

SB 471-FN - AS INTRODUCED

2026 SESSION

26-2229

06/09

SENATE BILL **471-FN**

AN ACT relative to affordable housing investment fees.

SPONSORS: Sen. Altschiller, Dist 24; Sen. Watters, Dist 4; Rep. Burroughs, Carr. 2

COMMITTEE: Ways and Means

ANALYSIS

This bill authorizes municipalities to adopt and enforce affordable housing investment fee ordinances as part of their innovative land use controls.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to affordable housing investment fees.

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

1 1 New Subparagraph; Innovative Land Use Controls. Amend RSA 674:21, I by inserting after
2 subparagraph (n) the following new subparagraph:

3 (o) Affordable housing investment fees.

4 2 New Section; Affordable Housing Investment Fees. Amend RSA 674:21 by inserting after
5 section VII the following new section:

6 VIII. As used in this section, "affordable housing investment fee" means a fee or assessment
7 imposed upon development, including subdivision, building construction, or other land use change,
8 which does not meet local inclusionary zoning ordinances or regulations in order to help the
9 municipality invest in affordable housing units. All affordable housing investment fee ordinances
10 shall be subject to the following:

11 (a) Any affordable housing investment fee shall be accounted for separately, shall be
12 segregated from the municipality's general fund, may be spent upon order of the municipal
13 governing body, shall be exempt from all provisions of RSA 32 relative to limitation and expenditure
14 of town moneys, and shall be used solely for investment in affordable housing within the
15 municipality. Affordable housing investment fees shall only be expended to the New Hampshire
16 housing finance authority, as established by RSA 204-C:2, the community development finance
17 authority, as established by RSA 162-L:2, a housing authority of the municipality, as established
18 under RSA 203:4, or a non-profit, established for any of the purposes outlined under RSA 292:1,
19 registered with the secretary of state's office and in good standing.

20 (b) All affordable housing investment fees imposed pursuant to this section shall be
21 assessed at the time of planning board approval of a subdivision plat or site plan. When no planning
22 board approval is required, or has been made prior to the adoption or amendment of the affordable
23 housing investment fee ordinance, affordable housing investment fees shall be assessed prior to, or
24 as a condition for, the issuance of a building permit or other appropriate permission to proceed with
25 development. Affordable housing investment fees shall be intended to reflect the need for additional
26 affordable housing units in the municipality. Affordable housing investment fees shall be collected
27 at the time a certificate of occupancy is issued. If no certificate of occupancy is required, affordable
28 housing investment fees shall be collected when the development is ready for its intended use.
29 Nothing in this subparagraph shall prevent the municipality and the assessed party from
30 establishing an alternate, mutually acceptable schedule of payment of affordable housing investment
31 fees in effect at the time of subdivision plat or site plan approval by the planning board. If an

SB 471-FN - AS INTRODUCED

- Page 2 -

1 alternate schedule of payment is established, municipalities may require developers to post bonds,
2 issue letters of credit, accept liens, or otherwise provide suitable measures of security so as to
3 guarantee future payment of the assessed affordable housing investment fees.

4 (c) Unless otherwise specified in the ordinance, any decision under an affordable housing
5 investment fee ordinance may be appealed in the same manner provided by statute for appeals from
6 the officer or board making that decision, as set forth in RSA 676:5, RSA 677:2 through 14, or RSA
7 677:15, respectively.

8 (d) The ordinance may also provide for a waiver process, including the criteria for the
9 granting of such a waiver.

10 (e) Neither the adoption of an affordable housing investment fee ordinance, nor the
11 failure to adopt such an ordinance, shall be deemed to affect existing authority of a planning board
12 over subdivision or site plan review, except to the extent expressly stated in such an ordinance.

13 (f) No later than 60 days following the end of the fiscal year, any municipality having
14 adopted an affordable housing investment fee ordinance shall prepare a report listing all
15 expenditures of affordable housing investment fee revenue for the prior fiscal year.

16 3 Effective Date. This act shall take effect 60 days after its passage.

**SB 471-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to affordable housing investment fees.

FISCAL IMPACT:

Estimated Political Subdivision Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	\$0	\$0	\$0	\$0
Local Revenue	\$0	Indeterminable Increase more than \$100,000+ per municipality		
Local Expenditures	\$0	Indeterminable Increase less than \$10,000 per municipality		

METHODOLOGY:

This bill authorizes municipalities to implement affordable housing investment fee ordinances as part of their innovative land use controls. All collected fees must be maintained in a separate account, distinct from the municipality's general fund, and dedicated exclusively to supporting affordable housing initiatives within the municipality. Any municipality that adopts an affordable housing investment fee ordinance shall prepare a report listing all affordable housing investment fee revenue for the prior fiscal year.

The New Hampshire Municipal Association states municipalities that adopt the fee would experience an indeterminable revenue increase that may exceed \$100,000 per municipality. They also anticipate an indeterminable expenditure increase of less than \$10,000 per municipality, primarily for initial setup and ongoing administrative tasks related to annual fee revenue reporting.

The Housing Finance Authority notes that the overall fiscal impact remains indeterminable, as it is unclear how many municipalities will choose to implement the fee or what the fee rate would be.

It is assumed that any fiscal impact would occur after FY 2026.

AGENCIES CONTACTED:

New Hampshire Municipal Association and New Hampshire Housing Finance Authority

