

HB 1273 - AS INTRODUCED

2026 SESSION

26-2838

06/08

HOUSE BILL **1273**

AN ACT enabling municipal support and incentives for residential flood resilience improvements.

SPONSORS: Rep. Muns, Rock. 29; Rep. Balboni, Rock. 38; Rep. Bridle, Rock. 29; Rep. Darby, Hills. 11; Rep. Grote, Rock. 24; Rep. Maggiore, Rock. 23; Rep. Sabourin dit Choiniere, Rock. 30; Rep. Edgar, Rock. 29; Sen. Altschiller, Dist 24

COMMITTEE: Municipal and County Government

ANALYSIS

This bill:

- I. Renames the coastal resilience zone to a flood resilience incentive zone.
- II. Expands qualifying improvements and funding mechanisms.
- III. Authorizes municipal flood resilience fees and revolving funds.
- IV. Permits tax credits and special assessments for flood mitigation investments.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 enabling municipal support and incentives for residential flood resilience improvements.

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

1 1 Flood Resilience Incentive Zone. Amend RSA 79-E:4-a to read as follows:

2 79-E:4-a [~~Coastal~~] **Flood** Resilience Incentive Zone.

3 I. A city or town may adopt the provisions of this section by vote of its legislative body,
4 according to the procedures described in RSA 79-E:3, to establish a [~~coastal~~] **flood** resilience
5 incentive zone ([~~CRIZ~~] **FRIZ**). Municipalities may use *the New Hampshire Flood Hazards*
6 *Viewer online tool developed by the New Hampshire floodplain management program to*
7 *identify potentially impacted structures and the boundaries of such a FRIZ.*
8 *Municipalities adjacent to Great Bay or the Gulf of Maine may also refer to* storm surge, sea-
9 level rise, and extreme precipitation projections in the 2016 report of the New Hampshire Coastal
10 Risk and Hazards Commission, "Preparing New Hampshire for Projected Storm Surge, Sea-Level
11 Rise, and Extreme Precipitation," and its successor projections[~~, to identify potentially impacted~~
12 ~~structures~~] *to assist with those determinations.*

13 II. The municipality implementing a [~~CRIZ~~] **FRIZ** shall determine the resilience measures it
14 deems qualifying ("**qualifying improvements**")~~[.]~~ such as, but not limited to, [~~elevation and free-~~
15 ~~board renovations, elevation of mechanicals, construction of resilient natural features, enhancement~~
16 ~~or creation of tidal marshes, elevation of private driveways and sidewalks, construction or~~
17 ~~enlargement of private culverts and other structures to enable increased water flow and storm-~~
18 ~~surge, and movement of property to higher elevation on the property or to a newly acquired property~~
19 ~~at a higher elevation within the municipality. Municipalities may grant tax relief to the qualifying~~
20 ~~structure and property as described in RSA 79-E:4]~~ *providing flood and water damage*
21 *mitigation and resiliency improvements, prioritizing repairs, replacement, or*
22 *improvements that qualify for reductions in flood insurance premiums, including raising a*
23 *structure above the base flood elevation to reduce flood damage; constructing a flood*
24 *diversion apparatus, drainage gate, or sea/lake/river wall improvement, including*
25 *sea/lake/river wall repairs and sea/lake/river wall replacements; purchasing flood*
26 *damage-resistant building materials; adopting water management practices that use the*
27 *natural environment to address flooding events, such as vegetated rooftops, roadside*
28 *plantings, absorbent gardens, bioswales, tree planting and other vegetation and other*
29 *measures that capture, filters and reduce stormwater; or making electrical, mechanical,*
30 *plumbing, or other system improvements that reduce flood damage.*

1 III. *Municipalities may grant tax relief to the property with qualifying*
2 *improvements, as described in RSA 79-E:4 and this section.*

3 ~~[III]~~ IV. Municipalities may provide other relief to properties in a ~~[coastal]~~ **flood** resilience
4 incentive zone that are subject to repeated inundation~~[.]~~ by acquiring preservation or water control
5 easements or establishing tax increment financing districts.

