

HB 1764-FN - AS INTRODUCED

2026 SESSION

26-3059

06/07

HOUSE BILL            ***1764-FN***

AN ACT                establishing community workforce housing targets, special assessment provisions,  
and a revolving loan fund for workforce housing development.

SPONSORS:            Rep. de Vries, Rock. 29

COMMITTEE:          Housing

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ANALYSIS

This bill establishes municipal workforce housing targets, reporting requirements, zoning review procedures, and a special property tax assessment for underperformance, with proceeds funding a revolving loan program for housing development and infrastructure.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.



1 12-O:70-d Special Assessments for Underperformance.

2 I. Beginning in 2028, any municipality that falls below 50 percent of their cumulative  
3 workforce housing targets shall be subject to a special property tax assessment.

4 II. The special property tax assessment for properties assessed above the following  
5 thresholds shall be calculated as follows:

6 (a) For property assessed at \$1,500,000, apply a rate of \$1 in tax per \$1,000 of assessed  
7 value;

8 (b) For property assessed at \$2,000,000, apply a rate of \$1.50 in tax per \$1,000 of  
9 assessed value;

10 (c) For property assessed at \$2,500,000, apply a rate of \$2 in tax per \$1,000 of assessed  
11 value;

12 (d) For property assessed at \$3,000,000, apply a rate of \$2.50 in tax per \$1,000 of  
13 assessed value; and

14 (e) For property assessed at \$3,500,000 and above, apply a rate of \$3 in tax per \$1,000 of  
15 assessed value.

16 III. The special property tax assessment shall remain in effect until the municipality  
17 reaches:

18 (a) 75 percent of its cumulative target (first year below threshold);

19 (b) 85 percent (second year); and

20 (c) 90 percent (third year or beyond).

21 IV. Municipalities shall collect and remit assessment proceeds to the state immediately.

22 12-O:70-e Workforce Housing Revolving Loan Fund.

23 I. The department shall establish and manage a special revolving loan fund, separate from  
24 the general fund, using proceeds from the special tax assessments under RSA 12-O:70-d.

25 II. The fund shall offer below-market-rate loans to developers of multi-family, year-round  
26 workforce housing and municipalities for infrastructure upgrades tied to shovel-ready workforce  
27 housing projects.

28 III. Loan prioritization shall be based on number of housing units provided, speed of  
29 development and direct linkage to workforce housing outcomes.

30 12-O:70-f Administration. The department of business and economic affairs, division of  
31 planning and community development, shall administer this subdivision and may adopt rules under  
32 RSA 541-A as necessary to implement its provisions.

33 2 New Subparagraph; New Funding. Amend RSA 6:12, I(b) by inserting after subparagraph  
34 (410) the following new subparagraph:

35 (411) Moneys deposited in the workforce housing revolving loan fund as established  
36 in RSA 12-O:70-e.

37 3 Effective Date. This act shall take effect April 1, 2026.

**HB 1764-FN- FISCAL NOTE**  
 AS INTRODUCED

AN ACT establishing community workforce housing targets, special assessment provisions, and a revolving loan fund for workforce housing development.

**FISCAL IMPACT:** This bill does not provide funding, nor does it authorize new positions.

<b>Estimated State Impact</b>				
	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>Revenue</b>	\$0	Indeterminable Increase		
<i>Revenue Fund(s)</i>	Workforce Housing Revolving Loan Fund			
<b>Expenditures*</b>	\$0	\$368,000	Indeterminable Increase \$385,000+	Indeterminable Increase \$403,000+
<i>Funding Source(s)</i>	General Fund and Workforce Housing Revolving Loan Fund			
<b>Appropriations*</b>	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

\*Expenditure = Cost of bill

\*Appropriation = Authorized funding to cover cost of bill

<b>Estimated Political Subdivision Impact</b>				
	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>Local Revenue</b>	\$0	\$0	\$0	\$0
<b>Local Expenditures</b>	\$0	Indeterminable Increase		

**METHODOLOGY:**

This bill requires the Department of Business and Economic Affairs, in collaboration with regional planning commissions, to set annual workforce housing targets for each municipality over a 10-year period. These targets are based on factors such as available land, infrastructure access, proximity to employment centers, and existing housing stock. Municipalities falling below 50% of their cumulative targets must undergo zoning reviews and develop improvement plans, though implementation of recommendations remains discretionary. Starting in 2028, underperforming municipalities will face a tiered special property tax assessment on high-value properties, with proceeds going to the newly established Workforce Housing Revolving Loan Fund.

The Department of Business and Economic Affairs states this bill requires the Department to develop Municipal Workforce Housing Targets. The Department states to develop the targets

and operate the program will involve extensive research with regional planning commissions and 234 municipalities for collection of property tax funds, creation of revolving loan fund and administration and development of rules and enforcement activity. The Department notes to administer these new tasks would require an administrator (19-3050 Regional Planners 5 – SOC 19, pay band 9, step 1) and at least three management analysts (13-1110 Management Analysis-2 – SOC 13, pay band 5; step 1). The total costs for these four positions is \$368,000 in FY 2027, \$385,000 in FY 2028 and \$403,000 in FY 2029. The Department is unable to estimate when there will be enough funds in the Workforce Housing Revolving Loan Fund to support the positions and would require a General Fund appropriation to fund these positions.

<b>Positions Requested by BEA</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
Administrator x1 (19-3050 Regional Planners 5 – SOC 19, pay band 9, step 1)	\$107,000	\$112,000	\$118,000
Management Analysts x3 (13-1110 Management Analysis-2 – SOC 13, pay band 5; step 1).	\$261,000	\$273,000	\$285,000
<b>Total Salary, Benefits and Operating Expenses</b>	<b>\$368,000</b>	<b>\$385,000</b>	<b>\$403,000</b>

The New Hampshire Municipal Association (NHMA) states municipalities may face costs related to zoning updates, reporting requirements, tax assessment administration, and an increase in property assessment appeals, estimated at under \$10,000 per municipality. Additionally, legal disputes over housing mandates could lead to an indeterminable increase in expenses, as the number of potential cases is unknown. Infrastructure upgrades may exceed \$1 million in some municipalities, though funding may be available through the new Workforce Housing Revolving Loan Fund. Additionally, there are no provisions for an appeal or hardship waiver process for municipalities seeking to challenge their assigned housing targets.

**AGENCIES CONTACTED:**

Department of Business and Economic Affairs and New Hampshire Municipal Association