

LEGISLATIVE COMMITTEE MINUTES

SB102

Bill as Introduced

SB 102 - AS INTRODUCED

2021 SESSION

21-0970
10/

SENATE BILL

102

AN ACT adopting omnibus legislation on property taxation.

SPONSORS: Sen. Perkins Kwoka, Dist 21

COMMITTEE: Ways and Means

ANALYSIS

This bill adopts legislation relative to:

- I. Postponing assessment reviews and reappraisals of property.
- II. A property tax relief program for qualifying residential property in a designated residential property revitalization zone.
- III. Allowing towns and cities to adopt a property tax exemption for certain renewable generation and energy storage systems.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT adopting omnibus legislation on property taxation.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Sponsorship. This act consists of the following proposed legislation:

2 Part I. LSR 21-0970, postponing assessment reviews and reappraisals of property, sponsored
3 by Sen. Perkins Kwoka, Prime/Dist 21; Sen. Whitley, Dist 15; Sen. Watters, Dist 4; Sen. Prentiss,
4 Dist 5; Sen. D'Allesandro, Dist 20; Sen. Rosenwald, Dist 13; Sen. Soucy, Dist 18; Rep. Cali-Pitts,
5 Rock. 30; Rep. Pantelakos, Rock. 25; Rep. Meuse, Rock. 29.

6 Part II. LSR 21-0865, relative to a property tax relief program for qualifying residential
7 property in a designated residential property revitalization zone, sponsored by Sen. Kahn,
8 Prime/Dist 10; Sen. Watters, Dist 4; Rep. Lynn, Rock. 7; Rep. Porter, Hills. 1.

9 Part III. LSR 21-1031, allowing towns and cities to adopt a property tax exemption for
10 certain renewable generation and energy storage systems, sponsored by Sen. Prentiss, Prime/Dist 5;
11 Sen. Watters, Dist 4; Rep. Oxenham, Sull. 1; Rep. McGhee, Hills. 27; Rep. McWilliams, Merr. 27.

12 2 Legislation Enacted. The general court hereby enacts the following legislation:

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PART I

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Postponing assessment reviews and reappraisals of property.

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1 Postponement of Assessment Reviews and Reappraisals of Property. Due to the COVID-19
pandemic and the economic concerns throughout the state, any reappraisal of real estate under RSA
75:8-a and any assessment review conducted by the department of revenue administration for each
municipality shall be postponed for the property tax year commencing April 1, 2021. Additionally,
any appeal filed for the property tax year commencing April 1, 2021 shall utilize the 2020 median
equalization ratio as established by the department of revenue administration for each municipality
for abatement purposes under RSA 76.

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2 Effective Date. Part I of this act shall take effect 60 days after its passage.

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PART II

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Relative to a property tax relief program for qualifying residential property
in a designated residential property revitalization zone.

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1 Commissioner of Revenue Administration; Equalization; Reference Added. Amend RSA 21-
J:3, XIII to read as follows:

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XIII. Equalize annually by May 1 the valuation of the property as assessed in the several
towns, cities, and unincorporated places in the state including the value of property exempt pursuant

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1 to RSA 72:37, 72:37-b, 72:39-a, 72:62, 72:66, and 72:70, property which is subject to tax relief under
2 RSA 79-E:4, and property which is subject to tax relief under RSA 79-E:4-a *or* RSA 79-E:4-b, by
3 adding to or deducting from the aggregate valuation of the property in towns, cities, and
4 unincorporated places such sums as will bring such valuations to the true and market value of the
5 property, and by making such adjustments in the value of other property from which the towns,
6 cities, and unincorporated places receive taxes or payments in lieu of taxes, including renewable
7 generation facility property subject to a payment in lieu of taxes agreement under RSA 72:74 and
8 combined heat and power agricultural facility property subject to a payment in lieu of taxes
9 agreement under RSA 72:74-a, as may be equitable and just, so that any public taxes that may be
10 apportioned among them shall be equal and just. In carrying out the duty to equalize the valuation
11 of property, the commissioner shall follow the procedures set forth in RSA 21-J:9-a.

12 2 Definition; Qualifying Structure. Amend RSA 79-E:2, II to read as follows:

13 II.(a) "Qualifying structure" means a building located in a district officially designated in a
14 municipality's master plan, or by zoning ordinance, as a downtown, town center, central business
15 district, or village center, or, where no such designation has been made, in a geographic area which,
16 as a result of its compact development patterns and uses, is identified by the governing body as the
17 downtown, town center, or village center for purposes of this chapter.

18 (b) Qualifying structure shall also mean:

19 (1) Historic structures in a municipality whose preservation and reuse would
20 conserve the embodied energy in existing building stock.

21 (2) *A one or 2-family home or an attached multi-family home with not more*
22 *than 4 units located in a residential property revitalization zone designated under RSA 79-*
23 *E:4-b and which is at least 40 years old.*

24 (c) Cities or towns may further limit "qualifying structure" according to the procedure in
25 RSA 79-E:3 as meaning only a structure located within such districts that meet certain age,
26 occupancy, condition, size, or other similar criteria consistent with local economic conditions,
27 community character, and local planning and development goals.

28 (d) Cities or towns may further modify "qualifying structure" to include buildings that
29 have been destroyed by fire or act of nature, including where such destruction occurred within 15
30 years prior to the adoption of the provisions of this chapter by the city or town.

31 (e) In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying
32 structure" also means potentially impacted structures identified by the municipality within the
33 coastal resilience incentive zone established under RSA 79-E:4-a.

34 3 New Section; Community Revitalization Tax Relief Incentive; Residential Property
35 Revitalization Zones. Amend RSA 79-E by inserting after section 4-a the following new section:

36 79-E:4-b Residential Property Revitalization Zones.

37 I. A city or town may adopt the provisions of this section by vote of its legislative body,

1 according to the procedures described in RSA 79-E:3, to establish tax relief for the owners of a one or
2 2-family home or an attached multi-family home with not more than 4 units and which is at least 40
3 years old, who significantly improves the quality, condition, and/or use of an existing residential
4 structure in a designated residential revitalization zone.

5 II. The governing body of a municipality shall designate the area of a residential property
6 revitalization zone in which the tax relief for qualifying structures shall apply. Municipalities may
7 further establish criteria for the public benefits, goals, and measures that will determine the
8 eligibility of qualifying structures for tax relief located within a designated residential property
9 revitalization zone.

10 III. Municipalities may grant tax relief to the qualifying structure and property as described
11 in RSA 79-E:4 for the period of tax relief under RSA 79-E:5, provided that no property may be
12 granted tax relief under this chapter more than once in a 20 year period.

13 4 Effective Date. Part II of this act shall take effect 60 days after its passage.

14
15 PART III

16 Allowing towns and cities to adopt a property tax exemption for
17 certain renewable generation and energy storage systems.

18 1 Procedure for Adoption of Property Tax Exemption. Amend the introductory paragraph of
19 RSA 72:27-a, I, to read as follows:

20 I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:28-b, RSA 72:29-a, RSA
21 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, RSA
22 72:76, RSA 72:82, ~~or~~ RSA 72:85, *or RSA 72:87*, in the following manner:

23 2 Application for Exemption; Reference Added. Amend RSA 72:86 to read as follows:

24 72:86 Application for Exemption. Applications for exemptions under RSA 72:85 *and RSA 72:87*
25 shall be governed by the provisions of RSA 72:33, RSA 72:34, and RSA 72:34-a.

26 3 New Section; Property Taxation; Exemption for Renewable Generation Facilities and Electric
27 Energy Storage Systems. Amend RSA 72 by inserting after section 86 the following new section:

28 72:87 Exemption for Renewable Generation Facilities and Electric Energy Storage Systems.
29 Each municipality may adopt under RSA 72:27-a an exemption from the assessed value, for property
30 tax purposes, of a renewable generation facility, as defined in RSA 72:73, and of an electric energy
31 storage system, as defined in RSA 72:84, and that (a) is located behind the retail meter of a
32 customer-generator, as defined in RSA 362-A:1-a, II-b; or (b) is a limited producer, as defined in RSA
33 362-A:1-a, III, operating pursuant to RSA 362-A:2-a; or (c) is operating pursuant to RSA 374-D:2.

34 4 Duties of Commissioner; Reference Added. Amend RSA 21-J:3, XIII to read as follows:

35 XIII. Equalize annually by May 1 the valuation of the property as assessed in the several
36 towns, cities, and unincorporated places in the state including the value of property exempt pursuant
37 to RSA 72:37, RSA 72:37-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, ~~and~~ RSA 72:85, *and*

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1 *RSA 72:87*, property which is subject to tax relief under *RSA 79-E:4*, and property which is subject
2 to tax relief under *RSA 79-E:4-a*, by adding to or deducting from the aggregate valuation of the
3 property in towns, cities, and unincorporated places such sums as will bring such valuations to the
4 true and market value of the property, and by making such adjustments in the value of other
5 property from which the towns, cities, and unincorporated places receive taxes or payments in lieu of
6 taxes, including renewable generation facility property subject to a payment in lieu of taxes
7 agreement under *RSA 72:74* and combined heat and power agricultural facility property subject to a
8 payment in lieu of taxes agreement under *RSA 72:74-a*, as may be equitable and just, so that any
9 public taxes that may be apportioned among them shall be equal and just. In carrying out the duty
10 to equalize the valuation of property, the commissioner shall follow the procedures set forth in *RSA*
11 *21-J:9-a*.

