LEGISLATIVE COMMITTEE MINUTES

SB48

Bill as Introduced

SB 48 - AS INTRODUCED

2021 SESSION

21-0216 05/10

SENATE BILL

48

AN ACT

relative to the formula used to determine current use tax rates.

SPONSORS:

Sen. Giuda, Dist 2; Sen. Birdsell, Dist 19; Sen. Gannon, Dist 23; Sen. Ricciardi, Dist 9; Sen. Daniels, Dist 11; Sen. Avard, Dist 12; Sen. Hennessey, Dist 1; Sen. Ward, Dist 8; Sen. Reagan, Dist 17; Rep. Major, Rock. 14; Rep. L. Ober, Hills. 37;

Rep. Weyler, Rock. 13; Rep. Edwards, Rock. 4; Rep. Lang, Belk. 4

COMMITTEE:

Ways and Means

ANALYSIS

This bill provides that the formula used by the department of revenue administration and current use board to determine current use tax rates shall not be considered confidential and shall be available to the public.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT

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relative to the formula used to determine current use tax rates.

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

- 1 New Subparagraph; Department of Revenue Administration; Department Records Not Deemed Confidential or Privileged; Formula Used to Determine Current Use Tax Rates. Amend RSA 21-J:14, IV by inserting after subparagraph (c) the following new subparagraph:
 - (d) The formula used by the department to assist the current use board in their determination of current use tax rates, and all variables within that formula, including definitions of those variables, if any.
 - 2 Effective Date. This act shall take effect 60 days after its passage.

SB 48 - VERSION ADOPTED BY BOTH BODIES

2021 SESSION

21-0216 05/10

SENATE BILL

48

AN ACT

relative to the formula used to determine current use tax rates.

SPONSORS:

Sen. Giuda, Dist 2; Sen. Birdsell, Dist 19; Sen. Gannon, Dist 23; Sen. Ricciardi, Dist 9; Sen. Daniels, Dist 11; Sen. Avard, Dist 12; Sen. Hennessey, Dist 1; Sen. Ward, Dist 8; Sen. Reagan, Dist 17; Rep. Major, Rock. 14; Rep. L. Ober, Hills. 37;

Rep. Weyler, Rock. 13; Rep. Edwards, Rock. 4; Rep. Lang, Belk. 4

COMMITTEE:

Ways and Means

ANALYSIS

This bill provides that the formula used by the department of revenue administration and current use board to determine current use tax rates shall not be considered confidential and shall be available to the public.

Explanation:

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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.

21-0216 05/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT

relative to the formula used to determine current use tax rates.

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

- 1 New Subparagraph; Department of Revenue Administration; Department Records Not
 2 Deemed Confidential or Privileged; Formula Used to Determine Current Use Tax Rates. Amend
 3 RSA 21-J:14, IV by inserting after subparagraph (c) the following new subparagraph:
 4 (d) The formula used by the department to assist the current use board in their
 5 determination of current use tax rates, and all variables within that formula, including definitions of
 6 those variables, if any.
- 7 2 Effective Date. This act shall take effect 60 days after its passage.

CHAPTER 102 SB 48 - FINAL VERSION

2021 SESSION

21-0216 05/10

SENATE BILL

48

AN ACT

relative to the formula used to determine current use tax rates.

SPONSORS:

Sen. Giuda, Dist 2; Sen. Birdsell, Dist 19; Sen. Gannon, Dist 23; Sen. Ricciardi, Dist 9; Sen. Daniels, Dist 11; Sen. Avard, Dist 12; Sen. Hennessey, Dist 1; Sen. Ward, Dist 8; Sen. Reagan, Dist 17; Rep. Major, Rock. 14; Rep. L. Ober, Hills. 37;

Rep. Weyler, Rock. 13; Rep. Edwards, Rock. 4; Rep. Lang, Belk. 4

COMMITTEE:

Ways and Means

ANALYSIS

This bill provides that the formula used by the department of revenue administration and current use board to determine current use tax rates shall not be considered confidential and shall be available to the public.

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.

CHAPTER 102 SB 48 - FINAL VERSION

21-0216 05/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT

relative to the formula used to determine current use tax rates.

