

Senate Commerce Committee

Aaron Jones 271-2609

HB 1540, relative to municipal health ordinances and accessory dwelling units.

Hearing Date: April 21, 2026

Time Opened: 10:15 a.m.

Time Closed: 10:35 a.m.

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

Members of the Committee Absent : None

Bill Analysis: This bill clarifies that municipalities retain authority to enforce local health ordinances related to septic safety and maintenance when regulating accessory dwelling units.

Sponsors:

Rep. Fracht
Rep. Maggiore
Rep. Grote

Rep. Rung
Rep. J. MacDonald
Rep. N. Murphy

Rep. Howland
Rep. Ebel

Who supports the bill: 139 individuals were in support. Full sign in sheets are available upon request by contacting the Legislative Aide, Aaron Jones (aaron.jones@gc.nh.gov).

Who opposes the bill: No one

Who is neutral on the bill: No one

Summary of testimony presented in support:

Representative David Fracht

- At the request of the NH LAKES Association, this bill would correct an unintended consequence in the existing ADU law related to protected shoreland zones.
- Representative Fracht said guesthouses and homes on the lakeshore are being favored over protecting water quality, which is both an environmental and economic issue.
- Representative Fracht asked the Committee to consider Amendment 26-0952h, which was written by the New Hampshire Municipal Association. Despite

support from various stakeholders, he said a different amendment was passed by the House.

- Representative Fracht said it was a good idea to allow municipalities to decide whether a site was conducive enough for increased septic, traffic, or drainage loads.

Margaret Byrnes, New Hampshire Municipal Association

- While this bill retained the ability of a municipality to adopt and enforce health ordinances for ADUs within protected shorelands, Ms. Byrnes said it removed other reasonable ordinances.
- This bill sought to ensure ADUs did not receive additional or different protections within the shoreland than other structures.
- Representative Fracht's amendment would preserve the existing language by clarifying health ordinances apply, and it would allow a municipality to approve an ADU through a conditional use permit or special exception if it is within the protected shoreland.

Andrea LaMoreaux, President and Policy Advocate, NH LAKES

- This bill would clarify that ADUs would be subject to any municipal health ordinances related to septic systems.
- Ms. LaMoreaux said the Department of Environmental Services favored local ordinances to protect water quality. These protective ordinances are also part of the state's cyanobacteria plan.
- Cyanobacteria has been increasing in lakes; therefore, municipalities have been encouraged to go above and beyond the state law. The construction and sizing of septic systems are regulated, but nothing would prohibit a municipality from enacting an ordinance requiring regular maintenance.

Sandra Kelly

- Ms. Kelly favored the amendment as well as giving communities the authority to regulate ADUs within the protected shoreland area.
- Ms. Kelly said the economy and recreational businesses within the Lakes Region depend on lake water quality.
- Ms. Kelly recognized the need for housing, while balancing it with sensitive conservation priorities.
- Failing septic systems have begun to occur when seasonal use becomes full-time and short-term rentals overtake market supply.

Elizabeth Harper, Executive Director, Lake Sunapee Protective Association

- Ms. Harper wanted to ensure this bill moved forward without any unintended impacts on water quality and public health.

- Ms. Harper strongly supported the provision that clarified that municipalities should retain authority to enforce local health ordinances related to septic system inspection, maintenance, and upgrades.
- Ms. Harper said one-size-fits-all would not work for every municipality.
- Properly functioning septic systems are an important line of defense. When systems are overloaded or they fail, excess nutrients can lead to cyanobacteria blooms.
- Ms. Harper supported Representative Fracht's amendment.

Summary of testimony presented in opposition: None

Neutral Information Presented: None

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Date Hearing Report completed: April 24, 2026