12 5 Rules; Reference Added. Amend *RSA 72:36, I* to read as follows:

13 I. The commissioner's interpretation of *RSA 72:28, 72:28-b, 72:28-c, 72:29, 72:29-a, 72:30,*
14 *72:31, 72:32, 72:33, 72:34, 72:34-a, 72:35, 72:36-a, 72:37, 72:37-a, 72:37-b, 72:38-a, 72:38-b, 72:39-a,*
15 *72:39-b, 72:41, 72:62, 72:66, 72:70; [and] 72:85, and 72:87; and*

16 6 Effective Date. Part III of this act shall take effect 60 days after its passage.

SB 102 - AS AMENDED BY THE SENATE

03/25/2021 0846s

2021 SESSION

21-0970

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SENATE BILL **102**

AN ACT adopting omnibus legislation on property taxation.

SPONSORS: Sen. Perkins Kwoka, Dist 21

COMMITTEE: Ways and Means

AMENDED ANALYSIS

This bill adopts legislation relative to:

I. A property tax relief program for qualifying residential property in a designated residential property revitalization zone.

II. Allowing towns and cities to adopt a property tax exemption for certain renewable generation and energy storage systems.

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3 property in a designated residential property revitalization zone, sponsored by Sen. Kahn,
4 Prime/Dist 10; Sen. Watters, Dist 4; Rep. Lynn, Rock. 7; Rep. Porter, Hills. 1.

5 Part II. LSR 21-1031, allowing towns and cities to adopt a property tax exemption for
6 certain renewable generation and energy storage systems, sponsored by Sen. Prentiss, Prime/Dist 5;
7 Sen. Watters, Dist 4; Rep. Oxenham, Sull. 1; Rep. McGhee, Hills. 27; Rep. McWilliams, Merr. 27.

8 2 Legislation Enacted. The general court hereby enacts the following legislation:

9

10

PART I

11

Relative to a property tax relief program for qualifying residential property

12

in a designated residential property revitalization zone.

13

1 1 Commissioner of Revenue Administration; Equalization; Reference Added. Amend RSA 21-
14 J:3, XIII to read as follows:

15

XIII. Equalize annually by May 1 the valuation of the property as assessed in the several
16 towns, cities, and unincorporated places in the state including the value of property exempt pursuant
17 to RSA 72:37, 72:37-b, 72:39-a, 72:62, 72:66, and 72:70, property which is subject to tax relief under
18 RSA 79-E:4, and property which is subject to tax relief under RSA 79-E:4-a *or* RSA 79-E:4-b, by
19 adding to or deducting from the aggregate valuation of the property in towns, cities, and
20 unincorporated places such sums as will bring such valuations to the true and market value of the
21 property, and by making such adjustments in the value of other property from which the towns,
22 cities, and unincorporated places receive taxes or payments in lieu of taxes, including renewable
23 generation facility property subject to a payment in lieu of taxes agreement under RSA 72:74 and
24 combined heat and power agricultural facility property subject to a payment in lieu of taxes
25 agreement under RSA 72:74-a, as may be equitable and just, so that any public taxes that may be
26 apportioned among them shall be equal and just. In carrying out the duty to equalize the valuation
27 of property, the commissioner shall follow the procedures set forth in RSA 21-J:9-a.

28

2 2 Definition; Qualifying Structure. Amend RSA 79-E:2, II to read as follows:

29

II.(a) "Qualifying structure" means a building located in a district officially designated in a
30 municipality's master plan, or by zoning ordinance, as a downtown, town center, central business
31 district, or village center, or, where no such designation has been made, in a geographic area which,

1 as a result of its compact development patterns and uses, is identified by the governing body as the
2 downtown, town center, or village center for purposes of this chapter.

3 (b) Qualifying structure shall also mean:

4 (1) Historic structures in a municipality whose preservation and reuse would
5 conserve the embodied energy in existing building stock.

6 (2) *A one or 2-family home or an attached multi-family home with not more
7 than 4 units located in a residential property revitalization zone designated under RSA 79-
8 E:4-b and which is at least 40 years old.*

9 (c) Cities or towns may further limit "qualifying structure" according to the procedure in
10 RSA 79-E:3 as meaning only a structure located within such districts that meet certain age,
11 occupancy, condition, size, or other similar criteria consistent with local economic conditions,
12 community character, and local planning and development goals.

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14 have been destroyed by fire or act of nature, including where such destruction occurred within 15
15 years prior to the adoption of the provisions of this chapter by the city or town.

16 (e) In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying
17 structure" also means potentially impacted structures identified by the municipality within the
18 coastal resilience incentive zone established under RSA 79-E:4-a.

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26 structure in a designated residential property revitalization zone.

27 II. The governing body of a municipality shall designate the area of a residential property
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29 further establish criteria for the public benefits, goals, and measures that will determine the
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33 in RSA 79-E:4 for the period of tax relief under RSA 79-E:5, provided that no property may be
34 granted tax relief under this chapter more than once in a 20 year period.

35 4 Effective Date. Part I of this act shall take effect 60 days after its passage.

SB 102 - AS AMENDED BY THE SENATE

- Page 3 -

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36 72:31, 72:32, 72:33, 72:34, 72:34-a, 72:35, 72:36-a, 72:37, 72:37-a, 72:37-b, 72:38-a, 72:38-b, 72:39-a,
37 72:39-b, 72:41, 72:62, 72:66, 72:70; [and] 72:85, *and* 72:87; and

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- Page 4 -

1 6 Effective Date. Part II of this act shall take effect 60 days after its passage.

SB 102 - VERSION ADOPTED BY BOTH BODIES

03/25/2021 0846s
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20 unincorporated places such sums as will bring such valuations to the true and market value of the
21 property, and by making such adjustments in the value of other property from which the towns,
22 cities, and unincorporated places receive taxes or payments in lieu of taxes, including renewable
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25 agreement under RSA 72:74-a, as may be equitable and just, so that any public taxes that may be
26 apportioned among them shall be equal and just. In carrying out the duty to equalize the valuation
27 of property, the commissioner shall follow the procedures set forth in RSA 21-J:9-a.

27

28

2 Definition; Qualifying Structure. Amend RSA 79-E:2, II to read as follows:

29

II.(a) "Qualifying structure" means a building located in a district officially designated in a
30 municipality's master plan, or by zoning ordinance, as a downtown, town center, central business

1 district, or village center, or, where no such designation has been made, in a geographic area which,
2 as a result of its compact development patterns and uses, is identified by the governing body as the
3 downtown, town center, or village center for purposes of this chapter.

4 (b) Qualifying structure shall also mean:

5 (1) Historic structures in a municipality whose preservation and reuse would
6 conserve the embodied energy in existing building stock.

7 (2) *A one or 2-family home or an attached multi-family home with not more*
8 *than 4 units located in a residential property revitalization zone designated under RSA 79-*
9 *E:4-b and which is at least 40 years old.*

10 (c) Cities or towns may further limit "qualifying structure" according to the procedure in
11 RSA 79-E:3 as meaning only a structure located within such districts that meet certain age,
12 occupancy, condition, size, or other similar criteria consistent with local economic conditions,
13 community character, and local planning and development goals.

14 (d) Cities or towns may further modify "qualifying structure" to include buildings that
15 have been destroyed by fire or act of nature, including where such destruction occurred within 15
16 years prior to the adoption of the provisions of this chapter by the city or town.

17 (e) In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying
18 structure" also means potentially impacted structures identified by the municipality within the
19 coastal resilience incentive zone established under RSA 79-E:4-a.

20 3 New Section; Community Revitalization Tax Relief Incentive; Residential Property
21 Revitalization Zones. Amend RSA 79-E by inserting after section 4-a the following new section:

22 79-E:4-b Residential Property Revitalization Zones.

23 I. A city or town may adopt the provisions of this section by vote of its legislative body,
24 according to the procedures described in RSA 79-E:3, to establish tax relief for the owners of a one or
25 2-family home or an attached multi-family home with not more than 4 units and which is at least 40
26 years old, who significantly improves the quality, condition, and/or use of an existing residential
27 structure in a designated residential property revitalization zone.

28 II. The governing body of a municipality shall designate the area of a residential property
29 revitalization zone in which the tax relief for qualifying structures shall apply. Municipalities may
30 further establish criteria for the public benefits, goals, and measures that will determine the
31 eligibility of qualifying structures for tax relief located within a designated residential property
32 revitalization zone.

33 III. Municipalities may grant tax relief to the qualifying structure and property as described
34 in RSA 79-E:4 for the period of tax relief under RSA 79-E:5, provided that no property may be
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36 4 Definition; Qualifying Structure. Amend RSA 79-E:2, II to read as follows:

37 II.(a) "Qualifying structure" means a building located in a district officially designated in a

SB 102 - VERSION ADOPTED BY BOTH BODIES

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1 municipality's master plan, or by zoning ordinance, as a downtown, town center, central business
2 district, or village center, or, where no such designation has been made, in a geographic area which,
3 as a result of its compact development patterns and uses, is identified by the governing body as the
4 downtown, town center, or village center for purposes of this chapter.