6 ~~[IV]~~ V. Municipalities may create a nonlapsing ~~[FRIZ]~~ **FRIZ** fund as a capital reserve fund
7 under RSA 34 or RSA 35, or a town-created trust fund under RSA 31:19-a, to provide funding for
8 projected municipal costs associated with projected storm surge, sea-level rise, and extreme
9 precipitation, and such funds may be used to support the ~~[coastal]~~ **flood** resilience incentive zone
10 purpose established in this section.

11 VI. *A municipality may create a nonlapsing FRIZ investment fund as a revolving*
12 *fund under RSA 31:95-h to provide funding to support the FRIZ purposes established in*
13 *this section.*

14 (a) *The FRIZ investment fund shall be structured so that other sources of public*
15 *and private funding intended to address risks from flooding in the FRIZ may be deposited*
16 *into the fund and so that funding, through grants or below market loans, may be provided*
17 *to individuals and businesses within the FRIZ intending to invest in qualifying*
18 *improvements.*

19 (b) *The legislative body of a municipality may vote to apply and collect a*
20 *municipal flood resilience fee on each property within the entire municipality or within*
21 *only the FRIZ, for deposit into the FRIZ investment fund. The fee may be collected as an*
22 *additional assessment on the assessed value of all property in the area, in an amount not*
23 *to exceed \$0.50 per \$1,000 of assessed valuation. Enforcement powers for nonpayment shall*
24 *be as provided in RSA 31:39-c, RSA 31:39-d, and RSA 47:17-b, relative to enforcement of*
25 *ordinances.*

26 (c) *Disbursements from the FRIZ investment fund, whether in the form of grants*
27 *or below-market loans, shall be handled in accordance with RSA 31:95-h, II, with the*
28 *understanding that all such requests shall be approved by the select board or city council*
29 *pursuant to procedures and policies established by and approved by the governing body.*

30 VII. *In addition to or in place of tax relief for flood resiliency qualifying*
31 *improvements as provided under RSA 79-E:4, a city or town may, upon adoption pursuant*
32 *to RSA 72:27-a, offer an annual property tax credit of not less than \$100 and not more than*
33 *\$1,000 for a period not to exceed 5 years on a property with qualifying improvements. The*
34 *total value of such credit over the period it is offered shall not exceed the value of the flood*
35 *resiliency investment, and the credit shall attach to the property and not to the property*
36 *owner.*

1 *VIII. The collection of any municipal flood resilience fee under this section shall be*
 2 *made by the tax collector or other official responsible for the collection of property taxes or*
 3 *municipal service charges. A municipality shall commit bills for amounts due on the*
 4 *special assessments, including interest and charges, to the tax collector with a warrant*
 5 *signed by the appropriate municipal officials requiring the tax collector to collect them.*
 6 *Each year, bills for amounts due on the special assessments shall coincide with bills for*
 7 *property taxes or municipal service charges. Each special assessment imposed under a*
 8 *FRIZ program pursuant to an assessment contract, including any interest or penalty,*
 9 *shall, upon recording of the assessment contract in the county in which the district is*
 10 *located, constitute a lien against the property on which the assessment is imposed until the*
 11 *assessment, including interest or any penalty, is paid in full. The lien of the assessment*
 12 *contract shall run with the property until the assessment is paid in full and a satisfaction*
 13 *or release has been recorded by the municipality or its program administrator, and shall*
 14 *have the same lien priority and status as other property tax and special assessment liens as*
 15 *provided in RSA 80. The municipality or any permitted assignee shall have all rights and*
 16 *remedies in the case of default or delinquency in the payment of an assessment as provided*
 17 *in RSA 80 for delinquent property taxes and other delinquent special assessments.*

18 2 New Subparagraph; Revolving Funds. Amend RSA 31:95-h, I by inserting after subparagraph
 19 (g) the following new subparagraph:

20 (h) Grants or below market loans, or both, to fund qualifying improvements in a Flood
 21 Resilience Improvement Zone (FRIZ) pursuant to RSA 79-E:4-a.

22 3 Definitions. Amend RSA 79-E:2, II(e) to read as follows:

23 (e) In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying
 24 [structure] **improvements**" also means potentially impacted structures identified by the
 25 municipality within the [coastal] **flood** resilience incentive zone established under RSA 79-E:4-a.

26 4 Effective Date. This act shall take effect 60 days after its passage.