

# Senate Commerce Committee

*Aaron Jones 271-2609*

**HB 1295**, relative to eligibility requirements for charitable and nonprofit housing projects.

**Hearing Date:** April 21, 2026

**Time Opened:** 11:27 a.m.

**Time Closed:** 12:10 p.m.

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

**Members of the Committee Absent :** None

**Bill Analysis:** This bill restricts eligibility requirements for charitable, nonprofit housing project tax exemptions.

---

**Sponsors:**

Rep. Dunn

Rep. Ankarberg

Rep. Aures

Rep. DeRoy

Rep. Pauer

Rep. Perez

Rep. Wood

---

**Who supports the bill:** Representative Clayton Wood, Representative Cyril Aures, Representative Kristine Perez, Shawn Faber, Pamela Harders, Daniel Richardson, Curtis Howland, Cory Stone

**Who opposes the bill:** Kathy Corey Fox (HarborCare), Brendan Williams (NH Health Care Association), Lisa Henderson (LeadingAge), Bob Dunn (Catholic Charities NH), Tom DeRosa (NH Center for Nonprofits), Jim Monahan (CSNI), Fiona Geary, Justine Vogel (RiverWoods), Carrie Chandler

**Who is neutral on the bill:** DJ Bettencourt (NHID)

**Summary of testimony presented in support:**

***Representative Clayton Wood, on behalf of Representative Ron Dunn***

- This bill would close the nonprofit housing tax exemption loophole thereby reducing the property tax burden on property owners.

***Kate Burbidge, Chair, Londonderry Budget Committee***

- Ms. Burbidge said this situation was in response to The Baldwin, an elderly housing community in Londonderry, that filed for a property tax exemption.

- Ms. Burbidge said there needed to be additional criteria for qualifications, and truly charitable organizations should be eligible for partial or full property tax exemptions.
- Given the increased pressure placed on property taxpayers, Ms. Burbidge said The Baldwin and similar elderly housing communities should have to meet a greater burden of proof.
- Londonderry has a pilot agreement with The Baldwin to pay \$410,000 in property taxes, which represents 42 percent of their full tax payment of \$969,000. Based on the 2024 tax rates, the \$559,000 revenue gap represented an annual property tax increase of \$43 per household.
- To receive an exemption, a facility must meet the criteria established in RSA 72:23-K and RSA 72:23-L. Ms. Burbidge said they barely met the criteria. In 2023, they made zero dollars in grant payments or donations. In 2024, they made \$2,500 in donations.
- Based on their guidelines, an individual must have assets equal to at least two times the entrance fee, and an annual income at least one and a half times their annual fee. In 2025, a retired couple would have needed to pay \$618,000 upfront, have \$1.2 million in assets, and pay \$63,000 in fees. To qualify, their annual income would need to be \$94,000 a year. In contrast, the average income for retired households was \$26,000.
- Under existing law, an organization can be charitable if the members or officers of the organization did not derive any financial profit or benefit. In 2024, Ms. Burbidge said the total compensation of the CEO was \$829,000 with an additional bonus of \$177,000.
- In 2025, emergency services were sent to The Baldwin 111 times, which was about twice per week.
- Ms. Burbidge said the partial property tax exemption resulted in elderly households, who made significantly less money, subsidizing their charity.
- If The Baldwin had paid their taxes in full, Ms. Burbidge said the town could have spent \$762,000 on services and they would have had \$200,000 to spare. In their past budget, they cut \$400,000.
- In Durham, RiverWoods paid 44.2 percent, which left a gap of \$1.12 million. In Laconia, Taylor Community paid 58.6 percent, which left a gap of \$248,000.
- **Senator Murphy** asked when The Baldwin opened.
  - **Ms. Burbidge** said for Fiscal Year 2023, only a portion of the facility was open. For Fiscal Year 2024, the full facility was open with the exception of an expansion.
- **Senator Murphy** asked if there was a pilot in effect.
  - **Ms. Burbidge** said the pilot agreement was for \$410,000, and it was signed with a 3 to 4 percent uplift each year over the next decade. This represented less than half of what they would have paid if they had paid their full tax burden.

- **Senator Reardon** asked if the pilots were included when she gave the percentage of taxes paid.
  - **Ms. Burbidge** said that was correct. Their full tax burden was about \$969,000, and the 42 percent represented the \$410,000 pilot program agreement.

***Shawn Faber, Vice Chair, Londonderry Town Council***

- Mr. Faber said the pilot disproportionately affected the town and the services provided.
- Mr. Faber said the burden was placed on long-term residents in favor of a facility that barely qualified for the exemption.
- Mr. Faber said they tried to reasonably alter the definition of “charitable” to ensure other facilities were not captured.
- **Senator Reardon** asked if the application could have been denied.
  - **Mr. Faber** said no, according to the legal advice given to them.
- **Senator Reardon** asked if they would have negotiated a different pilot now.
  - **Mr. Faber** said it was the best they could have done for taxpayers under the current law.
- **Senator Murphy** asked if there was an urgent care in town.
  - **Mr. Faber** said yes.
- **Senator Murphy** asked if it paid taxes.
  - **Mr. Faber** believed it did, but he would have to verify.
- **Senator Murphy** asked if it was affiliated with the hospital.
  - **Mr. Faber** said it was not.

