

HB 1655-FN - AS AMENDED BY THE HOUSE

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2026 SESSION

26-2978

08/07

HOUSE BILL

1655-FN

AN ACT

establishing a funding source for maintaining state owned dams.

SPONSORS:

Rep. Darby, Hills. 11; Rep. Dunn, Rock. 16; Rep. Malloy, Rock. 24

COMMITTEE:

Resources, Recreation and Development

ANALYSIS

This bill establishes fees on property that has waterfront access to a body of water created by a state-owned dam and directs such fees to the maintenance of state-owned dams.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 establishing a funding source for maintaining state owned dams.

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

1 1 New Subdivision; Shorefront Property Fee for State-Owned Dams. Amend RSA 76 by
2 inserting after section 21 the following new subdivision:

3 Shorefront Property Fee for State-Owned Dams

4 76:22 Fee for Waterfront Property on Waterbody Impounded by State-Owned Dam.

5 I. The department of revenue administration shall identify the properties and landowners
6 with waterfront access and deeded water rights to waterbodies impounded by state-owned dams.
7 The department shall provide each municipality with a list of such properties. The department may
8 contract with an outside organization to collect this information. Following a conveyance of real
9 estate with waterfront access or deeded water rights to a waterbody impounded by a state-owned
10 dam, the grantee shall inform the municipality of the grantee mailing address.

11 II. The municipality shall assess a fee of \$100 per year on real estate with waterfront access
12 to a waterbody impounded by a state-owned dam. The moneys collected from such fee shall be
13 deposited in the dam maintenance fund established in RSA 482:55 to be used for the operation,
14 maintenance, and repair of state-owned dams.

15 III. The municipality shall assess a fee of \$50 per year on real estate with deeded water
16 access to a waterbody impounded by a state-owned dam. The moneys collected from such fee shall
17 be deposited in the dam maintenance fund established in RSA 482:55 to be used for the operation,
18 maintenance, and repair of state-owned dams.

19 IV. Real estate with waterfront access or deeded water rights to a waterbody impounded by
20 a state-owned dam in current use or a working farm shall not be assessed the fee listed in
21 paragraphs II and III.

22 V. In addition to the fees required by paragraphs II and III, the municipality may collect \$5
23 to be retained by the municipality as compensation for management, collection and disbursement of
24 moneys collected. Each year, when submitting collected fees to the dam maintenance fund, the
25 municipality shall provide a list of properties, owners, owner addresses, fees remitted and fee owed
26 by not remitted to the department. The department shall seek payment for unpaid fees for
27 properties with waterfront or deeded water rights to a waterbody impounded by a state-owned dam.
28 Repayments received shall be deposited in the dam maintenance fund.

29 VI. Interest at 8 percent per annum shall be charged upon all taxes except resident taxes,
30 except as otherwise provided by statute, not paid on or before December 1. Interest payments
31 received shall be deposited in the dam maintenance fund. The department may acquire a lien

1 against land and buildings for unpaid fees owed for waterfront access or deeded water rights to a
2 waterbody impounded by a state-owned dams. Tax liens placed according to RSA 80 shall have
3 priority over department of environmental services liens. The department of revenue services shall
4 administer the collection of fees, interests and liens for waterfront access or deeded water rights to a
5 waterbody impounded by a state-owned dams.

6 VII. The department shall adopt rules under RSA 541-A in order to execute and enforce this
7 chapter.

8 2 Dam Maintenance Fund; Expenditure. Amend RSA 482:57 to read as follows:

9 482:57 Expenditure.

10 I. Notwithstanding other provisions of law, the commissioner of environmental services
11 shall expend such sums from the dam maintenance fund as are necessary for performance of work on
12 state-owned dams and property associated with and contiguous to state-owned dam sites, as well as
13 noncontiguous property, such as rainfall and stream gages, that is essential to the safe operation of
14 the dam only in the following categories:

15 ~~I.] (a)~~ Minor projects and emergency repairs, including emergency action plans, which may
16 be completed by force account methods by the department.