5 (b) Qualifying structure shall also mean:

6 (1) Historic structures in a municipality whose preservation and reuse would
7 conserve the embodied energy in existing building stock.

8 (2) A one or 2-family home or an attached multi-family home with not more than 4
9 units located in a residential property revitalization zone designated under RSA 79-E:4-b and which
10 is at least 40 years old.

11 (c) Cities or towns may further limit "qualifying structure" according to the procedure in
12 RSA 79-E:3 as meaning only a structure located within such districts that meet certain age,
13 occupancy, condition, size, or other similar criteria consistent with local economic conditions,
14 community character, and local planning and development goals.

15 (d) Cities or towns may further modify "qualifying structure" to include buildings that
16 have been destroyed by fire or act of nature, including where such destruction occurred within 15
17 years prior to the adoption of the provisions of this chapter by the city or town.

18 (e) In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying
19 structure" also means potentially impacted structures identified by the municipality within the
20 coastal resilience incentive zone established under RSA 79-E:4-a.

21 *(f) In a city or town that has adopted the provisions of RSA 79-E:4-c, "qualifying*
22 *structure" also means a housing unit or units constructed in a housing opportunity zone*
23 *established under RSA 79-E:4-c.*

24 5 New Section; Community Revitalization Tax Relief Incentives; Housing Opportunity Zone.
25 Amend RSA 79-E by inserting after section 4-b the following new section:

26 79-E:4-c Housing Opportunity Zone. A city or town may adopt the provisions of this section by
27 vote of its legislative body, in accordance with the procedures described in RSA 79-E:3, to establish a
28 housing opportunity zone. To be eligible for tax relief under this section, the qualifying structure
29 and property shall be located within the housing opportunity zone established by the municipality.
30 No less than one-third of the housing units constructed shall be designated for households with an
31 income of 80 percent or less of the area median income as measured by the United States
32 Department of Housing and Urban Development, or the housing units in a qualifying structure shall
33 be designated for households with incomes as provided in RSA 204-C:57, IV. A qualifying structure
34 under this section shall be eligible for tax assessment relief for a period of up to 10 years, beginning
35 upon issuance of the certification of occupancy.

36 6 Nullification of Prior Legislation; Effective 2022. If this act becomes law, 2021, 81:1 and 81:2
37 shall not take effect and sections 4 and 5 of Part I of this act shall take effect April 1, 2022.

1 7 Effective Date.

2 I. Sections 4 and 5 of Part I of this act shall take effect as provided in section 6 of this act.

3 II. The remainder of Part I of this act shall take effect 60 days after its passage.

4
5 PART II

6 Allowing towns and cities to adopt a property tax exemption for
7 certain renewable generation and energy storage systems.

8 1 Procedure for Adoption of Property Tax Exemption. Amend the introductory paragraph of
9 RSA 72:27-a, I, to read as follows:

10 I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:28-b, RSA 72:29-a, RSA
11 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, RSA
12 72:76, RSA 72:82, [or] RSA 72:85, *or RSA 72:87*, in the following manner:

13 2 Application for Exemption; Reference Added. Amend RSA 72:86 to read as follows:

14 72:86 Application for Exemption. Applications for exemptions under RSA 72:85 *and RSA 72:87*
15 shall be governed by the provisions of RSA 72:33, RSA 72:34, and RSA 72:34-a.

16 3 New Section; Property Taxation; Exemption for Renewable Generation Facilities and Electric
17 Energy Storage Systems. Amend RSA 72 by inserting after section 86 the following new section:

18 72:87 Exemption for Renewable Generation Facilities and Electric Energy Storage Systems.
19 Each municipality may adopt under RSA 72:27-a an exemption from the assessed value, for property
20 tax purposes, of a renewable generation facility, as defined in RSA 72:73, and of an electric energy
21 storage system, as defined in RSA 72:84, and that (a) is located behind the retail meter of a
22 customer-generator, as defined in RSA 362-A:1-a, II-b; or (b) is a limited producer, as defined in RSA
23 362-A:1-a, III, operating pursuant to RSA 362-A:2-a; or (c) is operating pursuant to RSA 374-D:2.

24 4 Duties of Commissioner; Reference Added. Amend RSA 21-J:3, XIII to read as follows:

25 XIII. Equalize annually by May 1 the valuation of the property as assessed in the several
26 towns, cities, and unincorporated places in the state including the value of property exempt pursuant
27 to RSA 72:37, RSA 72:37-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, [and] RSA 72:85, *and*
28 *RSA 72:87*, property which is subject to tax relief under RSA 79-E:4, and property which is subject
29 to tax relief under RSA 79-E:4-a, by adding to or deducting from the aggregate valuation of the
30 property in towns, cities, and unincorporated places such sums as will bring such valuations to the
31 true and market value of the property, and by making such adjustments in the value of other
32 property from which the towns, cities, and unincorporated places receive taxes or payments in lieu of
33 taxes, including renewable generation facility property subject to a payment in lieu of taxes
34 agreement under RSA 72:74 and combined heat and power agricultural facility property subject to a
35 payment in lieu of taxes agreement under RSA 72:74-a, as may be equitable and just, so that any
36 public taxes that may be apportioned among them shall be equal and just. In carrying out the duty
37 to equalize the valuation of property, the commissioner shall follow the procedures set forth in RSA

SB 102 - VERSION ADOPTED BY BOTH BODIES

- Page 5 -

1 21-J:9-a.

2 5 Rules; Reference Added. Amend RSA 72:36, I to read as follows:

3 I. The commissioner's interpretation of RSA 72:28, 72:28-b, 72:28-c, 72:29, 72:29-a, 72:30,
4 72:31, 72:32, 72:33, 72:34, 72:34-a, 72:35, 72:36-a, 72:37, 72:37-a, 72:37-b, 72:38-a, 72:38-b, 72:39-a,
5 72:39-b, 72:41, 72:62, 72:66, 72:70; [~~and~~] 72:85, *and* 72:87; and

6 6 Effective Date. Part II of this act shall take effect 60 days after its passage.

SB 102 - FINAL VERSION

03/25/2021 0846s
06/24/2021 2070EBA

2021 SESSION

21-0970
10/08

SENATE BILL **102**

AN ACT adopting omnibus legislation on property taxation.

SPONSORS: Sen. Perkins Kwoka, Dist 21

COMMITTEE: Ways and Means

AMENDED ANALYSIS

This bill adopts legislation relative to:

I. A property tax relief program for qualifying residential property in a designated residential property revitalization zone.

II. Allowing towns and cities to adopt a property tax exemption for certain renewable generation and energy storage systems.

.....

Explanation: Matter added to current law appears in *bold italics*.
 Matter removed from current law appears ~~[in brackets and struckthrough]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

SB 102 - FINAL VERSION

03/25/2021 0846s
06/24/2021 2070EBA

21-0970
10/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT adopting omnibus legislation on property taxation.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Sponsorship. This act consists of the following proposed legislation:

2 Part I. LSR 21-0865, relative to a property tax relief program for qualifying residential
3 property in a designated residential property revitalization zone, sponsored by Sen. Kahn,
4 Prime/Dist 10; Sen. Watters, Dist 4; Rep. Lynn, Rock. 7; Rep. Porter, Hills. 1.

5 Part II. LSR 21-1031, allowing towns and cities to adopt a property tax exemption for
6 certain renewable generation and energy storage systems, sponsored by Sen. Prentiss, Prime/Dist 5;
7 Sen. Watters, Dist 4; Rep. Oxenham, Sull. 1; Rep. McGhee, Hills. 27; Rep. McWilliams, Merr. 27.

8 2 Legislation Enacted. The general court hereby enacts the following legislation:

9 PART I

10 Relative to a property tax relief program for qualifying residential property
11 in a designated residential property revitalization zone.

12 1 Commissioner of Revenue Administration; Equalization; Reference Added. Amend RSA 21-
13 J:3, XIII to read as follows:

14 XIII. Equalize annually by May 1 the valuation of the property as assessed in the several
15 towns, cities, and unincorporated places in the state including the value of property exempt
16 pursuant to RSA 72:37, 72:37-b, 72:39-a, 72:62, 72:66, and 72:70, property which is subject to tax
17 relief under RSA 79-E:4, and property which is subject to tax relief under RSA 79-E:4-a *or* RSA 79-
18 E:4-b, by adding to or deducting from the aggregate valuation of the property in towns, cities, and
19 unincorporated places such sums as will bring such valuations to the true and market value of the
20 property, and by making such adjustments in the value of other property from which the towns,
21 cities, and unincorporated places receive taxes or payments in lieu of taxes, including renewable
22 generation facility property subject to a payment in lieu of taxes agreement under RSA 72:74 and
23 combined heat and power agricultural facility property subject to a payment in lieu of taxes
24 agreement under RSA 72:74-a, as may be equitable and just, so that any public taxes that may be
25 apportioned among them shall be equal and just. In carrying out the duty to equalize the valuation
26 of property, the commissioner shall follow the procedures set forth in RSA 21-J:9-a.

