



## GREATER MANCHESTER CHAMBER OF COMMERCE

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Well, the Legislature is winding down for the scheduled session in 2007. The budget process is on schedule although it will undergo significant debate in the closing days as the Senate and House passed very different versions of the two year spending document; most bills have received final action by one or both chambers for this year's session; and now begins the committee of conference process on a few dozen bills (including the budget and revenue bills) where designated House and Senate members will attempt to reach agreement on despite their initial differences.

What is looking less and less likely to pass is a constitutional amendment that addresses school funding in NH. The legislature has defined an adequate education but has not determined its cost. The current distribution of school funding aid that Governor Lynch put forth for the next two years does not meet the test that the State Supreme Court stated that should be in place for July 1st (two weeks from now). As such, it is very possible that the Legislature may be back in Concord prior to their scheduled return in January of 2008 to address the school funding issue as defined by the State Supreme Court.

So in these waning days, CI thought it would look at some of the key business measures that have received a final vote this year as well as the few that are pending in the committee of conference process.

#### Apportionment of Damages

Perhaps the most significant and controversial measure that has passed the House and Senate and is now on its way to Governor Lynch's desk for his consideration; the trial lawyers' bill relative to the apportionment of damages. If the Governor signs this bill into law, then it will upset the balance and fairness within the state's civil justice system. Today, in New Hampshire, damage awards in civil actions must be proportional to the level of responsibility for the action. However, the trial lawyers would prefer HB 143 to become law and allow businesses, homeowners, municipalities and even the state to be held liable for damages that could be far beyond that for which they are deemed responsible.

The Manchester Chamber urges all of its members to write to Governor Lynch and respectfully request that he use his veto authority and reject the unfairness that would

result from the passage of HB 143, relative to the apportionment of damages in civil actions. You may contact the Governor's Office by writing to:

***The Honorable John H. Lynch***  
***Governor***  
***State House-Room 207***  
***Concord, NH 03301***

### **Independent Contractor vs. Employee**

For the last several years, debate has taken place on bringing more detail into defining the criteria for who may be considered an independent contractor and who must be considered an employee. It was clear that change was needed based on the original five criteria but the business community became concerned when Senate Bill 92 emerged and the criteria list more than doubled to 12 criteria. Members of different associations offered suggestions first at the Senate hearing, then in the House. When the final version emerged on the House side (later concurred with by the Senate) both the business community and the labor union interest groups said they were not 100% pleased with the bill. This led legislators to say to themselves; it must be good if both sides do not like the final outcome. At press time, this bill is making its way to the Governor's desk and he is expected to sign it into law.

### **New Lead Paint Law?**

Coming up in one of the bills that has been assigned to a committee of conference will be what is likely final resolution to a change in NH's lead paint poisoning laws. The pending version of the bill that is important to property owners in the greater Manchester area cuts in half the blood lead levels that are acceptable in children. This bill is expected to pass and reach the governor's desk for his signature into law.

### **Claim Settlement Practices by Insurers?**

Another bill supported by the trial lawyers' association (and opposed by the business community) is relative to unfair claim settlement practices by insurers. This bill seeks to add an unnecessary layer of regulation by subjecting the already regulated insurance industry in NH to the state's general consumer protection act for businesses not regulated by a specific set of laws like the insurance industry. It would enable plaintiffs to seek treble damages and legal fees when pursuing claims against insurers or insurance agents thus adding costs to every premium written in the state. This bill is pending in a committee of conference and will be debated next week and finalized on June 27th.

As you see here, there is still much to do and be aware of in the closing days and in the weeks and months ahead. Stay tuned and stay involved!

Bruce Berke  
Sheehan Phinney Capitol Group

**CHAMBER INSIGHT:** 

### **Chamber Insight 6-15-07**

As you have ready above, last week the State Senate resurrected HB 143 from the table and passed the bill after adding a minor amendment. HB143 seeks to define the term

“party” for the purposes of apportioning damages in civil actions. The House has since concurred with the Senate version and the bill now goes to Governor Lynch to be signed. As you have read in past editions of *Capitol Insight*, the Chamber strongly opposes HB 143 for the following reasons:

- HB 143 will open up defendants to possibly having to pay damages that are grossly disproportionate to their amount of blame.
- The business environment under HB 143 will be severely damaged. Businesses will be hesitant to relocate or expand into New Hampshire if the legal environment is unfair to “deep pocketed” defendants.
- HB 143 will increase business costs as insurance premiums will increase as a result of more decisions against minimally responsible defendants.
- There is no broad consensus of stakeholders that support HB 143 (Only one group, the NH Trial Lawyers Association, publicly supports the bill). Meanwhile, dozens of business organizations and municipalities have expressed their strong opposition.

The bill now travels to Governor’s desk for consideration. The Governor’s office is aware of the strong business community opposition to this bill and the Governor must decide whether to exercise his veto power. **The Governor needs to hear directly from the business community in order to make this decision. Please considering writing or calling the Governor on this important issue.** The Governor’s mailing address can be found in the section above and can be called at (603) 271-2121. If you wish to use a sample letter created by the Chamber please send an email to [michaels@manchester-chamber.org](mailto:michaels@manchester-chamber.org).

Following up on two exciting developments from last week, the Senate has concurred with the House versions of **SB 75** and **SB134**. Both bills now travel to Governor Lynch for signature. SB75 establishes a NH Rail Transit Authority for the purposes of reinstating commuter rail service to the state, while SB134 creates a research and development tax credit. Both measures had the strong support of the Chamber and both will prove to valuable economic development tools for New Hampshire. SB134 will go into effect July 1st, while SB75 will go into effect upon signature. Look for both to have an immediate impact in 2007.

Michael Skelton  
Greater Manchester Chamber of Commerce

#### EYE ON POLITICS: ---

NH State Legislature [www.state.nh.us](http://www.state.nh.us)

The Union Leader [www.theunionleader.com/primaryindex.html](http://www.theunionleader.com/primaryindex.html)

NH Primary Info [www.nhprimary.com](http://www.nhprimary.com)

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