Aug. 11, 1997.

Section 671:7

671:7 Cooperative School District Planning Committee. – Any school district which votes at any annual or special district meeting to create a cooperative school district planning committee under RSA 195:18 shall elect the members of said committee as provided in RSA 195:18.

Source. 1979, 321:1. 1996, 158:16, eff. July 1, 1996.

Cooperative School Districts

Section 671:8

671:8 Composition of Cooperative School Boards. – The number, composition, method of selection, and terms of members of cooperative school boards shall be as provided in the bylaws or articles of agreement of the cooperative school district, as the case may be, in accordance with RSA 195:19-a.

Source. 1979, 321:1. 1996, 158:16, eff. July 1, 1996.

Section 671:9

671:9 Reapportionment. – Any cooperative school district organized under any of the provisions of RSA 195 or pursuant to any special act may at any regular or special meeting vote to change the number, composition, method of selection, and terms of office of members on the board of the district in accordance with the provisions of RSA 195:19-b.

Source. 1979, 321:1. 1996, 158:16, eff. July 1, 1996.

Section 671:10

671:10 Budget Committee Members. – The voters of any cooperative school district which has voted at a previous meeting to elect a budget committee under RSA 195:12-a shall elect members of the budget committee as provided in RSA 195:12-a.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:11

671:11 Moderator. – Except as provided under RSA 671:11-a, at every school district election, a cooperative school district shall elect a moderator and such other officers as the voters of the district have voted to elect to manage the district's affairs. Any optional officers shall be chosen as provided in RSA 671:6.

Source. 1979, 321:1. 1999, 75:1, eff. July 27, 1999.

Section 671:11-a

671:11-a Optional Term for Moderator. –

I. At any annual school district meeting under an article in the warrant placed there by petition, the voters may vote to determine if they are in favor of having 2-year or 3-year terms for the moderator. If the school district has adopted an official ballot, the clerk shall cause the following question to be printed on said ballot: "Are you in favor of changing the term of the moderator from one year to (here insert term option) years, beginning with the term of the moderator to be elected at next year's regular school district meeting?" Said question shall be printed in the form prescribed by RSA 656:13. If the school district has not adopted an official ballot, the clerk shall cause the same question to be printed upon special ballots which shall be

used to determine the vote of the school district. If a majority of those voting on the question vote in favor of 2-year or 3-year terms, at the next annual meeting after the vote of approval, the school district shall elect a moderator for a 2-year or 3-year term in accordance with the results of such vote.

II. After the 2-year or 3-year term for moderator has been established, at any annual school district meeting held the year before the end of the 2-year or 3-year term, under an article in the warrant placed there by petition, the voters may vote to determine if they are in favor of changing the 2-year or 3-year term for the moderator. If the school district has adopted an official ballot, the clerk shall cause the following question to be printed on said ballot: "Are you in favor of changing the term of the moderator from (here insert term option) years to (here insert term option) year(s), beginning with the term of the moderator who shall be elected at next year's regular school district meeting?" The question shall be printed in the form prescribed by RSA 656:13. If the school district has not adopted an official ballot, the clerk shall cause the same question to be printed upon special ballots which shall be used to determine the vote of the school district. If a majority of those voting on the question vote in favor of changing the term, at the next annual school district meeting, the voters shall elect the moderator in accordance with the result of such vote.

III. The term of the moderator shall be for one year, 2 years, or 3 years.

IV. The power of choosing one-year, 2-year, or 3-year terms for the moderator shall not extend to any other officers of the school district.

Source. 1999, 75:2, eff. July 27, 1999.

Section 671:12

671:12 First Meeting. – The organizational meeting of a cooperative school district shall be conducted in accordance with RSA 195:18, IX.

Source. 1979, 321:1. 1996, 158:17, eff. July 1, 1996.

Section 671:13

671:13 Area School Planning Committee. – Any school district which votes at any annual or special meeting to create and to elect an area school planning committee under RSA 195-A:3 shall, at the same meeting, elect the members of said committee.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:14

671:14 Qualifications. – Any person domiciled in the school district who is qualified to vote as provided in RSA 654:1 through 654:6 and who is on the school district checklist shall be entitled to vote at any school district election.

Source. 1979, 321:1. 1997, 176:4. 2010, 317:68, eff. July 18, 2010.