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

- 1 102:1 New Subparagraph; Department of Revenue Administration; Department Records Not
 2 Deemed Confidential or Privileged; Formula Used to Determine Current Use Tax Rates. Amend
 3 RSA 21-J:14, IV by inserting after subparagraph (c) the following new subparagraph:
 4 (d) The formula used by the department to assist the current use board in their
 5 determination of current use tax rates, and all variables within that formula, including definitions of
 6 those variables, if any.
 - 102:2 Effective Date. This act shall take effect 60 days after its passage.

Approved: July 01, 2021

Effective Date: August 30, 2021

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: January 21, 2021

HEARINGS

Wednesday (Day) Ways and Means (Name of Committee)		01/27/2021	01/27/2021	
		(Date)		
		REMOTE 000	1:00 p.m.	
		(Place)	(Time)	
1:00 p.m.	SB 76-FN	relative to modified risk tobacco products.		
1:15 p.m.	SB 49	relative to the New Hampshire trust code.		
1:30 p.m.	SB 48	relative to the formula used to determine current use tax rates.		

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/92074214520
- 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: US: 13017158592,,92074214520# or 13126266799,,92074214520#
- 4. Webinar ID: 920 7421 4520
- 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 76-FN

Sen. French

Sen. Gannon

Sen. Avard

SB 49

Sen. D'Allesandro

Sen. Bradley

Rep. Hunt

SB 48

Sen. Giuda Sen. Daniels Sen. Birdsell Sen. Avard Sen, Gannon Sen, Hennessey Sen. Ricciardi Sen, Ward

Sen. Reagan Rep. Edwards Rep. Major Rep. Lang Rep. L. Ober

Rep. Weyler

Sonja Caldwell 271-2117

Bob J. Giuda Chairman

Senate Ways and Means Committee

Sonja Caldwell 271-2117

SB 48, relative to the formula used to determine current use tax rates.

Hearing Date:

January 27, 2021

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

Hennessey and Rosenwald

Members of the Committee Absent: None

Bill Analysis: This bill provides that the formula used by the department of revenue administration and current use board to determine current use tax rates shall not be considered confidential and shall be available to the public.

Sponsors:

Sen. Giuda	Sen. Birdsell	Sen. Gannon
Sen. Ricciardi	Sen. Daniels	Sen. Avard
Sen. Hennessey	Sen. Ward	Sen. Reagan
Rep. Major	Rep. L. Ober	Rep. Weyler
Rep. Edwards	Rep. Lang	

Who supports the bill: Sen. Giuda, Norm Bernaiche, Bradford Keith, Jasen Stock (NH Timberland Owners Assoc.), Sen. Reagan, Sen. Daniels, Sen. Ricciardi, Sen. Hennessey, Sen. Birdsell, Sen. Ward, Rep. Norman Major, Sen. Gannon, Charles Levesque(Statewide Program to Conserve Our Environment), Sen. Avard, Jason Weisbrot, Becky Benvenuti (NH Municipal Assoc.), Robert Johnson II (NH Farm Bureau), Erick Sawtelle

Who opposes the bill: No one

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

Summary of testimony presented:

Sen. Giuda

- This bill passed the senate last year and was lost in the COVID-19 shuffle.
- Our entire tax code and the formulas used to determine the tax rates are public except for the Current Use tax. There is a blanket confidentiality provided to all DRA papers and information.
- Sen. Giuda spoke with the Commissioner, and she agrees that was not the intent here.
- In the interest of public disclosure this bill makes the formula public while still protecting the private information of landowners whose properties are used to determine this tax rate.

Norm Bernaiche

- He is the Assessor for Hanover and a member of the Current Use Advisory Board.
- He supports the bill.
- He is a current use landowner also.
- Has been fighting for release of this formula for years. It is a matter of transparency.

Bradford Keith

- He is a NH property taxpayer.
- Last year's bill met no opposition but fell prey to COVID-19.
- Two years ago, at a Current Use Board meeting, he requested access to the model used to
 advise the Current Use Board regarding the recommended forest assessment ranges and was
 informed it was proprietary to the DRA and not available to public.
- He found it unacceptable for the Current Use Board members to use advice they couldn't scrutinize or share.
- He supports this bill to not include the model and its definitions and variables as
 confidential. The bill's language refers to this model as a formula; however, technically this
 model isn't used to determine current use tax rates. It is used by DRA to advise the Current
 Use Board in their duty to establish current use land assessment rates. Specifically, it is only
 used to advise the assessment rates for forest land ranges. He wants an amendment to
 describe this model and its purpose.

