# Senate Finance Committee

*Deb Martone 271-4980*

**AMENDMENT # 2026-1285s, Relative to the cap on outstanding obligations for which the Housing Finance Authority is allowed, to HB 1042,** raising the unified contingent credit limit.

**Hearing Date**: April 7, 2026

**Time Opened**: 1:16 p.m. **Time Closed**: 1:23 p.m.

**Members of the Committee Present**: Senators Gray, Innis, Birdsell, Rosenwald and Watters

**Members of the Committee Absent**: Senators Carson, Pearl and Lang

**Bill Analysis**: This bill raises the unified contingent credit limit applicable to New Hampshire business finance authority projects and programs.

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**Sponsors**:
Rep. Sweeney Sen. Abbas

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**Who supports the amendment**: Rob Dapice

**Summary of testimony presented in support**:

<u>Senator Perkins Kwoka, Prime Sponsor:</u>

- Housing is a top issue for our voters today.
- This is a request from the New Hampshire Housing Finance Authority to increase their borrowing limit from its current level to about twice that.
- What we've done in this amendment is keep those borrowing buckets the same as their current proportions under the law, increase some products, and create additional borrowing capacity.
- Senator Watters asked what has been accomplished so far by this fund and what potentially this increase could do for us. Senator Perkins Kwoka explained underneath this borrowing capacity are single family loan programs and programs for bond reserve funds. Those programs essentially allow New Hampshire Housing Finance Authority to do its work in the housing market to increase housing supply. In 2025 approximately one thousand families became first-time homeowners under this program. It's with the assistance of about 50 participating lenders, and even though the price of housing continues to increase, these types of programs offer our working families their first opportunity to find housing, stay in the state, and become part of our workforce.

- Senator Watters inquired if we might see thousands more families become able to obtain housing. Senator Perkins Kwoka agreed.
- Senator Gray asked about the impact on the General Fund, as well as the impact on other funds. Senator Perkins Kwoka explained this is the contingent credit limit. Contingent liabilities do not impact the General Fund in the same way as regular spending. This is merely pennies on the dollar. There is no fiscal note that shows an impact on the General Fund.
- Jack Mullen, LBA Analyst, confirmed there is no impact on the General Fund or other funds. Senator Gray stated the reason for the question was to clarify for the listening audience and ensure they understand what's going on.

Rob Dapice, Executive Director, NH Housing Finance Authority:

- These funds are for both the single family first-time home buyer programs as well as multi-family preservation and creation. They allow the Housing Finance Authority to offer mortgage loans to developers both for-profit and nonprofit around the state to create or preserve affordable housing.
- Every year somewhere between 400-1000 units of multi-family affordable rental housing are created or preserved. A substantial portion of them take advantage of tax exempt bond financing.
- Normally, it's easier to manage the outstanding debts the Authority has subject to this limit, but because rates have been high for so long, they've seen their balance sheet grow, mainly because those borrowers have not refinanced either in the single family or the multi-family space.
- It is a bit different from the contingent credit limit that the BFA has in that these are explicitly by state law not liabilities of the State of New Hampshire. The full faith credit of the state is not pledged. The taxing power of the state is not pledged. Even if every one of the Authority's loans went bad, and New Hampshire's housing industry collapsed, no one could come after the state.
- Senator Watters inquired as to what their balance sheet looks like currently. Director Dapice explained they have approximately $1.6 billion dollars in outstanding debt. The aggregate cap is about $2 billion. If the cap were not raised, they anticipate they would hit the limit early in 2027. They are asking for the increase now to ensure they are well ahead of the cap.
- Senator Watters inquired as to what date this might get the Authority to. Director Dapice stated it was hard to say because the refinancing activity is such a major factor. If rates stay high and people stay in their loans, then increasing it to $6 billion is probably 10 years or something like that.

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Date Hearing Report completed: April 10, 2026