27 2 Definition; Qualifying Structure. Amend RSA 79-E:2, II to read as follows:

28 II.(a) "Qualifying structure" means a building located in a district officially designated in a
29 municipality's master plan, or by zoning ordinance, as a downtown, town center, central business
30 district, or village center, or, where no such designation has been made, in a geographic area which,

1 as a result of its compact development patterns and uses, is identified by the governing body as the
2 downtown, town center, or village center for purposes of this chapter.

3 (b) Qualifying structure shall also mean:

4 (1) Historic structures in a municipality whose preservation and reuse would
5 conserve the embodied energy in existing building stock.

6 (2) *A one or 2-family home or an attached multi-family home with not more
7 than 4 units located in a residential property revitalization zone designated under RSA 79-
8 E:4-b and which is at least 40 years old.*

9 (c) Cities or towns may further limit "qualifying structure" according to the procedure in
10 RSA 79-E:3 as meaning only a structure located within such districts that meet certain age,
11 occupancy, condition, size, or other similar criteria consistent with local economic conditions,
12 community character, and local planning and development goals.

13 (d) Cities or towns may further modify "qualifying structure" to include buildings that
14 have been destroyed by fire or act of nature, including where such destruction occurred within 15
15 years prior to the adoption of the provisions of this chapter by the city or town.

16 (e) In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying
17 structure" also means potentially impacted structures identified by the municipality within the
18 coastal resilience incentive zone established under RSA 79-E:4-a.

19 3 New Section; Community Revitalization Tax Relief Incentive; Residential Property
20 Revitalization Zones. Amend RSA 79-E by inserting after section 4-a the following new section:

21 79-E:4-b Residential Property Revitalization Zones.

22 I. A city or town may adopt the provisions of this section by vote of its legislative body,
23 according to the procedures described in RSA 79-E:3, to establish tax relief for the owners of a one or
24 2-family home or an attached multi-family home with not more than 4 units and which is at least 40
25 years old, who significantly improves the quality, condition, and/or use of an existing residential
26 structure in a designated residential property revitalization zone.

27 II. The governing body of a municipality shall designate the area of a residential property
28 revitalization zone in which the tax relief for qualifying structures shall apply. Municipalities may
29 further establish criteria for the public benefits, goals, and measures that will determine the
30 eligibility of qualifying structures for tax relief located within a designated residential property
31 revitalization zone.

32 III. Municipalities may grant tax relief to the qualifying structure and property as described
33 in RSA 79-E:4 for the period of tax relief under RSA 79-E:5, provided that no property may be
34 granted tax relief under this chapter more than once in a 20 year period.

35 4 Definition; Qualifying Structure. Amend RSA 79-E:2, II to read as follows:

36 II.(a) "Qualifying structure" means a building located in a district officially designated in a
37 municipality's master plan, or by zoning ordinance, as a downtown, town center, central business

1 district, or village center, or, where no such designation has been made, in a geographic area which,
2 as a result of its compact development patterns and uses, is identified by the governing body as the
3 downtown, town center, or village center for purposes of this chapter.

4 (b) Qualifying structure shall also mean:

5 (1) Historic structures in a municipality whose preservation and reuse would
6 conserve the embodied energy in existing building stock.

7 (2) A one or 2-family home or an attached multi-family home with not more than 4
8 units located in a residential property revitalization zone designated under RSA 79-E:4-b and which
9 is at least 40 years old.

10 (c) Cities or towns may further limit "qualifying structure" according to the procedure in
11 RSA 79-E:3 as meaning only a structure located within such districts that meet certain age,
12 occupancy, condition, size, or other similar criteria consistent with local economic conditions,
13 community character, and local planning and development goals.

14 (d) Cities or towns may further modify "qualifying structure" to include buildings that
15 have been destroyed by fire or act of nature, including where such destruction occurred within 15
16 years prior to the adoption of the provisions of this chapter by the city or town.

17 (e) In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying
18 structure" also means potentially impacted structures identified by the municipality within the
19 coastal resilience incentive zone established under RSA 79-E:4-a.

20 ***(f) In a city or town that has adopted the provisions of RSA 79-E:4-c, "qualifying***
21 ***structure" also means a housing unit or units constructed in a housing opportunity zone***
22 ***established under RSA 79-E:4-c.***

23 5 New Section; Community Revitalization Tax Relief Incentives; Housing Opportunity Zone.
24 Amend RSA 79-E by inserting after section 4-b the following new section:

25 79-E:4-c Housing Opportunity Zone. A city or town may adopt the provisions of this section by
26 vote of its legislative body, in accordance with the procedures described in RSA 79-E:3, to establish a
27 housing opportunity zone. To be eligible for tax relief under this section, the qualifying structure
28 and property shall be located within the housing opportunity zone established by the municipality.
29 No less than one-third of the housing units constructed shall be designated for households with an
30 income of 80 percent or less of the area median income as measured by the United States
31 Department of Housing and Urban Development, or the housing units in a qualifying structure shall
32 be designated for households with incomes as provided in RSA 204-C:57, IV. A qualifying structure
33 under this section shall be eligible for tax assessment relief for a period of up to 10 years, beginning
34 upon issuance of the certification of occupancy.

35 6 Nullification of Prior Legislation; Effective 2022. If this act becomes law, 2021, 81:1 and 81:2
36 shall not take effect and sections 4 and 5 of Part I of this act shall take effect April 1, 2022.

37 7 Effective Date.

1 I. Sections 4 and 5 of Part I of this act shall take effect as provided in section 6 of this act.

2 II. The remainder of Part I of this act shall take effect 60 days after its passage.

3 PART II

4 Allowing towns and cities to adopt a property tax exemption for
5 certain renewable generation and energy storage systems.

6 1 Procedure for Adoption of Property Tax Exemption. Amend the introductory paragraph of
7 RSA 72:27-a, I, to read as follows:

8 I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:28-b, RSA 72:29-a, RSA
9 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, RSA
10 72:76, RSA 72:82, ~~or~~ RSA 72:85, *or RSA 72:87*, in the following manner:

11 2 Application for Exemption; Reference Added. Amend RSA 72:86 to read as follows:

12 72:86 Application for Exemption. Applications for exemptions under RSA 72:85 *and RSA 72:87*
13 shall be governed by the provisions of RSA 72:33, RSA 72:34, and RSA 72:34-a.

14 3 New Section; Property Taxation; Exemption for Renewable Generation Facilities and Electric
15 Energy Storage Systems. Amend RSA 72 by inserting after section 86 the following new section:

16 72:87 Exemption for Renewable Generation Facilities and Electric Energy Storage Systems.
17 Each municipality may adopt under RSA 72:27-a an exemption from the assessed value, for property
18 tax purposes, of a renewable generation facility, as defined in RSA 72:73, and of an electric energy
19 storage system, as defined in RSA 72:84, and that (a) is located behind the retail meter of a
20 customer-generator, as defined in RSA 362-A:1-a, II-b; or (b) is a limited producer, as defined in RSA
21 362-A:1-a, III, operating pursuant to RSA 362-A:2-a; or (c) is operating pursuant to RSA 374-D:2.

22 4 Duties of Commissioner; Reference Added. Amend RSA 21-J:3, XIII to read as follows:

23 XIII. Equalize annually by May 1 the valuation of the property as assessed in the several
24 towns, cities, and unincorporated places in the state including the value of property exempt
25 pursuant to RSA 72:37, RSA 72:37-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, ~~and~~ RSA
26 72:85, *and RSA 72:87*, property which is subject to tax relief under RSA 79-E:4, and property which
27 is subject to tax relief under RSA 79-E:4-a, by adding to or deducting from the aggregate valuation of
28 the property in towns, cities, and unincorporated places such sums as will bring such valuations to
29 the true and market value of the property, and by making such adjustments in the value of other
30 property from which the towns, cities, and unincorporated places receive taxes or payments in lieu of
31 taxes, including renewable generation facility property subject to a payment in lieu of taxes
32 agreement under RSA 72:74 and combined heat and power agricultural facility property subject to a
33 payment in lieu of taxes agreement under RSA 72:74-a, as may be equitable and just, so that any
34 public taxes that may be apportioned among them shall be equal and just. In carrying out the duty
35 to equalize the valuation of property, the commissioner shall follow the procedures set forth in RSA
36 21-J:9-a.

37 5 Rules; Reference Added. Amend RSA 72:36, I to read as follows:

SB 102 - FINAL VERSION

- Page 5 -

1 I. The commissioner's interpretation of RSA 72:28, 72:28-b, 72:28-c, 72:29, 72:29-a, 72:30,
2 72:31, 72:32, 72:33, 72:34, 72:34-a, 72:35, 72:36-a, 72:37, 72:37-a, 72:37-b, 72:38-a, 72:38-b, 72:39-a,
3 72:39-b, 72:41, 72:62, 72:66, 72:70; ~~and~~ 72:85, *and* 72:87; and

4 6 Effective Date. Part II of this act shall take effect 60 days after its passage.

Amendments

Senate Ways and Means
March 16, 2021
2021-0846s
10/05

Amendment to SB 102

1 Amend the bill by replacing section 1, Sponsorship, with the following:

2

3 1 Sponsorship. This act consists of the following proposed legislation:

4 Part I. LSR 21-0865, relative to a property tax relief program for qualifying residential
5 property in a designated residential property revitalization zone, sponsored by Sen. Kahn,
6 Prime/Dist 10; Sen. Watters, Dist 4; Rep. Lynn, Rock. 7; Rep. Porter, Hills. 1.