Sen. D'Allesandro asked Sen. Giuda if he would accept the new terminology that is requested by Mr. Keith.

Sen. Giuda said he doesn't have a problem with it, but asked if he is he proposing a language change in actual the bill or a clarification in the analysis.

Mr. Keith said he reviewed the language of the bill and is pointing out that this is not a formula but a model that is used for assessment rates.

Sen. Rosenwald noted in his written testimony he is suggesting an amendment to the language of the bill.

Sen. Giuda said DRA is happy with the language as written.

Sen. Daniels asked what the reason was for this to be proprietary.

Sen. Giuda said there is a blanket confidentiality statement for any documents contained at DRA. There is no need for this to be confidential. He said this is the only tax formula in the state not available for public scrutiny.

Jasen Stock – NH Timberland Owners Assoc.

- Their members own and manage over a million acres of land in NH.
- Current Use is an important program for their membership.
- They support the bill.
- They were surprised to learn that the model was not available for public viewing.
- They worked on the development of the model. It is a sound model with good assumptions
 and real time data and for the sake of transparency and enabling folks to feel comfortable
 with current use assessment it should be publicly available.

Norm Bernaiche

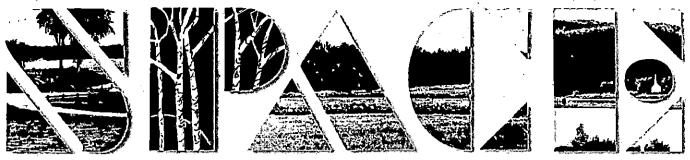
- Mr. Keith's statement was a mischaracterization. The formula was developed and adopted by the Current Use Board. They see some of the inputs but not the whole calculation process. Because they are attached administratively to DRA, they own the document, and that's how it became confidential. The document that produced the values was housed with DRA and that's what made it confidential.
- The Current Use Board had a lot of involvement in the development.

Sc Date Hearing Report completed: January 29, 2021

Speakers

<u>Name</u>	Representing	<u>Position</u>	<u>Testifing</u>
Bernaiche, Norm	Myself	Support	Yes
Giuda, Bob	NH Senate District 2 - PRIME	Support	Yes
Keith, Bradford	Myself	Support	Yes
Stock, Jasen	NH Timberland Owners Association	Support	Yes
Reagan, Senator John	Myself	Support	No
Daniels, Senator Gary	SD 11	Support	No
Ricciardi, Denise	SD9	Support	No
Hennessey, Erin	SD1	Support	No
Birdsell, Senator Regina	Senate District 19	Support	No
Ward, Senator Ruth	Senate District 8	Support	No
major, Norman	Myself	Support	No
Gannon, Senator Bill	Senate District 23	Support	No
Levesque, Charles	Statewide Program to Conserve Our Environment (SPACE)	Support	No
Avard, Senator Kevin	Senate District 12	Support	No
Weisbrot, Jason	Myself	Support	No
Benvenuti, Becky	New Hampshire Municipal Association	Support	No
Johnson, II, Robert	NH Farm Bureau Federation	Support	No
Lear, Carollynn	NH Dept. of Revenue	Neutral	No
SAWTELLE, ERICK	Myself	Support	No

Testimony



STATEWIDE PROGRAM OF ACTION TO CONSERVE OUR ENVIRONMENT

BOARD OF DIRECTORS

Charles Levesque, Chair Landowner Antrim

Judy Silva, Vice-Chair Landowner Allenstown

Jasen Stock, Treasurer NH Timberland Owner's Association Concord

Robert Johnson, II, Clerk NH Farm Bureau Federation Concord

David Babson, Jr. Landowner Ossipee

Becky Benvenuti NH Municipal Association Concord

Meade Cadot Landowner Hancock

Paul Franklin Landowner Plainfield

Matt Leahy Society for the Protection of NH Forests Concord

Craig Mayo NH Snowmobile Association Tilton

Dennis McKenney Landowner Bennington

Erick Sawtelle Landowner Lee

Chuck Souther NH Fruit Growers Association Londonderry January 27, 2021

Senator Robert Guida Chair, Senate Ways and Means Committee SH Room XXXX 107 North Main Street Concord, NH 03301

RE: SB 48, relative to the formula used to determine current use tax rates

Dear Senator Giuda and Members of the Ways and Means Committee:

On behalf of S.P.A.C.E. (Statewide Program of Action to Preserve the Environment), I am writing in <u>support of SB 48</u>, relative to the formula for determining current use rates. At a recent meeting, the S.P.A.C.E. board of directors voted unanimously to support SB 48, believing that transparency in the process of setting current use rates is an important part of the process.

