

Your State House Concord, New Hampshire



January 27, 2023

To my constituents in Allenstown, Dunbarton, Epsom, & Hooksett,

This week, my committee met for two days of public hearings. HB 445, on the OPLC fund, was a request of the study committee on OPLC operations. It keeps all license fees within the OPLC, rather than being lapsed into the general fund, and restricts anything above normal operating expenses to capital projects (software, most likely) and reducing license fees. The agency testified that the first effort on fees was to ensure that each board pays its own way, and then reducing the fees for the over-paying ones. After some discussion on how we were to ensure the OPLC did not use excess fees to build up its operations (the same way we do with any agency budgeting, the fiscal committee, and the oversight committee), the committee voted to recommend the bill. A limit on the total amount in the fund was discussed, but we agreed the next committee would be better able to deal with it.

HB 341, establishing a license for massage establishments (not the therapists; they are already licensed) had a lot of testimony about human trafficking. Apparently a massage business is easy to set up with trafficked (labor or sexual) workers, and they can re-establish a similar business almost immediately if one is shut down. Law enforcement - both federal homeland security, which has a trafficking task force set up in New Hampshire, and a detective from the Merrimack County Sheriff's Office, who supports the smaller towns and has worked with the task force – testified that finding these businesses isn't too hard, since they need to advertise somehow to bring in customers. The problem is getting evidence against the owners and traffickers rather than the trafficked victims. The OPLC testified that this is a regulatory control,

rather than criminal, since with a facility license they can enter the business and inspect for licensing violations (including sanitation and fire code violations) rather than waiting for a problem. Many massage therapists in small, legitimate businesses are opposed to this license, since it's an added cost and bother for them. I'm concerned that we're burdening legitimate businesses simply to make it easier for law enforcement to convict the bad actors. The bill went to subcommittee for further analysis.

HB 105, on registration of medical spas, had the hearing shortened when the sponsor declared she wanted to retain the bill in committee, to work on it through the year. The committee agreed, since the bill in its current form is opposed by much of the legitimate industry, and I do not believe it will solve the problems they identified as the need for regulation: mobile Botox vans, laser treatments in the back of beauty salons, etc.

HB 620, establishing a department of early childhood education, also had extensive testimony, much of it not very relevant to the bill. I never heard a good reason why they wanted to create a new department rather than allowing the department of education to deal with preschool, if it had to be a state function! I was also concerned that the bill created a pilot program, but there's already one in process... The Manchester school board testified in favor, even though they have a preschool program that sounds (to me, at least) very like what this department is aiming to do. It was clear, though, that they wanted state funding. The bill went to subcommittee.

Thursday, we heard six pension bills, all intended to improve benefits for Group II (police, fire and corrections.) HB 250 doubles the accidental death benefit from 50% to 100% of salary. "Accidental" in this context means "work related" and in fact the



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retirement system lets the workers' comp department determine if a death is "accidental." This change would be fairly inexpensive, as right now only six beneficiaries are receiving this benefit. HB 571, granting a cost of living adjustment to Group II (only) retirees, gives a 5% increase to those retired 10 years, and 10% to those retired more than 20 years, on the first \$50,000 of pension only. This is a true COLA, in that it is a permanent increase in their pension and it would be compounded if a future COLA were to be granted. Those testifying pointed out that Group I has received multiple COLAs in their social security payments, and Group II is not eligible for SS. These bills went to subcommittee for analysis.

HB 436, HB 449, HB 525, and HB 579 all changed, in slightly different ways, the transition provisions for Group II that were made in 2011, and affected employed but not vested employees. We heard a good number of GII employees testifying that the varying pension benefits are hurting employee morale and harming recruiting and retention efforts, with most of them emphasizing that these changes were made to what they believed was a contract with their employer, destroying their trust in the state. These bills are all costly, with a range up to several hundred million if paid for immediately, or a significant increase to employer payments if spread out over 20 years (as the legislature usually chooses to do!) We sent two bills (HB 436 & 449) to subcommittee to consider the ideas in all four bills, with the idea that one would be amended and sent on shortly, and the other retained for future work. HB 525 and 579 were killed because they duplicated so much of the content of the other two.



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