17 ~~II.] (b)~~ Repair projects, which may be completed by force account methods by the
18 department on dams and property associated with and contiguous to state-owned dam sites, as well
19 as noncontiguous property, such as rainfall and stream gages, that is essential to the safe operation
20 of the dam~~[, approved for acquisition by the legislature with the approval of governor and council]~~
21 ***shall only be performed on dams and associated properties that have been acquired by the***
22 ***state, provided such acquisition has been approved by the legislature and the governor and***
23 ***council.***

24 ~~III.] (c)~~ Reconstruction projects, which shall be completed by contract construction or force
25 account on dams and property associated with and contiguous to state-owned dam sites, as well as
26 noncontiguous property, such as rainfall and stream gages, that is essential to the safe operation of
27 the dam~~[, approved for acquisition by the legislature with the approval of governor and council]~~
28 ***shall only be performed on dams and associated properties that have been acquired by the***
29 ***state, provided such acquisition has been approved by the legislature and the governor and***
30 ***council.***

31 II. Administration of collection of fees, interests, and liens for waterfront access or
32 deeded water rights to a waterbody impounded by a state-owned dam shall be enforced by
33 the department of revenue administration.

34 3 Effective Date. This act shall take effect July 1, 2026.

HB 1655-FN- FISCAL NOTE
AS AMENDED BY THE HOUSE (AMENDMENT # 2026-0170h)

AN ACT establishing a funding source for maintaining state owned dams.

FISCAL IMPACT:

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$3,000,000	\$3,000,000	\$3,000,000
<i>Revenue Fund(s)</i>	Dam Maintenance Fund			
Expenditures*	\$0	Indeterminable Increase more than \$3,000,000 - \$3,100,000 or less	Indeterminable Increase \$3,324,000+	Indeterminable Increase \$3,078,000+
<i>Funding Source(s)</i>	Dam Maintenance Fund/General Fund			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

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	\$180,000	\$180,000	\$180,000
Local Expenditures	\$0	Indeterminable Increase less than \$10,000 per municipality per FY		

METHODOLOGY:

This bill creates a new funding mechanism in response to the findings of the Committee to Study Alternatives for Funding the Operation, Maintenance, and Repair of State-Owned Dams, established under SB 549 (CH 168:3, 2024) for the maintenance of state-owned dams. It establishes annual fees on properties that benefit from waterbodies impounded by such dams: \$100 for properties with direct waterfront access and \$50 for those with deeded access. Properties in current use or classified as working farms are exempt. Municipalities may collect \$5 to be retained by the municipality as compensation for management, collection and disbursement of moneys collected and are responsible for reporting collections and delinquencies to the Department of Revenue Administration (DRA). DRA is also tasked with enforcement,

including applying interest and liens. All collected funds are directed to the Dam Maintenance Fund, which is managed by the Department of Environmental Services (DES) for dam-related expenditures.

DES estimates the bill would generate approximately \$3 million annually for the Dam Maintenance Fund, based on 24,000 waterfront properties and 12,000 deeded access properties (24,000 X \$100 = \$2,400,000 + 12,000 X \$50 = \$600,000). DES expects to spend the full amount collected on dam maintenance and related infrastructure. DES does not anticipate needing additional staff but notes that expenditures and revenues would likely continue beyond FY 2029.

The Department of Revenue Administration states the bill would result in an indeterminable increase in state and local revenues and expenditures. DRA anticipates cooperation with DES, who can use Granite GIS to identify affected properties, however DRA would still need to contract with a title researcher in order to identify parcels with deeded access to the identified water bodies. DRA is unsure of the cost of such work and would anticipate utilizing the state's RFP process to have that work performed. DRA will endeavor to obtain a cost estimate if needed. Additionally, DRA would require a new collections staff position beginning in FY 2028 at a cost for salary and benefits of \$38,000 in FY 2028 and \$78,000 in FY 2029. Additionally, revenue information management system (RIMS) modifications would be necessary to collect this new tax type which is estimated at \$248,000 in FY 2028. DRA cannot absorb these costs within its current budget and expects to begin collection activities in spring 2028. DRA is unable to estimate the revenue without knowing the number of properties that would be assessed the fees.

The New Hampshire Municipal Association states that local expenditures are estimated to increase less than \$10,000 per municipality, for managing, collecting, and disbursing state fees designated for the dam maintenance fund. These costs could be reduced or potentially offset if a municipality opts to impose the optional \$5 processing fee. The estimated local revenue is \$180,000 based on the 36,000 properties paying the \$5 fee (36,000 X \$5 = \$180,000).

AGENCIES CONTACTED:

Department of Environmental Services, Department of Revenue Administration, and New Hampshire Municipal Association