**Summary of testimony presented in opposition:**

***Brendan Williams, President and CEO, New Hampshire Health Care Association***

- This bill could affect other facilities and senior housing, not just The Baldwin.
- This tax preference has been unchanged since April 1, 1992, and facilities have been able to rely on this policy when financing or deciding to build or renovate.
- In 2023, for example, a nonprofit facility in Franklin completed a \$27 million renovation project. The financing for this project was based on the understanding that they would not be subject to property taxes. Mr. Williams said this facility was not a CCRC, and they had not contemplated paying an additional \$50,000 per year, which would be passed on to the residents.
- Given New Hampshire is the second oldest state, Mr. Williams said there was a real need for housing for seniors.
- Mr. Williams said properties do not receive a free ride, they enter into agreements to cover the cost of the municipal services associated with their facility. These agreements can be renegotiated each year.

***Lisa Henderson, Executive Director, LeadingAge***

- There are 15 entities by site. Some communities, such as RiverWoods, have three different locations.
- Typically, pilots have been structured to account for independent living being similar to a freestanding independent housing community. As a result, Ms. Henderson said towns are right to say there is no tax exemption. The true community benefit, however, is the skilled services provided.
- Ms. Henderson said most of the communities had a pilot, and they had been negotiated in good faith over time.
- Ms. Henderson said the Londonderry Town Council unanimously approved of the pilot agreement.
- Existing statute includes all nonprofit housing for individuals over 62 years. As a result, this bill could include freestanding and assisted living facilities.
- Catholic Charities provides nursing care, senior housing, and other services. They must subsidize their programs since nursing care operates at a loss due to shortfalls in Medicaid. Like CCRCs, Ms. Henderson said their feet would be cut out from underneath them.
- Taylor Community provides \$2.5 million in higher levels of care to support residents until the end of their life. If their pilot were to go away, their facilities would face an additional \$800,000 property tax burden. Since they took on a troubled community, Ms. Henderson said they are already operating at a \$4 million dollar loss.

***Bob Dunn, Director of Public Policy, on behalf of Catholic Charities New Hampshire***

- Mr. Dunn said trying to solve a problem with an entity in one town would have grave ramifications across the entire long-term care system.
- In 2025, Catholic Charities contributed \$24.2 million towards free or reduced services. This organization operates on extremely thin margins. As part of their mission, they operate 7 nursing homes and rehab centers with hundreds of residents and almost 1,000 employees. More than half of the individuals in these facilities are on Medicaid. Since Medicaid is underfunded, they lose about \$75 to \$100 a day per person.
- This bill would unintentionally create two problems.
  - First, they would have to close their nursing homes if they were required to donate, or render a substantial portion of their services, to maintain tax exempt status.
  - Second, the nursing home bed moratorium does not apply to CCRCs since they do not take Medicaid. If they were required to accept Medicaid, Mr. Dunn said it would have an impact on the already complicated long-term care funding systems.

***Jim Monahan, on behalf of Community Support Network***

- On Line 4, this bill includes community health care facilities for elderly and disabled individuals. Mr. Monahan believed small residential facilities, including mental health centers, would be captured too.
- In this bill, the word “elderly” is defined by anyone over the age of 62. In addition, it would apply to housing owned by all nonprofits since there is no definition in RSA 72:23-K.

**Neutral Information Presented:**

***DJ Bettencourt, Commissioner, New Hampshire Insurance Department***

- The Department is responsible for overseeing Continuing Care Retirement Communities (CCRC), which are residential communities for older adults that offer a full range of care, including independent or assisted care, memory care, and skilled nursing.
- Commissioner Bettencourt said these facilities combined housing, health care services, and long-term care planning under a single model where residents pay an upfront fee in exchange for continuous care.
- The CCRC model relied heavily on upfront revenues that are dependent on new entrants, and it can be susceptible to challenges, such as uncertainty in health care and staffing costs as well as longevity.
- When an unexpected event occurs, financial challenges can happen. In the past 2 years, a CCRC has been placed into receivership by the Department.
- Commissioner Bettencourt said this model could be fragile. He said seniors are struggling for housing, and they did not want to squeeze out new entrants.
- **Senator Murphy** asked how many of these entities were in New Hampshire.
  - **Commissioner Bettencourt** said there were about 10 to 12; however, there could be smaller ones, but they are on their radar only when they are in trouble.
- **Senator Birdsell** asked if these organizations accepted Medicare.
  - **Commissioner Bettencourt** said the models are a little different.
- **Senator Birdsell** asked if the 42 percent paid for the independent living portion.
  - **Commissioner Bettencourt** believed that was fair to say.
- **Senator Reardon** asked if there was a guarantee that individuals would live there for the rest of their lives no matter what.
  - **Commissioner Bettencourt** said that was right. As long as they paid the fees, the promise remained intact unless they went bankrupt. If they went bankrupt, they would need to find somewhere else to live.
- **Senator Reardon** asked if that was for the residents. She also asked if it was possible they would be out if they could not afford the monthly rent.

- **Commissioner Bettencourt** said it was the residents. There are contingencies in place to ensure individuals are not just kicked out. There could be a process in place where an individual could file for a hardship, or there could be a program to help them through a tough patch. He said each CCRC operated differently.
- **Senator Reardon** asked how many have pilots.
  - **Commissioner Bettencourt** said he did not know.

AJ

Date Hearing Report completed: April 27, 2026