Section 671:15

671:15 Checklist. – An updated checklist shall be used at all school district elections and meetings for the same purposes as checklists are used by towns as provided in RSA 669:5. The supervisors of the town checklist, acting as supervisors of the school district checklist, shall correct, certify, and post the checklist for the district as provided in RSA 654:25-654:31.

Source. 1979, 321:1. 1981, 571:4. 2003, 27:6, eff. July 1, 2003. 2017, 64:1, eff. Aug. 1, 2017.

Section 671:16

671:16 Repealed by 2017, 64:2, I, eff. Aug. 1, 2017. –

Section 671:17

671:17 Special Provisions for Cooperative School Districts. –

- I. At the organizational meeting of the cooperative school district, the checklists for each pre-existing district shall be used in accordance with RSA 195:19-c. The school board of any pre-existing district which does not have a checklist shall make a list of the legal voters in the district for use at such meeting as supervisors are required to do in towns as provided in RSA 654:25-654:31. Thereafter, the cooperative school board shall make, correct and post a list of the legal voters of the cooperative school district acting as supervisors are required to do; except that such list shall indicate with respect to each voter the pre-existing district in which the voter is domiciled. Notwithstanding the foregoing provisions, whenever each of the pre-existing school districts is coextensive with the town in which it is located, the cooperative school district may, at an annual cooperative school district meeting, under an article in the warrant for such meeting, vote that the supervisors of each town, acting as the supervisors of the cooperative school district, shall make, correct and post in each pre-existing district a checklist of the voters in each pre-existing district and shall certify to the same acting as supervisors of the cooperative school district and shall attend the cooperative school district meeting. At each cooperative school district election, the checklists prepared by the supervisors in each pre-existing district in accordance with this section shall be used.
- II. An updated checklist shall be used at all cooperative school district elections and meetings for the same purposes as checklists are used by towns as provided in RSA 669:5.
- III. Notwithstanding any other provision of law, any registered voter on a town or city checklist, domiciled within a cooperative school district, shall be eligible to vote at any cooperative school district election or meeting in the district where the voter is domiciled. The supervisors of the checklists for the various cities and towns within a cooperative school district shall make an appropriate notation on their respective checklists with respect to which school district a registered voter is entitled to vote in.
- IV. Notwithstanding any other provision of law, any cooperative school district, which uses the checklists of the cities and towns within the district for an election or meeting pursuant to paragraph III, shall not be required to maintain a separate school district checklist or conduct sessions of the supervisors of the checklist.

Source. 1979, 321:1. 1981, 571:5. 1991, 220:1. 1996, 158:18. 1997, 176:5, eff. Aug. 11, 1997.

Nominations

Section 671:18

671:18 Qualifications. – To become a candidate for any school district office, a person must be a registered voter in the district. No person holding the office of member of the school board shall at the same time hold the office of district moderator, treasurer, or auditor. No person employed on a salaried basis by a school administrative unit or by any school district within a school administrative unit shall be a school board member in any district of the school administrative unit. Salaried positions shall include, but are not limited to, the following: teacher, custodian, administrator, secretary, school bus driver (if paid by the district), school lunch worker and teacher's aide.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:19

671:19 Filing. – All the provisions of RSA 669:19-669:22 relative to filing for office and withdrawal of candidacy for a non-partisan town election shall apply to school district elections except that in those statutes where there is a reference to a town or a town clerk, it shall be read to refer to a school district or a school district clerk.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Preparation of Ballots

Section 671:20

671:20 By School District Clerk. – The school district clerk shall prepare ballots for school district elections in the same manner as town clerks for non-partisan town elections, as provided in RSA 669:23 and 669:24, except that the ballot shall be of a different color than any other ballot used at the election.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Absentee Voting

Section 671:21

671:21 Absentee Voting. –

I. A school district shall provide for absentee voting in the same manner as towns as provided in RSA 669:26-669:29 except that all duties performed therein by the town clerk shall be performed by the school district clerk.

II. Notwithstanding the provisions of paragraph I, if any school district votes to elect its district officers by separate ballot at the town election as provided in RSA 671:22, II, then for either the town election or the school district election an application for an absentee ballot shall be sufficient in order to receive an absentee ballot for both the town election and the

school district election. If a town adopts the provisions of RSA 671:22, II, all forms relative to applications for absentee ballots, all absentee ballots, and all returns of absentee ballots shall be made only available at and only returnable to, as applicable, the office of each town clerk of each town comprising the school district.