7 Part II. LSR 21-1031, allowing towns and cities to adopt a property tax exemption for
8 certain renewable generation and energy storage systems, sponsored by Sen. Prentiss, Prime/Dist 5;
9 Sen. Watters, Dist 4; Rep. Oxenham, Sull. 1; Rep. McGhee, Hills. 27; Rep. McWilliams, Merr. 27.

10

11 Amend the bill by deleting Part I and renumbering Parts II and III, and the Part references in each
12 Part's effective date, to be Part I and Part II, respectively.

2021-0846s

AMENDED ANALYSIS

This bill adopts legislation relative to:

- I. A property tax relief program for qualifying residential property in a designated residential property revitalization zone.
- II. Allowing towns and cities to adopt a property tax exemption for certain renewable generation and energy storage systems.

Committee Minutes

SENATE CALENDAR NOTICE

Ways and Means

Sen Bob Giuda, Chair
Sen Lou D'Allesandro, Vice Chair
Sen Gary Daniels, Member
Sen Erin Hennessey, Member
Sen Cindy Rosenwald, Member

Date: March 3, 2021

HEARINGS

Monday	03/08/2021	
(Day)	(Date)	
Ways and Means	REMOTE 000	9:00 a.m.
(Name of Committee)	(Place)	(Time)
9:00 a.m.	EXECUTIVE SESSION ON PENDING LEGISLATION	
9:20 a.m.	SB 112	relative to historical racing.
9:40 a.m.	SB 102	adopting omnibus legislation on property taxation.

Committee members will receive secure Zoom invitations via email.

Members of the public may attend using the following links:

1. Link to Zoom Webinar: <https://www.zoom.us/j/94818129417>
2. To listen via telephone: Dial (for higher quality, dial a number based on your current location): 1-301-715-8592, or 1-312-626-6799 or 1-929-205-6099, or 1-253-215-8782, or 1-346-248-7799, or 1-669-900-6833
3. Or iPhone one-tap: 13017158592,,94818129417# or 13126266799,,94818129417#
4. Webinar ID: 948 1812 9417
5. To view/listen to this hearing on YouTube, use this link:
<https://www.youtube.com/channel/UCjBZdtrjRnQdmg-2MPMiWrA>
6. To sign in to speak, register your position on a bill and/or submit testimony, use this link:
<http://gencourt.state.nh.us/remotecommittee/senate.aspx>

The following email will be monitored throughout the meeting by someone who can assist with and alert the committee to any technical issues: remotesenate@leg.state.nh.us or call (603-271-6931).

EXECUTIVE SESSION MAY FOLLOW

Sponsors:

SB 112

Sen. French
Sen. Carson
Sen. Sherman

Sen. Daniels
Sen. Soucy
Rep. Abrami

Sen. Cavanaugh
Sen. Giuda
Rep. Graham

Sen. Hennessey
Sen. Bradley
Rep. Lang

SB 102

Sen. Perkins Kwoka

Sonja Caldwell 271-2117

Bob J. Giuda
Chairman

Senate Ways and Means Committee
Sonja Caldwell 271-2117

SB 102, adopting omnibus legislation on property taxation.

Hearing Date: March 8, 2021

Members of the Committee Present: Senators Giuda, D'Allesandro, Daniels, Hennessey and Rosenwald

Members of the Committee Absent : None

Bill Analysis: This bill adopts legislation relative to:

I. Postponing assessment reviews and reappraisals of property.

II. A property tax relief program for qualifying residential property in a designated residential property revitalization zone.

III. Allowing towns and cities to adopt a property tax exemption for certain renewable generation and energy storage systems.

Sponsors:

Sen. Perkins Kwoka

Who supports the bill: Sen. Perkins Kwoka, Sara Holland (NH Assoc. of Realtors), Sen. Kahn, Sen. Prentiss, Elizabeth Vaughan, Kyle Leach, Rick Becksted (Portsmouth), Evan Oxenham, Lucinda Hope, Richard Demark, Susan Bruce, Stephanie Osborne, David McConville, Nicole Fordey, Ruth Larson

Who opposes the bill: Jim Michaud, Norm Bernaich (Hanover), Dan McGuire (Granite State Taxpayers), Alvin See, Dan Langille, Cindy Kudlik

Who is neutral on the bill: Carollynn Lear and James Gerry (NHDRA)

Summary of testimony presented:

Part One

Sen. Perkins Kwoka

- She filed this bill on behalf of the City of Portsmouth.
- This would postpone property tax assessments during the tax year beginning April 1, 2021. Any appeal filed for the property tax year beginning April 1, 2021 will utilize the 2020 median equalization ratio as established by the DRA for abatement purposes.

- This will prevent property owners from having their tax assessments occur during an artificially inflated real estate market. Assessing property during this time will make it harder for people to stay in their homes.
- The City of Portsmouth will not need to conduct reevaluation this year, but other communities might be interested in this procedure.
- She noted that it would be important to hear from the DRA to ensure there are no unintended consequences to the bill.

Carolynn Lear and James Gerry – DRA municipal and property division

- DRA takes no position on part one.
- Assessment review is the process of reviewing municipal records once every five years to determine the degree that each municipality achieves substantial compliance with applicable statutes and rules. The municipal and property division conducts these reviews using standards established by the Assessing Standards Board. The DRA provides oversight to ensure that the \$4 billion collected annually in property taxes is assessed fairly, accurately, and lawfully.
- Each year, approximately 1/5 of all cities and towns in NH are subject to assessment review. As part of this process, the DRA reviews 1,750 properties statewide for accuracy in assessments. They review another 750 properties for revised inventories. Those are things like building permits, construction and deconstruction. They work with city officials and assessors to ensure exemptions and credits are processed correctly. They look at assessing practices in a town. In total, they review over 5,000 records statewide annually. It's about the quality of assessing work done over 5 years since their last assessment review.
- DRA is concerned that prohibiting assessment review will create a backlog that staff will not be able to recover from. Instead of the typical 1,750 reviews and 750 in revised inventories, in 2022 they would be facing 3,500 views, 1500 revised inventories and have to review over 10,000 records.
- In 2020 and into 2021, the DRA was able to successfully conduct assessment review under strict protocols. They only went into cities and towns with less than 11 active Covid cases. They wore masks, social distanced and never went into a property, even if asked. In 2020, they performed over 1,100 reviews and field work and received no complaints from the public.
- They believe assessment review is vital. Suspending assessment review for a year will create a backlog they cannot easily recover from. They believe assessment review can be done for most all cities and towns safely.
- Right now, 78% of NH towns meet their protocols regarding Covid cases.

Sen. Giuda asked what the impact on towns would be in terms of tax revenue if this bill passes. Mr. Gerry said it wouldn't impact tax revenues at all. Overall tax revenue is not based on assessed valuations. It's based on a simple formula, which is total appropriations minus all revenue that is not property tax revenue and that equals your property tax burden. Where assessed values come is how is that tax burden distributed on the property owners of a city or town. If your tax burden rises proportionally with everyone else, the amount of property taxes you pay will not change.

Jim Michaud

- This bill is unconstitutional, as the Constitution requires valuation every five years.

- If this bill passes and communities are allowed to go more than 5 years, any tax bills they send out for 2021 would be uncollectable based on an unconstitutional application of the law.
- Communities are under contract to get a reevaluation done this year and are already well into the process.
- This proposal causes legal havoc with property settlement agreements.

Norm Bernaiche – Director of assessing in Hanover.

- Hanover is under an order by the BTLA to be done this year. They are financially obligated to finish it this year.
- They are having great success finishing the job because of covid because people are actually home. They have more contact with the tax paying public.
- They do safely distanced inspections. They do facetime and zoom, based on what the taxpayer preference is.
- He doesn't see a reason to suspend reevaluations.
- Hanover would lose \$400,000 in tax revenue or it would be shifted to people with existing property. If one built a house this year and the reappraisal of property was suspended, they would not get taxed on the new home.

Paul Smith – CEO of Vision Government Solutions.

- They are a reevaluation vendor. They are working with Manchester and other communities in NH.
- The purpose of the bill was well intentioned but there are a number of unintended consequences.
- The first issue is equity. You would get a free ride if you built a new structure this year.
- Other municipalities do reevaluations more frequently to avoid shock to taxpayers. If we pause the process, you can't stop values from going up. It will create a harsh shock to taxpayers.
- Third, it will cost cities money. A number of projects have started. Vendors who have done the work will have to redo it all and they will have to pay twice for the same project.

Daniel McGuire – Granite State taxpayers

- Property tax is simple, fair and easy to understand.
- The goal of part two of the bill is to have better housing quality.
- The goal of part three is to have more renewable power.
- These are laudable goals, but taxes are the wrong place to do them.
- There is no fiscal note with this bill. No one can answer the question if we pass the bill how much of that goal is accomplished because it has to do with how people will respond to tax incentives, and that can't be known ahead of time.
- This is the wrong place to do this sort of thing. It should be done in the budget to achieve policy goals.