S.P.A.C.E. is a nonprofit coalition of natural resource conservation organizations, agricultural groups, recreational user groups, and concerned landowners dedicated to the conservation of New Hampshire's farms, forests, and open space through an effective current use taxation program. You can learn more about S.P.A.C.E. at our website: nhspace.org.

The current use tax program is implemented through a comprehensive system of statutes (RSA 79-A), rules (CUB), and regulations, as well as in compliance with a variety of Supreme Court cases. The Current Use Board operates in public following New Hampshire's Right to Know Law. In fact, it is the understanding of the S.P.A.C.E. board that the formula in question was publicly presented and discussed during meetings of the Current Use Board held for the purpose of setting the current use tax rates.

There is nothing secret about the current use taxation system and we believe that the formula in question should be released to the public. We urge you to vote in favor of SB 48. Thank you for your consideration.

Charba A Tevergue

Sincerely,

Charles Levesque, Chair S.P.A.C.E. Board of Directors

NEW HAMPSHIRE CURRENT USE COALITION

Sonja Caldwell

From:

Rusty Keith

radfordekeith@yahoo.com>

Sent:

Tuesday, January 26, 2021 4:57 PM

To:

Sonja Caldwell

Subject:

SB 48 Testimony

Chairman Giuda and Members of the Committee

My name is Bradford Keith and I am a New Hampshire property tax payer.

Let me begin by once again thanking Sen. Giuda and the sponsors for re-introducing this legislation. Last year's bill to address this issue met no specific opposition but fell prey to the impact of the COVID-19 epidemic at the end of the legislative session and a veto by the Governor. Two years ago, at a Current Use Board (CUB) public meeting, I requested access to the model used to advise the CUB regarding the recommended forest assessment ranges. I was informed at that time that model was proprietary to the Department of Revenue and not available to the public. As a taxpayer called upon to fund a portion of the property tax impact from the reduction in town assessed value resulting from the application of these dramatically reduced per acre assessment values, I found it unacceptable for the CUB members to use advice that they could not scrutinize, understand and defend or share with the taxpaying public. I am here today in support of this legislation to not include as privileged and confidential, under RSA21-J:14, the model, its definitions and variables, used to advise the CUB members in their duty to establish current use assessment rates.

The language before us today refers to this model as a formula used to determine current use tax rates. Technically speaking, this model is not used to determine current use tax rates. Rather it is used by the Department of Revenue to advise the current use board in their duty to establish current use land assessment rates. More specifically, this model is only used to advise assessment rates for forestland ranges. The assessment rates established by the CUB alter the local town valuations that are used by the Department of Revenue to determine the various annual property tax rates. Therefor, I would ask the sponsors and the committee to consider amending the language as provided here to describe this model and its purpose.

ANALYSIS

This bill provides that the model formula used by the department of revenue administration and to advise the

current use board in the to-determinatione of the current use forest assessment ranges tax rates shall not be considered confidential and shall be available to the public.

SB 48 - AS INTRODUCED

21-0216

05/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty One

AN ACT relative to the department of revenue administration model formula used to advise the current Use board in the determinatione of the current use forest assessment ranges tax rates.

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

1 New Subparagraph; Department of Revenue Administration; Department Records Not

Deemed Confidential or Privileged; Model Formula used to Determine Current Use Forest Assessment Ranges Tax Rates. Amend

RSA 21-J:14, IV by inserting after subparagraph (c) the following new subparagraph:

(d) The model formula used by the department to assist the current use board in their

determination of current use forest assessment ranges tax rates, and all variables within that model formula, including definitions of

those variables, if any.

2 Effective Date. This act shall take effect 60 days after its passage.

Thank you all for your consideration and service to our state.