III. Each town clerk shall make facilities in the town clerk's office available for the school district clerk to perform school district functions in connection with absentee voting. It shall be the duty of the school district clerk to post a notice at the school district clerk's office informing voters that all absentee voting procedures for school district elections shall be handled only through the town clerk's office.

Source. 1979, 321:1. 1983, 102:1. 1997, 176:6, eff. Aug. 11, 1997.

Conduct of Election: Coordination With Town Election

Section 671:22

671:22 Election at Town Meeting. –

I. As used in this section, the words, "any school district" shall mean (a) a school district which is coextensive with the town in which it is located, or (b) a cooperative school district composed of preexisting districts which were each coextensive with the towns in which they are located, or (c) a cooperative school district which is composed of a preexisting cooperative district as defined in (b) and other school districts as defined in (a).

II. Any school district as defined in paragraph I may at any annual or special meeting under an article in the warrant for such meeting vote to elect its district officers by separate ballot at the town election in such town, and may rescind such action in like manner. Such action shall not take effect until the calendar year next following the year in which such vote is taken. The newly elected officers shall take office at the close of the town meeting at which they are elected; provided, however, that if the annual school district meeting is held subsequent to this town meeting, they shall take office at the close of the annual school district meeting and that the treasurer shall take office at the close of the fiscal year of the school district.

III. Nothing herein shall preclude other appropriate coordination of school district and town elections consistent with all the applicable requirements of law where school district and town meetings are simultaneously in session and school districts have duly voted to adopt as official for school district purposes the town checklist, polling place, and election machinery.

IV. Nothing in the provisions for election of school district officers at town meetings shall be construed as affecting any city charter, nor is a city authorized to adopt the provisions hereof.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:22-a

671:22-a Rescheduling Elections. – In the case of a school district that comprises one or more preexisting districts and holds its elections in conjunction with the town elections in the component towns as provided in this subdivision, in the event of a weather or other emergency as described in RSA 669:1, V, the town moderators in each town shall, as described in RSA 669:1, coordinate to reschedule the town and school district elections.

Source. 2019, 192:10, eff. July 10, 2019.

Section 671:23

671:23 Warrant. – Where a school district has voted to elect its district officers at the town election, the school board shall post a special warrant for the election of such officers, as provided in RSA 671:27.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:24

671:24 Repealed by 2017, 64:2, II, eff. Aug. 1, 2017. –

Section 671:25

671:25 Duties of Clerk of School District. – The clerk of the school district shall prepare the official ballots for the school district as provided in RSA 671:20 and shall deliver the same to the town moderator before the opening of the polls at the town election. The ballots shall be of a color different from that of any other ballot being used at the town election.

Source. 1979, 321:1. 1997, 176:7, eff. Aug. 11, 1997.

Section 671:26

671:26 Counting Ballots. – The town election officials shall act in like capacity for the school district in conducting the school district election. After the close of the polls, the town election officials shall turn all school district ballots over to the moderator of the school district, who shall then proceed to count the ballots publicly with the assistance of such legal voters of the district as the moderator of the school district shall appoint. Provided, however, that, in the case of cooperative school districts, the town election officials, immediately after the close of the polls, shall count the ballots for school district officers and, within 24 hours, forward to the school district clerk a list of the number of votes received by each candidate for school district office. The list shall be signed by the town clerk and witnessed by the town moderator. Upon receipt of the list, the cooperative school district clerk shall record the results from each town and shall, when the results from all towns within the district have been recorded, determine and announce the names of the winning candidates.

Source. 1979, 321:1. 1997, 176:8, eff. Aug. 11, 1997.

Section 671:26-a

671:26-a Coordinating Certain Town and School District Elections. – To facilitate voting for future annual meetings, to reduce costs, and to best accommodate the voters of the town, the legislative body of a town, which has not adopted the official ballot referendum form of meeting, although the school district has adopted the official ballot referendum form of

meeting, may authorize coordination of future town elections with the school district elections. The joint elections shall be held at a time and place determined by, and shall be supervised by, the election officials of the town, as provided in RSA 671:26. The town and the school board shall allocate the costs of the joint elections in the same manner as in previous years, or as mutually agreed upon by the governing body of the town and the school board.

Source. 1997, 330:4, eff. June 23, 1997.