Sen. Rosenwald asked if he is opposed to the veterans and elderly tax credits.

Mr. McGuire said yes. He does think that is the wrong way to do it.

Part Two
Sen. Kahn

- This part is relative to a property tax relief program for qualifying residential properties in a designated residential property revitalization zone. The idea of this is explained at the bottom of page two of the bill and the top of page three.
- As background information, this was introduced as SB152 last year and passed the Senate but did not make it through the rest of the process.
- The purpose of the bill is still needed. Keene wants the authority to designate a residential revitalization zone.
- Revitalization is the definition of what is a residential home, which is 4 or less units. It is a property that has improvements on it that are 40 years old or greater.
- The idea is that the city has the opportunity to designate an area that has aging properties in need of significant improvements and through these investments there would be some tax relief over a defined period of time of five years or up to ten years. It can be up to 20% of the total amount of the improvement value. For example, if a \$180,000 property had improvements that raised the value to \$230,000 of assessed valuation, that \$50,000 difference would provide a \$10,000 tax abatement in the valuation for that property during that five to year period.

Sara Holland – broker and owner of Sarah Holland & Company and VC of NH Assoc. of Realtors public policy committee

- The Realtors support part two of the bill: the community revitalization tax incentive program to encourage rehabilitation of underutilized structures.
- Adding 40-year-old structures will add housing stock and revitalize downtown.
- NH has a vacancy rate of nearly 0%. They have received 50 requests for long term rentals in the last two months but have no way to help.
- The lack of inventory is driving up prices.
- The tax credits are voluntary. They can choose to use this or not. It gives towns an option.

Part Three

Sen. Prentiss

- This allows towns and cities to adopt a property tax exemption for certain renewable generation and energy storage systems. Lebanon has official commitments or plans to accelerate a shift to renewable energy and away from fossil fuels. For Lebanon, this involves master plan goals and relying on as much local renewable energy as possible.
- The world is in an accelerating climate crisis.
- One obstacle to local progress is how we apply property tax to renewable generation and storage, and more specifically, third party owned solar array systems. Limiting the exemptions to only these systems serving government is problematic. They don't want to tax third party array serving systems.
- One example in Lebanon is low and moderate income, resident-owned manufactured homes served by a solar array. If the municipality doesn't have the ability to exempt this, any savings they would realize would be lost.
- This is a local option. It allows municipalities to specify the provisions for a property tax exemption or credit and the manner in which it is determined.

Clifton Below – Assistant Mayor of Lebanon.

- This bill originates from SB530 from last session, which sought to clarify existing exemptions for solar, wind, wood energy and storage. Those existing local option exemptions don't pertain to state property taxes.
- The City of Lebanon has procured solar systems with third party ownership so they could take advantage of the federal tax credit. The City sought a legal opinion on whether they could exempt the solar system itself even though it was not the underlying property owner. The underlying property owner is the municipality. The legal opinion was that the existing exemptions only apply to the underlying property owner, so if the solar system is owned by a third party, they can't get the exemption.
- They found a work around but it's a problem for nonprofits where a third party might finance construction of a solar system.
- In New England, most electricity comes from natural gas. Renewable systems have higher capital costs. When you tax them based on the cost to construct, the burden per kilowatt hour on solar is 7 times that of natural gas.
- Last year's bill sought to amend existing statute so they could include the actual systems even if owned by a third party. The municipal association and the assessor's association were concerned that we not change an existing exemption that would change what a municipality had already voted on. This bill arose from a proposed amendment that was worked out with the municipal association and the assessor's association. It's a separate, local option. DRA adds these values back in for equalization purposes. It does not exempt them from the statewide property tax or utility property taxes that would apply.
- It uses the existing definition of renewable energy.

sc

Date Hearing Report completed: March 11, 2021

Speakers

Name	Representing	Position	Testifying
Perkins Kwoka Senator Rebecca	Myself (SD 21)	Support	Yes
Michaud Jim	Myself	Oppose	Yes
Bernaiche Normand	Town of Hanover	Oppose	Yes
Holland Sara	NH Association of REALTORS	Support	Yes
Lear Carolynn	NH Dept. of Revenue	Neutral	Yes
Gerry James	NH Dept. of Revenue	Neutral	Yes
Kahn Jay	Senate District 10	Support	Yes
Prentiss Sue	Senate District 5	Support	Yes
McGuire Dan	Granite State Taxpayers	Oppose	Yes
See Alvin	Myself	Oppose	No
Vaughan Elizabeth	Myself	Support	No
Leach Kyle	Myself	Support	No
Langille Dan	Myself	Oppose	No
Becksted Rick	City of Portsmouth	Support	No
Oxenham Evan	Myself	Support	No
Hope Lucinda	Myself	Support	No
DeMark Richard	Myself	Support	No
Kudlik Cindy	Myself	Oppose	No
Bruce Susan	Myself	Support	No
Osborne Stephanie	Myself	Support	No
McConville David	Myself	Support	No
Fordey Nicole	Myself	Support	No
Larson Ruth	Myself	Support	No

Testimony

Sonja Caldwell

From: Clifton Below <Clifton.Below@lebanonnh.gov>
Sent: Monday, March 8, 2021 9:49 AM
To: Bob Giuda; Lou D'Allesandro; Erin Hennessey; Cindy Rosenwald; Gary Daniels; Sonja Caldwell
Cc: Rebecca Perkins Kwoka; Suzanne Prentiss
Subject: SB 102, Part III
Attachments: Cost of Utility Property Tax per MWh.pdf

Dear members of Ways & Means,

Attached please find a PDF as a supplement in support of my verbal testimony in support of SB 102, Part III. It is a comparison of potential property tax burden per kWh of various types of renewable electric generation and storage compared with natural gas generation which is primary type of generation in New England that renewables "compete" with or displace on the margin. This is to illustrate why municipalities might be interested in a local property tax exemption option for renewable generation and storage, including for generation that is owned by parties other than the underlying property owner that currently law doesn't clearly allow for. Please don't hesitate to be in touch if you have any questions. Thank you.

Clifton Below ❖ Asst. Mayor, Lebanon City Council ❖ personal office: 1 COURT ST, STE 300, Lebanon, NH 03766-1358 (603) 448-5899 (O), 667-7785 (M) ❖ Clifton.Below@LebanonNH.Gov ❖ www.linkedin.com/in/clifton-below

Comparison of Utility Property Tax Applied to Different Types of Generation

This is admittedly an overly simplified analysis. The NH DRA explains how they value property for the Utility Property Tax here: <https://www.revenue.nh.gov/mun-prop/property/documents/appraising-utilities.pdf>. Cost is 1 of 3 approaches used. Cost is based on purchase (or replacement) cost less depreciation. The analysis below assumes all costs at original capital cost, although the results would be similar if all were depreciated on a straight-line over the same number of years, at the same age of original investment. The last column shows an approximation of the relative Utility Property Tax burden assuming equal value/kWh produced based on income method with equal weight to the two methods, a not uncommon way of using more than one valuation approach. The 3rd method is market value based on sales, which is less often used because the infrequency of arms-length market based sales of utility scale generation.

The approximate effect of using an income method of value, assuming all kWh are of = value is shown below with 50:50 weighting of cost and income methods with the last column showing resulting ratio of tax/kWh compared with natural gas CC:

Type of Generation	Capital Cost/MW	Tax Rate /\$1,000	Tax/MW	Ave. Cap. Factor	8760		Cost/kWh Compared w/nat. gas CC	relative tax/kWh			
					Ave. MWh/yr.	Tax/MWh		+	=	/2 =	
Nat. Gas Combined Cycle (CC)	1,091,000	\$ 6.60	\$ 7,201	53%	4,643	\$ 1.55	1	+	1	2	1
Solar -- fixed tilt	2,316,000	\$ 6.60	\$ 15,286	15%	1,314	\$ 11.63	7.5	X +	1	9	4.3
Solar -- tracking 1 axis	2,471,000	\$ 6.60	\$ 16,309	18%	1,577	\$ 10.34	6.7	X +	1	8	3.8
Wind	2,510,000	\$ 6.60	\$ 16,566	35%	3,066	\$ 5.40	3.5	X +	1	4	2.2
Battery Storage	2,201,000	\$ 6.60	\$ 14,527	11%	964	\$ 15.08	9.7	X +	1	11	5.4
Conventional Hydropower	1,904,000	\$ 6.60	\$ 12,566	40%	3,504	\$ 3.59	2.3	X +	1	3	1.7
Results if distributed renewables are taxed at Statewide Education Property Tax											
Solar -- fixed tilt	2,316,000	\$ 2.06	\$ 4,771	15%	1,314	\$ 3.63	2.3				
Solar -- tracking 1 axis	2,471,000	\$ 2.06	\$ 5,090	18%	1,577	\$ 3.23	2.1				
Wind	2,510,000	\$ 2.06	\$ 5,171	35%	3,066	\$ 1.69	1.1				
Battery Storage	2,201,000	\$ 2.06	\$ 4,534	11%	964	\$ 4.71	3.0				
Capital Cost is from EIA for New England region: https://www.eia.gov/outlooks/aeo/assumptions/pdf/table_8.2.pdf											
Average Capacity Factor is from ISO-NE 5 year averages from NERC (for New England) and educated guesstimates (because NERC doesn't separately estimate for solar, battery, and wind). The battery estimated 11% capacity factor is for one round trip per day with a Tesla battery discharged at the daily rate proposed in Liberty's battery pilot.											
https://www.revenue.nh.gov/mun-prop/property/documents/appraising-utilities.pdf											
https://www.eia.gov/outlooks/aeo/assumptions/pdf/table_8.2.pdf											

City of Keene, New Hampshire

George S. Hansel, Mayor

3/8/2021

Chairman Giuda and Honorable Members of the Senate Ways and Means Committee

State House, Senate Chamber

107 North Main Street

Concord, NH 03303

RE: Support for SB 102, Part II

Dear Members of Senate Ways and Means,

I'm writing to express my support for SB 102, Part II in that it would help expand the 79-E tax relief program to incentivize the repair and updating of older homes.