Respectfully,

Bradford Keith

Voting Sheets

Senate Ways & Means Committee

EXECUTIVE SESSION RECORD

2021-2022 Session

1 07 01		Bill# 5848	
Hearing date: $1-27-21$			
Executive Session date: 1-27-21			
Motion of: OTP		Vote: 5-0	
	Present Made by		
Sen Giuda, Chair			
Sen. D'Allesandro,VC			
Sen. Daniels			
Sen. Hennessey Sen: Rosenwald			
Sen. Rosenwald			
Motion of: Consent		Vote: 5-0	
Committee Member Sen. Giuda, Chair	rresent Made b	y Second les No	
Sen. D'Allesandro VC			
Sen Daniels			
Sen. Hennessev			
Sen Rosenwald			
Motion of:		Vote:	
Committee Member	Present Made b	y Second Yes No	
Sen Giuda, Chair			
Sen. D'Allesandro, VC			
Sen: Daniels			
Sen. Hennessey			
Sen. Rosenwald			
Reported out by: Grudo			

Committee Report

STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE FOR THE CONSENT CALENDAR

Thursday, January 28, 2021

THE COMMITTEE ON Ways and Means

to which was referred SB 48

AN ACT

relative to the formula used to determine current use tax rates.

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS

BY A VOTE OF: 5-0

Senator Bob Giuda For the Committee

This bill provides that the formula used by the Department of Revenue Administration and the Current Use Board to determine current use tax rates shall not be considered confidential and shall be available to the public. The Department of Revenue Administration is supportive of making the formula transparent, as any private information of landowners will still be kept confidential.

Sonja Caldwell 271-2117

FOR THE CONSENT CALENDAR

WAYS AND MEANS

SB 48, relative to the formula used to determine current use tax rates. Ought to Pass, Vote 5-0.
Senator Bob Giuda for the committee.

This bill provides that the formula used by the Department of Revenue Administration and the Current Use Board to determine current use tax rates shall not be considered confidential and shall be available to the public. The Department of Revenue Administration is supportive of making the formula transparent, as any private information of landowners will still be kept confidential.

General Court of New Hampshire - Bill Status System

Docket of SB48

Docket Abbreviations

Bill Title: relative to the formula used to determine current use tax rates.

Official Docket of SB48.:

Date	Body	Description
1/19/2021	S	Introduced 01/06/2021 and Referred to Ways and Means; SJ 3
1/21/2021	S	Remote Hearing: 01/27/2021, 01:30 pm; Links to join the hearing can be found in the Senate Calendar; SC 8
1/28/2021	S	Committee Report: Ought to Pass, 02/04/2021; Vote 5-0; CC; SC 9
2/4/2021	S	Ought to Pass: RC 23Y-1N, MA; OT3rdg; 02/04/2021; SJ 3
3/10/2021	Ĥ	Introduced (in recess of) 02/25/2021 and referred to Ways and Means HJ 4 P. 48
3/16/2021	Ĥ ·	Public Hearing: 03/16/2021 10:30 am Members of the public may attend using the following link: To join the webinar: https://www.zoom.us/j/97636968924 / Executive session on pending legislation may be held throughout the day (time permitting) from the time the committee is initially convened.
5/17/2021	Н	Committee Report: Ought to Pass (Vote 24-0; CC) HC 26 P. 14
6/3/2021	Н	Ought to Pass: MA VV 06/03/2021
6/25/2021	Н	Enrolled (in recess of) 06/24/2021
6/25/2021	S	Enrolled Adopted, VV, (In recess 06/24/2021); SJ 20
7/6/2021	S	Signed by the Governor on 07/01/2021; Chapter 0102; Effective 08/30/2021

NH House	· ·	NH Senate
1111110036		IND Seliale

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: SBUS	Senate Committee: Ways Fivians
Please include all documents in the order listed below included with an "X" beside	w and indicate the documents which have been
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	
Revised/Amended Fiscal Notes provided by t	he Senate Clerk's Office
Committee Action Documents: (Legislative Aid	esì
All amendments considered in committee (including	those not adopted):
amendment # ame	ndment#
amendment # ame	ndment #
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 # ame	ndment#
amendment # ame	ndment#
Post Floor Action: (if applicable) (Clerk's Offic	<u>e}</u>
Committee of Conference Report (if signed o by the committee of conference):	ff by all members. Include any new language proposed
Enrolled Bill Amendment(s)	
Governor's Veto Message	
All available versions of the bill: (Clerk's Offic	भ
as amended by the senate	as amended by the house
final version	
Completed Committee Report File Delivered t	o the Senate Clerk's Office By:
SLC	7-15-21
Committee Aide	Date
Senate Clerk's Office	