

# Senate Commerce Committee

*Aaron Jones 271-2609*

**SB 82-FN**, relative to the housing opportunity project extension and homes for homeland heroes grant program.

**Hearing Date:** January 28, 2025

**Time Opened:** 9:48 a.m.

**Time Closed:** 10:06 a.m.

**Members of the Committee Present:** Senators Innis, Ricciardi, Murphy, McGough, Fenton and Reardon

**Members of the Committee Absent :** None

**Bill Analysis:** This bill incentivizes New Hampshire counties and municipalities to open land for affordable workforce housing by establishing housing opportunity zones, setting zoning and design requirements, mandating owner-occupancy, providing state grants, and exempting initial property transfers from real estate transfer taxes.

---

**Sponsors:**

Sen. Ricciardi

Sen. Innis

Sen. Pearl

---

**Who supports the bill:** Senator Denise Ricciardi, Senator Howard Pearl, Natch Greyes (BIA), Vanessa Blais, Matt Mayberry (NH Home Builders), Abby Bronson (NH Community Loan Fund), Chris Norwood (NH Realtors), Sarah McCarthy, Scott Burns, Curtis Register, Alexis Demeis

**Who opposes the bill:** Daniel Richardson, Jesse Medeiros, Curtis Howland, Barbara Thomson

**Who is neutral on the bill:** Brodie Deshaies (NHMA), Jim Michaud

**Summary of testimony presented in support:**

***Senator Denise Ricciardi***

- This bill, also known as the HOPE Act, would seek to establish partnerships with municipalities to obtain unused town or state land for housing opportunities.
- Agencies would be directed to identify and submit to the Governor and Executive Council a list of unused parcels of land that could be repurposed for workforce housing.
- The eligible parcels of land would be transferred to towns at no cost as long as a housing development is built within a specified timeframe.

- To ensure housing is accessible, eligibility would be tied to caps based on the state's median income.
- Also, the bill would establish a \$20 million grant program to support municipalities in the development of necessary infrastructure to make housing costs affordable to residents.
- Senator Ricciardi said this program would address the urgent need for workforce housing, ensure units are owned-occupied through deed restrictions, and allow profits from sales to be directed towards reducing property taxes.

***Matt Mayberry, CEO, New Hampshire Home Builders Association***

- The homebuilding industry contributes \$5.4 billion to the state's economy.
- Mr. Mayberry said they wanted to work collaboratively to solve the housing issue.
- The HOPE Act was designed to help law enforcement, firefighters, nurses, members of the National Guard, and teachers, so they can live in the communities that they serve. It also would help provide individuals with \$5,000 in closing cost assistance.
- This bill would provide opportunities for hardworking families, who make the state's median income of \$96,000, to build equity by owning their own house.
- Each house must be owner-occupied, and they cannot be turned into a rental or a short-term rental. There also would be no age restrictions or occupational requirements and children would be welcomed.
- Once built, Mr. Mayberry said houses would be taxed at the full market rate.
- For every 100 homes built, there are 297 full-time jobs created, \$80 million in immediate economic activity, and \$3.4 million in long-term economic activity and tax revenue.
- Mr. Mayberry said this bill was not designed for a specific parcel of land.
- The funds for infrastructure would come from the General Fund, and Mr. Mayberry said they could discuss the agency responsible for administering these grants.
- Towns could not retain any sale proceeds; therefore, this bill could provide property tax relief if substantial profits are made.
- To conquer the housing challenge, Mr. Mayberry said it would take different initiatives to address it.
- **Senator Fenton** asked about the fiscal impact because the bill did not provide funding or authorize new positions.
  - **Mr. Mayberry** said each county could not use more than \$5 million in infrastructure grants towards connecting to a sewer, roads, water, or septic. Towns could work together, and they could pool up to \$2 million. For every 100 homes built, the return ratio on economic activity is 4-to-1. Properties would also be taxed at the full market rate.
- **Senator Fenton** said the bill failed to identify a funding source, how funds would be appropriated, or which department would manage the program.

- **Mr. Mayberry** said funds would come from the General Fund. They would work with the Committee and the Legislature to identify the best avenue for it to be administered. It could be administered by the Housing Finance Authority, the Business Finance Authority, or the Department of Business and Economic Affairs.

**Summary of testimony presented in opposition:** None

**Neutral Information Presented:**

***Brodie Deshaies, Legislative Advocate, New Hampshire Municipal Association***

- This bill would be enabling legislation, but it did not establish an adoption process. If a process is not established, municipalities are less likely to participate in the program.
- An adoptive process would clarify who is responsible for accepting land, so there would be no gray area over who is responsible or how land would be utilized.
- Mr. Deshaies said one-tenth of an acre would be extremely small compared to current standards, especially if there is no infrastructure or proper soil or land that could accept a septic system for the units.
- Mr. Deshaies said the phrase “reserved land” was not well defined.
- Mr. Deshaies said they understood communities should be incentivized to build housing, but local control was the best way for them to meet the needs of their residents.

***Jim Michaud, Town Assessor, Town of Hudson***

- On Page 1, Lines 6 to 8, Mr. Michaud said “land held in reserve or suitable for rezoning” was discussed. He asked if it allowed for tax deeded property because it could be problematic once it is sold. A decision by the Supreme Court stated that all monies after expenses must be returned to the original owners of a property. If the property owner is unknown, an interpleader would be required.
- On Page 1, Line 8, it stated “for community members to live where they work.” Mr. Michaud said there were no requirements that an individual would be required to work in the community.
- On Page 1, Lines 22 to 26, it stated “municipalities shall be responsible for verifying home ownership every 2 years.” Mr. Michaud said there are other areas, such as credits and exemptions, that are done on a yearly basis.
- If a municipality sells the property to a developer, Mr. Michaud asked if homeownership verification would be passed on to the developer.
- On Page 2, Lines 16 to 17, it stated “parcels exceeding the 10-acre threshold shall be exempt from current-use taxes.” Mr. Michaud said if a community has decided to participate, they must accept that they will not receive current use money for their conservation funds.

- **Senator McGough** asked what Mr. Michaud thought of municipalities taking on the responsibility of verifying homeownership every two years.
  - **Mr. Michaud** asked who would be responsible at the local level for verifying homeownership. Assessing offices could receive deeds from the registry. However, there is no form required to be filled out to help determine if an individual resides at a property.

AJ

Date Hearing Report completed: February 7, 2025