Conduct of Election: Elections at School District Meeting

Section 671:27

671:27 Posting Warrant. – A warrant for the school district election shall be posted by the school board, in the same manner as the selectmen for town elections as provided in RSA 669:2; provided that, in a cooperative school district, a copy of the warrant shall be posted in at least one public place in each preexisting district, as well as at the place of meeting. If a school board shall unreasonably neglect or refuse to warn an election, a justice of superior court, upon petition of 10 or more voters, or 1/10 of the voters of the district, whichever is less, may issue such warrant and cause it to be posted.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:28

671:28 Inspectors. – The school board of each school district, at some time prior to the school district election each year, may appoint 4 inspectors of election as additional election officers to act with the clerk, moderator and school board. If the number of voters qualified to vote at an election shall exceed 2,000, the school board may appoint for such election 2 additional inspectors for each additional 2,000 qualified voters or fraction thereof. If the number of voters qualified to vote at any school district election shall exceed 4,000, the school board may appoint such additional inspectors as they may deem necessary for the efficient conduct of the election, so long as the total number of election officials shall not exceed 24. The inspectors shall be qualified voters at said election. They shall assist the school district moderator in counting votes for school district officers and questions.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:28-a

671:28-a School Board Member Pro Tem. – If a school board member is absent from or unable to perform his or her duties for all or any part of the day at any school district election, the school board member is authorized to appoint a school board member pro tem to perform his or her duties. If one or more school board members are absent or unable to perform their duties and have not appointed school board members pro tem, or if a school board member pro tem is absent or unable to perform his or her duties for all or any part of the day, the moderator is authorized to appoint school board members pro tem to perform their duties.

Source. 2018, 178:1, eff. Aug. 7, 2018.

Section 671:29

671:29 Additional Polling Places for Cooperative School Districts. – The board of a cooperative school district may authorize the establishment of additional polling places within the building wherein the annual meeting is held. Said additional polling places shall be equipped and laid out in the same manner as the central polling place, and shall be supervised by the election officials of the several towns as provided in RSA 671:26.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:30

671:30 Non-Partisan Ballot System. – Every school district in the state, except one having a special statute relative to election of its district offices, shall use the non-partisan ballot system for the election of district officers, in the same manner as in towns as provided in RSA 669:19-669:25, except that all references to towns or town clerks shall be read to refer to school districts or school district clerks.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Section 671:31

671:31 Reports by Clerk. – The clerk of every school district, after the annual meeting, shall forthwith report the names and post office addresses of all school district officers to the commissioner of revenue administration and to the commissioner of education. If any school district officer has not been chosen or appointed at that time, the school district clerk shall promptly make like reports when such officer is chosen or appointed so that the commissioner of revenue administration and the commissioner of education shall at all times be informed of the names and mailing addresses of all school district officers.

Source. 1979, 321:1, eff. Aug. 21, 1979.

Post-Election Procedure

Section 671:32

671:32 Recount; Tie Vote. –

Tie votes and recounts in school district elections shall be handled in the same manner as in town elections as provided in RSA 40:4-c and 40:4-d and in RSA 669:30-669:36, except as specified herein:

- I. The school district clerk shall have all the duties and powers of the town clerk;
- II. The board of recount shall be composed of the school district clerk, the school district moderator, and the members of the school board. The school district moderator shall be the

chairperson of the board of recount; and

III. The fee for the recount shall be paid to the school district clerk for conducting the recount.

Source. 1979, 321:1. 1999, 5:1. 2002, 95:1. 2015, 159:2, eff. Aug. 25, 2015.

Section 671:33

671:33 Vacancies. –

I. Vacancies among members of cooperative or area school planning committees shall be filled by the moderator for the unexpired term.

II. (a) The school board shall fill vacancies occurring on the school board, except as provided in subparagraph (b), and in all other district offices for which no other method of filling a vacancy is provided. Appointees of the school board shall serve until the next district election when the voters of the district shall elect a replacement for the unexpired term. In the case of a vacancy of the entire membership of the school board, or if the remaining members are unable, by majority vote, to agree upon an appointment, the selectmen of the town or towns involved shall appoint members by majority vote in convention.

(b) In a cooperative school district, the remaining school board members representing the same town or towns as the departed member shall fill a vacancy on the school board, provided that there are at least 2 such members. A member-at-large shall also be included as a representative of the same town. If there are less than 2 remaining members on the cooperative school board representing the same town or towns as the departed member, or if the remaining members are unable, by majority vote, to agree upon an appointment, the selectmen of the town or towns involved shall fill the vacancy by majority vote in convention. If the selectmen are unable to fill the vacancy then the cooperative school district moderator shall make the appointment. A member appointed to fill a vacancy under this subparagraph shall serve until the next district election when the voters of the district shall elect a replacement for the unexpired term.