In 2017, the City of Keene adopted a 79-E program. Since then, two projects have taken advantage of this incentive: The renovation of a historic 150-year-old church that now houses a digital marketing firm, and the repurposing of a late 1800's home/carriage house into a unique bed-and-breakfast. Both projects have contributed to enhancing Keene's vitality and preserving our unique character. In the case of the historic church, the owner said that the 79-E program was instrumental in his decision to move ahead with the project.

Now is the time to build on this success by expanding the use of 79-E in new and creative ways. In Keene, we are focused on neighborhood revitalization, and creating attractive housing options for working families. Our goal over the next two years is to incentivize the renovation and weatherization of our older housing stock while preserving the character of our city. Expanding opportunities for property owners to utilize 79-E is an important component of our economic development strategy.

I urge you to support Part II of SB 102 and thank you for your consideration.

Sincerely,



George Hansel, Mayor of Keene



TOWN OF HUDSON

Office of the Assessor

Jim Michaud
Chief Assessor, CAE
email: jmichaud@hudsonnh.gov

www.hudsonnh.gov



12 School Street · Hudson, New Hampshire 03051 · Tel: 603-886-6009 · Fax: 603-598-6481

Senate Ways & Means Committee
Honorable Senator Bob Giuda, Chairman

March 5, 2021

RE: SB 102

Dear Chair and Committee Members,

Thank you for the opportunity to provide input on the public hearing of SB 102, specifically Part I. – “Postponing assessment reviews and reappraisals of property.” The comments that I am offering are my own and not necessarily those of the Town of Hudson, and I am opposed to Part I of this bill.

1. The initial concern is that of unconstitutionality, the charge to reassess property on a 5-year cycle is found statutorily in RSA 75:8-a, and as follows below from the NH Constitution, emphasis added. While I expect others with requisite legal experience to further comment in their testimony on this bills flaw, I would find it difficult for the current wording of the proposal to pass muster with the constitutional text below;

NH Constitution –Part 2 Article 6

[Art.] 6. [Valuation and Taxation.] The public charges of government, or any part thereof, may be raised by taxation upon polls, estates, and other classes of property, including franchises and property when passing by will or inheritance; and **there shall be a valuation of the estates within the state taken anew once in every five years, at least, and as much oftener as the general court shall order.**
June 2, 1784

2. The elimination of the 2021 property tax year, as a year of full reappraisal for NH municipalities, quite likely poses an adverse financial and legally jeopardizing proposal for those numerous NH municipalities whom have planned, contracted, and long since already commenced, and are well into, those reappraisal tasks as we speak. The DRA lists 50+ municipalities whom are going through the required Assessment Review 2021 process, and almost all are going through the constitutionally required reappraisal process for the 2021 property tax year.

This 2021 list includes communities such as: Manchester, Merrimack, Amherst, Milford, Wilton, Haverhill, Wentworth, Bridgewater, Alexandria, Danbury, Shelburne and more

The above and more municipalities have legally contracted for these fiscal obligations, in the hundreds of thousands of dollars, with their mass appraisal vendors (those companies being small businesses all), and those legal obligations are not voided if this legislative proposal were to pass. The fiscal reality of this is that NH municipalities and their property taxpayers will be paying property taxes for reappraisal projects for 2021, that will not be implemented if this proposal were to pass. In turn, they would then need to contract to get their reappraisal projects completed for the subsequent 2022 property tax year, spend yet more local taxpayer dollars, and, what then? Canceled again?

Please keep in mind the following that NH municipalities have done in preparation for this property tax year, please don't allow those significant and obligated municipal efforts to be voided and go to waste;

- a. Engaged in multiple municipal budget appropriation cycles to raise necessary funding for this required reappraisal year;
- b. Engaged in RFP/RFQ fiscal process to secure reappraisal contracts to select appropriate vendors from;
- c. Engaged in legally binding business contracts to secure reappraisal contracts to accomplish these required fiscal tasks; and more.

3. This proposal causes legal havoc with property assessment settlement agreements that taxpayers have with municipal jurisdictions throughout the State, from those involving complex public utility properties, to commercial and industrial properties, and all of those in between. Those settlement agreements are predicated with an end date commensurate with the next reassessment cycle, if that cycle is disturbed (as this bill does), that leaves those settlement agreements in probable legal purgatory.

The 2021 reappraisal year being proposed to be eliminated, leaves a void in those legally binding settlement agreements, triggering additional municipal expenditures of taxpayer dollars in an attempt to fashion a path forward with these agreements; some communities with numerous agreements to do this with; and in many cases it could be anticipated that these issues would be in front of NH's judicial system.

The scope of this problem is significant, the true costs are not currently ascertainable, but the (unintended) consequences of this bill's thrust causes additional fiscal uncertainty, for taxpayers, municipalities, the State's DRA as well as the burdened judicial system.

In closing, I thank the Senate Ways and Means Committee for their time and commitment, I hope that my testimony proves to be useful to the committee members in your deliberations, I look forward to answering questions you may have.

Virtually signed/JM

Jim Michaud, CNHA
Chief Assessor
Town of Hudson, NH

Voting Sheets

Senate Ways & Means Committee
EXECUTIVE SESSION RECORD
2021-2022 Session

Bill # SB102

Hearing date: 3-8-21

Executive Session date: 3-15-21

Motion of: Amend remove part 1 Vote: 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Giuda, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. D'Allesandro, VC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Daniels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Hennessey	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Rosenwald	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion of: OTPIA Vote: 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Giuda, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. D'Allesandro VC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Daniels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Hennessey	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Rosenwald	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Motion of: Consent Vote: 5-0

Committee Member	Present	Made by	Second	Yes	No
Sen. Giuda, Chair	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. D'Allesandro, VC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Daniels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Hennessey	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sen. Rosenwald	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reported out by: Rosenwald

Notes: _____

Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE
FOR THE CONSENT CALENDAR

Tuesday, March 16, 2021

THE COMMITTEE ON Ways and Means

to which was referred **SB 102**

AN ACT adopting omnibus legislation on property taxation.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 5-0

AMENDMENT # 0846s

Senator Cindy Rosenwald
For the Committee

SB102 is omnibus legislation with three parts. After hearing compelling testimony from the NH Department of Revenue Administration about the negative consequences delaying assessment review would have on the department, municipalities, and taxpayers, the committee unanimously chose to amend the bill by removing Part I. Parts II and III of the bill give municipalities the option to adopt various tax relief initiatives. Part II would allow cities and towns to designate residential property revitalization zones for the purposes of a property tax relief program for certain qualifying residential properties. The goal of this proposal is to incentivize the rehabilitation of underutilized structures, thus increasing available housing stock. Part III of the bill allows cities and towns to adopt a property tax exemption for certain renewable generation and energy storage systems. Without the ability to exempt these systems from property taxation, much of the savings that would be realized from the systems would be lost.

Sonja Caldwell 271-2117

FOR THE CONSENT CALENDAR

WAYS AND MEANS

SB 102, adopting omnibus legislation on property taxation.

Ought to Pass with Amendment, Vote 5-0.

Senator Cindy Rosenwald for the committee.

SB102 is omnibus legislation with three parts. After hearing compelling testimony from the NH Department of Revenue Administration about the negative consequences delaying assessment review would have on the department, municipalities, and taxpayers, the committee unanimously chose to amend the bill by removing Part I. Parts II and III of the bill give municipalities the option to adopt various tax relief initiatives. Part II would allow cities and towns to designate residential property revitalization zones for the purposes of a property tax relief program for certain qualifying residential properties. The goal of this proposal is to incentivize the rehabilitation of underutilized structures, thus increasing available housing stock. Part III of the bill allows cities and towns to adopt a property tax exemption for certain renewable generation and energy storage systems. Without the ability to exempt these systems from property taxation, much of the savings that would be realized from the systems would be lost.

