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Legislative activity intensified this week, as the New Hampshire House reached its deadline yesterday for committees to act on all bills not required to have action by a second committee. Next week, the legislature joins the majority of New Hampshire school districts in having its winter break, with no legislative activity. The following week, it comes back with a House deadline for action on all bills by March 20, "cross-over day," the day by which all House bills that are going to have positive action, have to be sent to the Senate.

Among the bills watched carefully for House committee action, were several on "workforce housing," and the Regional Greenhouse Gas Initiative (RGGI) bill, HB 1434. Whether certain concerns raised by the business community about that latter issue that would have New Hampshire join other New England states in a "cap and trade" system to attempt to reduce global warming by reducing fossil fuel emissions would be addressed by the committee and whether the House and then the Senate would alter the proposal, was a topic of interest and debate. On the "workforce housing" issue, Democratic members of the committee seemed supportive of various proposals, while Republican members were not.

In the Senate, on Tuesday, the Ways and Means Committee considered two gambling bills. The first, Senate Bills 306 and 330, which provide for a casino in Berlin and video gambling machines at racetracks and grand hotels, respectively. To hear the testimony of the sponsors, all of the state's employment, economic problems and economic development needs of the North Country would be solved if only these bills could be passed. The bills, largely repeats of past proposals by Senators Gallus and D'Allesandro, respectively, were opposed by testimony of several witnesses, including Berlin's parish priest, and Lew Feldstein of the New Hampshire Charitable Foundation, who warned of the effect of gambling on "social capital," among others. Opposition also was promised by religious groups, the chiefs of police, and the states hospitality industry. As the committee was required to vacate the room by ten, the hearing was adjourned until March 4 at 8:30, when the vigorous debate will resume.

Thursday, the Senate handled many committee reports, most notably that on CACR 34, a constitutional amendment aimed at changing the state constitution to allow targeted aid for public schools. Sponsored by a bi-partisan group of Senators, it was presented by

Sen. Joseph Foster, D-Nashua, chair of the Judiciary Committee. Manchester Republican Senator Ted Gatsas, another sponsor, noted that this amendment was not all of what he wanted in an amendment, but it was worthy of support. Foster presented it after CACR 31, 32 and 33, all dealing with the public funding of education issue, were laid on the table. After some debate, the amendment was adopted by the Senate by an overwhelming 19-5 vote. This is the same result (although larger margin) as last year when a different amendment was passed by the Senate. The current amendment is backed by Governor John Lynch and a number of business groups, including the Greater Manchester Chamber of Commerce. More limited than prior amendments, this one does not try to remove the courts from the education funding debate and process, and, Senator Foster stated, does not reverse all of the Claremont decisions, but allows targeted aid. As last year, the real question is what the House will do with the amendment. Last year's proposal was defeated in the House by a significant margin, after some parliamentary maneuvering.

One of the most significant issues of note after the legislature returns, is what the House will do with this CACR 34, and whether the voters of New Hampshire will have the chance to vote on the education funding issue this November. Time will tell.

We hope the legislators will enjoy their well-deserved vacation next week.

Brad Cook

Sheehan, Phinney, Bass, + Green, P.A.

bcook@sheehan.com

CHAMBER INSIGHT:

Workforce Housing & the Business Community

Over the past few weeks we have discussed such key business issues as health care reform, education funding, environmental standards, and commuter rail. One issue we have not discussed, but of great importance, is workforce housing. Workforce housing has emerged as key issue of the 2008 legislative session. Five significant pieces of legislation have been filed between the House and Senate dealing with the issue, and all appear to have decent chance at reaching the Governor's desk.

What do these bills actually do? Here list of the current proposals:

HB 1259 – Authorizing communities to establish municipal housing commissions. These housing commissions will advise municipal boards and officials on policies and plans related to affordable and workforce housing and can temporarily own property for the purpose of facilitating transfers.

HB 1260 – Relative to growth management ordinances. This bill would provide guidance to municipalities regarding the adoption of local growth management ordinances.

HB 1472 – Relative to workforce housing.

SB 342 – Establishing a mechanism for expediting relief from municipal actions which deny, impede, or delay qualified proposals for workforce housing.

SB 421 – Requiring municipal land use regulation provide reasonable opportunities for

the creation of workforce housing.

HB 1472, SB 342, and SB 421, each in different forms, all focus on three core themes within the workforce housing issue: (1) codifying existing case law that requires municipalities allow certain levels of workforce housing, (2) establishing a uniform definition of “workforce housing,” and (3) providing a means to expedite the municipal appeals process.

Why should the business community be supportive of these measures? Ensuring the existence of housing options that are appropriate to all levels of the workforce is critical to retaining and attracting qualified workers in the state. A popular term in New Hampshire these days is “Brain Drain,” which refers to exodus of educated young professionals from the state. There are several factors that are driving the “Brain Drain,” and housing choice is certainly one of them. In 2005 the NH Housing Finance Authority estimated the median price of a single family home in NH at \$250,000. That price is well out of the reach for most young professionals or newly forming households. In Greater Manchester the median price is likely to be even higher. More troubling is that as housing prices have increased significantly (54.3% between 2001 and 2005) the median household income has only increased by 18.7%. This disparity between wages and price increases, along with other factors, contributes to many young professionals and other workers looking to other states or regions for jobs and housing options.

A wide variety of housing options isn’t just important to individuals; businesses looking to relocate or expand into NH will factor the housing market into their decision as well. Ensuring housing options that can sustain and grow a workforce will undoubtedly be more attractive to businesses than one that pushes young and education workers out of the state.

Now these five legislative proposals will certainly not solve this very complex issue. But they do offer a step in the right direction. By uniformly defining workforce housing we can dispel some of the myths and misconceptions that exist about the term. By codifying existing case law, we can ensure municipalities are aware of their responsibility to provide a variety of housing options. By expediting the local appeals process we can make housing development faster and more efficient, which in the end lowers costs and prices. The GMCC supports all of these measures and looks forward to working with the legislature in securing their passage.

As always, please feel free to contact the Chamber with any questions. Remember, the GMCC is here to be your business advocate and your voice in Concord. In order for us to do so effectively, we need feedback from you! Please direct any questions to michaels@manchester-chamber.org or call (603) 792-4107.

Michael Skelton

Greater Manchester Chamber of Commerce
michaels@manchester-chamber.org

EYE ON POLITICS:

NH State Legislature www.state.nh.us

The Union Leader www.theunionleader.com/

NH Primary Info www.nhprimary.com

EDITORIAL TEAM:

Brad Cook

Sheehan, Phinney, Bass, + Green, P.A.

bcook@sheehan.com

Bruce Berke

Sheehan Phinney Capitol Group

bberke@sheehan.com

Valerie Acres

Sheehan Phinney Capitol Group

vacres@sheehan.com

Henry Veilleux

Sheehan Phinney Capitol Group

hveilleux@sheehan.com

Liz Murphy

Sheehan Phinney Capitol Group

lmurphy@sheehan.com

Erle Pierce

Pierce Public Affairs, LLC

epierce@sheehan.com

Michael Skelton

Greater Manchester Chamber of Commerce

889 Elm Street , Third Floor

Manchester , New Hampshire 03101

michaels@manchester-chamber.org

603-666-6600 ext. 107