III. Vacancies in the office of moderator shall be filled by vote at a school meeting or election, provided that, until a replacement is chosen, the school district clerk shall serve as moderator or shall appoint a moderator pro tempore.

IV. In a cooperative school district, the remaining budget committee members representing the same town or towns as the departed member shall fill a vacancy on the budget committee, provided that there are at least 2 such members. A member-at-large shall also be included as a representative of the same town. If there are less than 2 remaining members on the budget committee representing the same town or towns as the departed member, or if the remaining members are unable, by majority vote, to agree upon an appointment, the selectmen of the town or towns involved shall fill the vacancy by majority vote in convention. If the selectmen are unable to fill the vacancy then the cooperative school district moderator shall make the appointment. If the vacancy is for the cooperative school board representative to the cooperative school district budget committee, such vacancy shall be filled by the cooperative school board. A member appointed to fill a vacancy under this subparagraph shall serve until the next district election when the voters of the district shall elect a replacement for the unexpired term.

V. Any vacancy which occurs between the beginning of the filing period and the district election shall not be filled by official ballot until the annual district election the following year.

Source. 1979, 321:1. 1997, 176:9. 2005, 49:1. 2012, 239:1. 2013, 114:1, eff. Aug. 24, 2013. 2017, 3:2, eff. May 30, 2017. 2021, 42:1, eff. July 16, 2021; 91:318, eff. July 1, 2021.

TIMBERLANE REGIONAL SCHOOL DISTRICT
Atkinson, Danville, Plaistow, Sandown
New Hampshire

BY LAWS OF THE SCHOOL DISTRICT BUDGET COMMITTEE

I. ANNUAL ORGANIZATION MEETING OF THE SCHOOL DISTRICT BUDGET COMMITTEE

Unless changed by a two-thirds vote of those present, the order of business for each Annual Organizational Meeting of the Timberlane Regional School District Budget Committee shall be as follows:

- A. Opening of meeting by the Superintendent or a member of his staff. Distribution of copies of RSA Chapters 32, 33 and 195 and these By Laws.
- B. Elections - A plurality shall be sufficient.
 - 1. Chair.
 - 2. Vice Chair
 - 3. Others, if desired
 - 4. Review and Adopt By Laws
 - 5. Adjournment

The Annual Organization Meeting shall be held on the first Thursday following the School Board Organization Meeting.

After adjournment of this meeting, the Committee may reconvene in special meeting if it wishes to consider additional matters. The order of business for such special meeting shall be that established for regular meetings.

II. REGULAR BUDGET COMMITTEE MEETINGS

- A. The Budget Committee shall meet as needed at the School Administrative Unit No. 106 Office (or upon adequate notice, at another location or time) during the months of April, September, February. They shall hold two meetings a month during the months of October through January with the second meeting of the month held on the fourth Thursday of the month. The Budget Committee shall also hold one meeting in March immediately following the organization meeting.
- B. The order of business at a regular meeting may be as follows:
 - 1. Opening of the meeting by the Chair.

2. Roll Call
3. Pledge of Allegiance
4. Approval of Minutes of previous meeting (s)
5. Correspondence
6. Delegations and Individuals
7. Administrative Report
8. Reports of Committees
 - a. Reports of Budget Committee Members
 - b. Report of the School Board Representative
9. Unfinished Business
10. New Business
11. Other Business
12. Future Agenda and Dates
13. Adjournment

C. The Budget Committee encourages residents to be involved and attended committee meetings. During the Delegations and Individuals portion of each regular meeting, residents may offer comments for up to five (5) minutes unless waived by the committee, by completing a comment card and submitting it to the Recording Secretary at the beginning of the meeting. The Delegations and Individuals portion of the meeting is limited to thirty (30) minutes unless overruled by a majority vote of the committee.

III. SPECIAL MEETINGS

A special meeting shall be held at the call of the Chair or at joint request of any three members. Notice shall be given of all matters that are to be considered at such special meetings. Matters other than those for which notice was given can be acted upon if all members are present.