General Court of New Hampshire - Bill Status System

Docket of SB102

Docket Abbreviations

Bill Title: adopting omnibus legislation on property taxation.*Official Docket of SB102.:*

Date	Body	Description
1/26/2021	S	Introduced 01/06/2021 and Referred to Ways and Means; SJ 3
3/4/2021	S	Remote Hearing: 03/08/2021, 09:40 am; Links to join the hearing can be found in the Senate Calendar; SC 14
3/16/2021	S	Committee Report: Ought to Pass with Amendment #2021-0846s , 03/25/2021; Vote 5-0; CC; SC 16
3/25/2021	S	Committee Amendment #2021-0846s , RC 24Y-0N, AA; 03/25/2021; SJ 9
3/25/2021	S	Ought to Pass with Amendment 2021-0846s, RC 24Y-0N, MA; OT3rdg; 03/25/2021; SJ 9
3/31/2021	H	Introduced (in recess of) 02/25/2021 and referred to Ways and Means HJ 4 P. 51
4/15/2021	H	Vacated and Referred to Municipal and County Government (): MA VV (in recess of) 04/09/2021 HJ 7 P. 100
5/17/2021	H	Public Hearing: 05/17/2021 10:45 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/91407870095 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
5/27/2021	H	Majority Committee Report: Ought to Pass (Vote 15-4; RC) HC 26 P. 28
5/27/2021	H	Minority Committee Report: Inexpedient to Legislate
6/4/2021	H	Ought to Pass: MA RC 208-165 06/04/2021 HJ 9 P. 25
7/12/2021	H	Enrolled Bill Amendment #2021-2062e : AA VV (in recess of) 06/24/2021
7/16/2021	S	Enrolled Bill Amendment #2021-2070e Adopted, VV, (In recess of 06/24/2021); SJ 20
7/28/2021	H	Enrolled (in recess of) 06/24/2021
7/28/2021	S	Enrolled Adopted, VV, (In recess 06/24/2021); SJ 20

NH House

NH Senate

Other Referrals

July 7, 2021
2021-2062-EBA
11/04

Enrolled Bill Amendment to SB 102

The Committee on Enrolled Bills to which was referred SB 102

AN ACT adopting omnibus legislation on property taxation.

Having considered the same, report the same with the following amendment, and the recommendation that the bill as amended ought to pass.

FOR THE COMMITTEE

Explanation to Enrolled Bill Amendment to SB 102

This enrolled bill amendment makes technical changes to the bill to incorporate other legislation.

Enrolled Bill Amendment to SB 102

Amend Part I of the bill by replacing all after section 2 with the following:

3 Definition; Qualifying Structure. Amend RSA 79-E:2, II to read as follows:

II.(a) "Qualifying structure" means a building located in a district officially designated in a municipality's master plan, or by zoning ordinance, as a downtown, town center, central business district, or village center, or, where no such designation has been made, in a geographic area which, as a result of its compact development patterns and uses, is identified by the governing body as the downtown, town center, or village center for purposes of this chapter.

(b) Qualifying structure shall also mean:

(1) Historic structures in a municipality whose preservation and reuse would conserve the embodied energy in existing building stock.

(2) A one or 2-family home or an attached multi-family home with not more than 4 units located in a residential property revitalization zone designated under RSA 79-E:4-b and which is at least 40 years old.

(c) Cities or towns may further limit "qualifying structure" according to the procedure in RSA 79-E:3 as meaning only a structure located within such districts that meet certain age, occupancy, condition, size, or other similar criteria consistent with local economic conditions, community character, and local planning and development goals.

ENROLLED BILL AMENDMENT TO SB 102

- Page 2 -

(d) Cities or towns may further modify "qualifying structure" to include buildings that have been destroyed by fire or act of nature, including where such destruction occurred within 15 years prior to the adoption of the provisions of this chapter by the city or town.

(e) In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying structure" also means potentially impacted structures identified by the municipality within the coastal resilience incentive zone established under RSA 79-E:4-a.

(f) In a city or town that has adopted the provisions of RSA 79-E:4-c, "qualifying structure" also means a housing unit or units constructed in a housing opportunity zone established under RSA 79-E:4-c.

4 New Section; Community Revitalization Tax Relief Incentives; Housing Opportunity Zone. Amend RSA 79-E by inserting after section 4-b the following new section:

79-E:4-c Housing Opportunity Zone. A city or town may adopt the provisions of this section by vote of its legislative body, in accordance with the procedures described in RSA 79-E:3, to establish a housing opportunity zone. To be eligible for tax relief under this section, the qualifying structure and property shall be located within the housing opportunity zone established by the municipality. No less than one-third of the housing units constructed shall be designated for households with an income of 80 percent or less of the area median income as measured by the United States Department of Housing and Urban Development, or the housing units in a qualifying structure shall be designated for households with incomes as provided in RSA 204-C:57, IV. A qualifying structure under this section shall be eligible for tax assessment relief for a period of up to 10 years, beginning upon issuance of the certification of occupancy.

5 Nullification of Prior Legislation; Effective 2022. If this act becomes law, 2021, 81:1 and 81:2 shall not take effect and sections 3 and 4 of this act shall take effect April 1, 2022.

6 Effective Date.

- I. Sections 3 and 4 of Part I of this act shall take effect as provided in section 5 of this act.
- II. The remainder of Part I of this act shall take effect 60 days after its passage.

July 14, 2021
2021-2070-EBA
11/08

Enrolled Bill Amendment to SB 102

The Committee on Enrolled Bills to which was referred SB 102

AN ACT adopting omnibus legislation on property taxation.

Having considered the same, report the same with the following amendment, and the recommendation that the bill as amended ought to pass.

FOR THE COMMITTEE

Explanation to Enrolled Bill Amendment to SB 102

This enrolled bill amendment makes technical changes to the bill to incorporate other legislation.

Enrolled Bill Amendment to SB 102

Amend Part I of the bill by replacing all after section 3 with the following:

4 Definition; Qualifying Structure. Amend RSA 79-E:2, II to read as follows:

II.(a) "Qualifying structure" means a building located in a district officially designated in a municipality's master plan, or by zoning ordinance, as a downtown, town center, central business district, or village center, or, where no such designation has been made, in a geographic area which, as a result of its compact development patterns and uses, is identified by the governing body as the downtown, town center, or village center for purposes of this chapter.

(b) Qualifying structure shall also mean:

(1) Historic structures in a municipality whose preservation and reuse would conserve the embodied energy in existing building stock.

(2) A one or 2-family home or an attached multi-family home with not more than 4 units located in a residential property revitalization zone designated under RSA 79-E:4-b and which is at least 40 years old.

(c) Cities or towns may further limit "qualifying structure" according to the procedure in RSA 79-E:3 as meaning only a structure located within such districts that meet certain age, occupancy, condition, size, or other similar criteria consistent with local economic conditions, community character, and local planning and development goals.

ENROLLED BILL AMENDMENT TO SB 102

- Page 2 -

(d) Cities or towns may further modify "qualifying structure" to include buildings that have been destroyed by fire or act of nature, including where such destruction occurred within 15 years prior to the adoption of the provisions of this chapter by the city or town.

(e) In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying structure" also means potentially impacted structures identified by the municipality within the coastal resilience incentive zone established under RSA 79-E:4-a.

(f) In a city or town that has adopted the provisions of RSA 79-E:4-c, "qualifying structure" also means a housing unit or units constructed in a housing opportunity zone established under RSA 79-E:4-c.

5 New Section; Community Revitalization Tax Relief Incentives; Housing Opportunity Zone. Amend RSA 79-E by inserting after section 4-b the following new section:

79-E:4-c Housing Opportunity Zone. A city or town may adopt the provisions of this section by vote of its legislative body, in accordance with the procedures described in RSA 79-E:3, to establish a housing opportunity zone. To be eligible for tax relief under this section, the qualifying structure and property shall be located within the housing opportunity zone established by the municipality. No less than one-third of the housing units constructed shall be designated for households with an income of 80 percent or less of the area median income as measured by the United States Department of Housing and Urban Development, or the housing units in a qualifying structure shall be designated for households with incomes as provided in RSA 204-C:57, IV. A qualifying structure under this section shall be eligible for tax assessment relief for a period of up to 10 years, beginning upon issuance of the certification of occupancy.

6 Nullification of Prior Legislation; Effective 2022. If this act becomes law, 2021, 81:1 and 81:2 shall not take effect and sections 4 and 5 of Part I of this act shall take effect April 1, 2022.

7 Effective Date.

I. Sections 4 and 5 of Part I of this act shall take effect as provided in section 6 of this act.

II. The remainder of Part I of this act shall take effect 60 days after its passage.

Senate Inventory Checklist for Archives

Bill Number: SB102

Senate Committee: Ways & Means

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

Final docket found on Bill Status

Bill Hearing Documents: {Legislative Aides}

Bill version as it came to the committee

All Calendar Notices

Hearing Sign-up sheet(s)

Prepared testimony, presentations, & other submissions handed in at the public hearing

Hearing Report

N/A Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: {Legislative Aides}

All amendments considered in committee (including those not adopted):

- amendment # 0846 ___ - amendment # _____

___ - amendment # _____ ___ - amendment # _____

Executive Session Sheet

Committee Report

Floor Action Documents: {Clerk's Office}

All floor amendments considered by the body during session (only if they are offered to the senate):

___ - amendment # _____ ___ - amendment # _____

___ - amendment # _____ ___ - amendment # _____

Post Floor Action: (if applicable) {Clerk's Office}

___ Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):

Enrolled Bill Amendment(s) 2062 & 2070

___ Governor's Veto Message

All available versions of the bill: {Clerk's Office}

as amended by the senate ___ as amended by the house

final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

SLC

Committee Aide

7-15-21

Date

Senate Clerk's Office 