IV. QUORUM

A majority of legal members shall constitute a quorum for the transaction of business. Legal members for the purpose of determining a quorum will consist of the majority of legally elected and appointed members plus the appointed school board representative or his alternate.

V. OFFICERS

A. The Chair shall preside at all meetings of the Committee. He/she shall execute all documents requiring signatures on behalf of the Committee,

except as otherwise provided by law or by the Committee. He/she shall have the right to offer resolutions, to discuss questions, and to vote thereon.

- B.** In the absence of the Chair or in the event of his/her disability, the Vice Chair shall perform his/her duties.
- C.** In the absence of both the Chair and Vice Chair, a temporary Chair will be elected by the members present.

VI. APPOINTMENTS

- A.** The recording secretary shall keep a record of the Committee proceedings and shall keep on file all paper, reports and documents relating to the business of the Committee. He/she shall make minutes available for public inspection per state statute and will issue minutes of the meetings to the Committee members and the administrative staff per state statute. Such minutes are subject to correction at the next meeting.

VIII. ATTENDANCE

If a member fails to attend two successive meetings without being excused by the Chair, the Secretary shall notify the member, Chair, and Moderator of the District of the provisions of RSA 32 regarding attendance.

VIII. VACANCIES

If a vacancy occurs among the officers of the Committee or among the appointments made by the Committee, the vacancy shall be an order of business for the next regular meeting in accordance with RSA 671:33.

IX. COMMITTEES

- A.** The Chair may appoint Standing Committees as required.
- B.** At the request of a majority of the Committee, the Chair shall appoint special purpose committees comprised of less than the full membership. The committees shall be discharged on completion of their assignment. The Chair and the Superintendent may be ex-officio members of any such committees.

X. PARLIAMENTARY PROCEDURE

- A.** Procedures not provided for in the By Laws shall be governed by a majority vote so designated by a show of hands unless otherwise requested.

XI. AMENDMENTS

These By Laws may be amended or suspended in whole or in part only upon a two-thirds vote of the members present and voting. Written notice

no less than 14 days prior to the meeting to amend the By Laws is required unless all members are present.

Adopted: 11/28/73

Amended:	5/21/82	4/14/94	3/25/10	3/24/22
	5/18/83	3/23/00	3/28/13	
	6/19/85	3/22/01	4/11/13	
	3/25/87	3/24/05	3/26/15	
	4/12/90	3/27/08	3/24/16	
	5/14/92	3/26/09	9/8/16	

Budget Committee Frequently Asked Questions & Answers

When budget season arrives, municipal budget committees and governing bodies across the state begin to work through the process of creating budget proposals, holding hearings and ultimately presenting a budget to voters. The Municipal Budget Law, [RSA Chapter 32](#), governs every town, village district and school district in New Hampshire with an annual meeting form of government, whether or not there is an official budget committee, including those with the official ballot referendum ("SB 2") form of meeting.

Q. What is the difference between the governing body and the legislative body?

A. In a municipality with an annual meeting form of government, the governing body is the board of selectmen in a town, the school board in a school district and the board of commissioners in a village district. [RSA 21:48](#). The legislative body is the assembly of voters at the town meeting, school district meeting or village district meeting. [RSA 21:47](#).

Q. Can the governing body spend more than the amount that was appropriated for a particular purpose?

A. Yes, under the transfer authority of [RSA 32:10](#). As a general rule, if the governing body needs more money in one account ("purpose of appropriation"), it can transfer money from some other account, as long as the expenditure does not result in overspending the bottom line of the total budget. Transfers must be approved in some manner by the governing body, but it is not always necessary for the governing body to designate the specific account from which the money was transferred. So long as an accurate record is kept of which accounts are over- and under-spent, and each expenditure is authorized through whatever manifest system the municipality uses, the transfers will be properly recorded. [RSA 32:10, I\(b\) and \(c\)](#). (Note that there are exceptions to the transfer authority, including special warrant articles and the "no means no" provision of [RSA 32:10, I\(e\)](#)).

Q. Can a town manager or a town administrator authorize transfers of funds between purposes?

A. No. Only the governing body may do this. [RSA 32:10](#).

Q. May the budget committee or the legislative body designate a separate warrant article as "nonlapsing," "non-transferrable" or "special"?

A. No, only the governing body has that authority. [RSA 32:3, VI](#).

Q. What is the difference between an "official" and an "advisory" budget committee?

A. An official budget committee is one adopted by a vote of the legislative body under [RSA 32:14](#). In a town or district with an official budget committee, the official budget committee (rather than the governing body) has the duty to prepare the budget proposed to the meetings and to hold the required public hearings. [RSA 32:16](#). In addition, the total amount appropriated by the meeting, including amounts appropriated in separate and special warrant articles, cannot exceed the total recommended by the budget committee by more than 10 percent. [RSA 32:18](#).

The law does not require any town or district to have an official budget committee. An official budget committee may be established by a majority vote of the meeting, and remains in existence

until a future meeting votes to abolish it. [RSA 32:14](#). Towns and districts may choose to have no budget committee, and may also choose to have an unofficial, advisory budget or finance committee. [RSA 32:24](#). However, an unofficial committee is purely advisory and has none of the statutory duties or authority of an official budget committee. The governing body in those municipalities will prepare the budget, hold the hearings and present their proposal to voters, who will not be bound by the 10 percent limitation.

Q. Which appropriations articles must be disclosed and/or discussed at the public hearings on the proposed budget?

A. All of them. At least one public hearing regarding proposed appropriations must be held before the annual meeting. [RSA 32:5, II](#). After the hearing, no new purpose or amount can be added to the proposed budget before the warrant is posted unless that purpose or amount was “discussed or disclosed” at that hearing, or unless a further hearing is held. The hearing requirement applies to the proposed operating budget as well as any petitioned or governing body warrant articles that propose appropriations. This statute prevents the budget committee or governing body from adding new purposes to, or increasing amounts in, the proposed budget. Of course, the legislative body (the voters) may increase or decrease proposed amounts or delete purposes of appropriations at the meeting, subject to certain limitations.

Q. Whose budget is presented to voters, the budget committee’s or the governing body’s?

A. In a town or district with an official budget committee, the budget committee’s recommended budget is presented to voters. In all other towns and districts, the governing body’s budget is presented.

Q. Can an official budget committee tell a governing body how to spend appropriated funds?

A. No. The budget committee’s purpose is “to assist the voters in the prudent appropriation of public funds.” [RSA 32:1](#). While the budget committee has the duty to review current expenditures, it is primarily for the purpose of preparing future budgets, rather than to challenge or dispute what the governing body is doing. No one has legal authority to challenge the discretion of the governing body in making transfers among purposes of appropriation. [RSA 32:10, I](#). However, if the bottom line is overspent, or expenditures are not properly entered and classified in municipal records, the budget committee has specific authority to petition the superior court for removal of the responsible official(s). [RSA 32:23](#).

Q. Whose recommendations should appear on warrant articles and budget items?

A. Recommendations should appear, if at all, only on appropriations articles. The law does not authorize the inclusion of recommendations on non-money articles. The proposed operating budget will be the one recommended by the official budget committee, if there is one, or the governing body in all other cases. Department of Revenue Administration forms to be posted with the warrant (MS6 and MS7) require a notation of the recommendations of the governing body and the official budget committee, if any, on proposed appropriations.

In addition to these implicit recommendations, all “special” warrant articles (including petitioned appropriations articles, those regarding bonds, notes, capital reserve funds and trust funds, and any other appropriations article labeled in the warrant as “special” by the governing body)

require a notation on the warrant of whether or not they are recommended by the governing body and the official budget committee, if any. [RSA 32:3, VI](#); [RSA 32:5, V](#). Warrant articles regarding the cost items of collective bargaining agreements must also include the governing body's and official budget committee's recommendations. [RSA 32:19](#).

Q. How should these recommendations be phrased?

A. Until 2007, the only authorized format for governing body and official budget committee recommendations was a simple notation that an article either was, or was not, recommended by that body. New amendments to [RSA 32:5](#) and [RSA 40:13](#) allow any town to require, by a vote of town meeting, that the numeric tally of all votes of an advisory or official budget committee and all votes of the governing body be printed in the warrant next to that article. The "numeric tally" is the total result of the vote on the item, such as "Budget Committee recommends this article by vote of nine to two. Selectmen do not recommend this article by a vote of three to two." However, there is no authorization to include a roll call vote indicating the specific vote of each member. A vote to include the numeric tally under this new law also authorizes a town to include these recommendations in separate warrant articles, not just special warrant articles and those relating to cost items in a collective bargaining agreement.

Without such a vote by town meeting, recommendations should continue to appear without the numeric tally and only with special articles and cost items of collective bargaining agreements.