

CHAPTER 329
HB 1588-FN - FINAL VERSION

05/07/2026 1720s
4Jun2026... 2079CofC
4Jun2026... 2194EBA

2026 SESSION

26-3234
07/06

HOUSE BILL ***1588-FN***

AN ACT relative to the regulation of accessory parking for vehicles by local legislative bodies and multifamily housing within commercial districts by municipalities; establishing special assessment districts; and relative to expanding the housing infrastructure municipal grant program and making an appropriation therefor.

SPONSORS: Rep. Sweeney, Rock. 25

COMMITTEE: Housing

AMENDED ANALYSIS

This bill:

I. Allows local legislative bodies to regulate accessory parking for vehicles so long as they do not require that the parking space per unit be garaged.

II. Allows municipalities to impose limited requirements for multifamily housing within commercial districts in existence as of July 1, 2026.

III. Establishes special assessment districts and expands the housing infrastructure grant program to allow for municipal upgrades linked to new housing.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

CHAPTER 329
HB 1588-FN - FINAL VERSION

05/07/2026 1720s
4Jun2026... 2079CofC
4Jun2026... 2194EBA

26-3234
07/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to the regulation of accessory parking for vehicles by local legislative bodies and multifamily housing within commercial districts by municipalities; establishing special assessment districts; and relative to expanding the housing infrastructure municipal grant program and making an appropriation therefor.

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

1 329:1 Zoning; Grant of Power; Parking Ordinances. Amend RSA 674:16, VII to read as follows:

2 VII. In its exercise of the powers granted under this subdivision, the local legislative body of a
3 city, town, or county in which there are located unincorporated towns or unorganized places may regulate
4 accessory parking for vehicles, but shall not require more than one residential parking space per unit ***or***
5 ***require that the parking space per unit be garaged.***

6 329:2 Multi-Family Residential Development on Commercially Zoned Land; Amendment to Zoning
7 Regulations; Conversion of Multi-Family Dwelling Units Permitted. Amend RSA 674:80, IV to read as
8 follows:

9 IV. ~~[A municipality shall provide an exemption to any requirements regarding setbacks, height, or~~
10 ~~frontage of a building being converted to multi-family or mixed-use through adaptive reuse, provided that~~
11 ~~the building's floor area, height, and setbacks do not change.]~~ ***Nothing in this section shall be construed***
12 ***to alter municipal authority under RSA 674:43, I to require site plan review for multi-family dwelling units.***
13 ***Consistent with the purpose of this section, for multi-family dwelling units proposed in commercial districts***
14 ***existing, created, or expanded after July 1, 2026, municipalities may impose frontage, setbacks, and***
15 ***height requirements; provided that such requirements shall not differ from what is allowed for commercial***
16 ***development. Multi-family dwelling units shall be allowed as a matter of right, and municipalities shall not***
17 ***enforce additional requirements unless expressly authorized by this section. Nothing in this section shall***
18 ***prohibit enforcement of applicable state fire, building, and other requirements under RSA 153, RSA 155-A,***
19 ***and RSA 485-A.***

20 V. ***A municipality shall allow pre-existing nonconforming structures to be converted to multi-family***
21 ***dwelling units or mixed use provided that the structure's envelope is not altered to further violate zoning***
22 ***district dimensional requirements.***

23 VI. ***Any owner of commercially-zoned property improperly denied an application for multi-family***
24 ***housing, or who is subjected to requirements beyond those allowed in this section, and who is thereby***
25 ***required to file suit against the municipality in order to exercise the property rights thus recognized, shall***
26 ***be entitled to be reimbursed reasonable attorney's fees incurred as a direct result.***

27 329:3 New Chapter; Special Assessment Districts. Amend RSA by inserting after chapter 162-U the
28 following new chapter:

29 CHAPTER 162-V

CHAPTER 329
HB 1588-FN - FINAL VERSION
- Page 2 -

SPECIAL ASSESSMENT DISTRICTS

162-V:1 Authority. The governing body of any city or town may enter into special assessment memorandums of understanding with 60 percent of properties' owners to establish special assessment districts and spending programs for the purpose of financing public infrastructure improvements necessary to serve new development.

162-V:2 Improvements Authorized.

I. Infrastructure improvements eligible for financing under this chapter shall include:

- (a) Roads, sidewalks, street lighting, and traffic control devices;
- (b) Water mains, sewer lines, stormwater management facilities, and related appurtenances;
- (c) Utility extensions directly serving the district; and
- (d) Streetscape or parking improvements incidental to development.

II. General government buildings, schools, or facilities that do not directly and specially benefit parcels within the district shall not be financed under this chapter.

162-V:3 Apportionment of Costs.

I. Assessments shall be levied only against properties that receive a direct and ascertainable benefit from the improvements.

II. The governing body shall determine the method of apportionment, which may include frontage, lot size, number of units, assessed value, or other reasonable metric.

III. No parcel shall be assessed in an amount greater than the special benefit conferred upon it.

162-V:4 Financing.

I. Municipalities may issue bonds to finance improvements within the district, to be repaid solely from assessments levied under this chapter.

II. Assessments may be collected in annual installments over a period not to exceed 20 years.

III. Assessments shall constitute a lien on the property with the same priority and enforcement as property taxes.

162-V:5 Procedure.

I. Establishment of a district shall require the governing body of any city or town to enter into special assessment memorandums of understanding with 60 percent of properties' owners.

II. Notice of the proposed district shall be mailed to each affected property owner and published in a newspaper of general circulation at least 14 days prior to the hearing.

162-V:6 Appeals. Any property owner subject to an assessment may appeal the apportionment of costs to the governing body within 30 days of notice, and thereafter to the superior court pursuant to RSA 677.

162-V:7 Dissolution. A district shall dissolve upon repayment of all obligations or earlier by vote of the governing body, provided all costs have been satisfied.

329:4 Department of Business and Economic Affairs; Expansion of Housing Infrastructure Municipal Grant Program. The department of business and economic affairs shall expand its housing infrastructure municipal grant program to allow for sewer, water, and road upgrades for new housing units.

CHAPTER 329
HB 1588-FN - FINAL VERSION
- Page 3 -

329:5 Department of Business and Economic Affairs, Appropriation. The sum of \$1 for the fiscal year ending June 30, 2027 is hereby appropriated to the department of business and economic affairs for the purpose of providing grants for sewer, water, and road upgrades for new housing units under its housing infrastructure municipal grant program. The governor is authorized to draw a warrant for said sums out of any money in the treasury not otherwise appropriated.

329:6 Multi-Family Residential Development on Commercially Zoned Land; Amendment to Zoning Regulations; Conversion of Multi-Family Dwelling Units Permitted. Amend RSA 674:80, V to read as follows:

V. ~~[A municipality shall provide an exemption to any requirements regarding setbacks, height, or frontage of a building being converted to multi-family or mixed-use through adaptive reuse, provided that the building's floor area, height, and setbacks do not change.]~~ ***Nothing in this section shall be construed to alter municipal authority under RSA 674:43, I to require site plan review for multi-family dwelling units. Consistent with the purpose of this section, for multi-family dwelling units proposed in commercial districts existing, created, or expanded after July 1, 2026, municipalities may impose frontage, setbacks, and height requirements; provided that such requirements shall not differ from what is allowed for commercial development. Multi-family dwelling units shall be allowed as a matter of right, and municipalities shall not enforce additional requirements unless expressly authorized by this section. Nothing in this section shall prohibit enforcement of applicable state fire, building, and other requirements under RSA 153, RSA 155-A, and RSA 485-A.***

VI. ***A municipality shall allow pre-existing nonconforming structures to be converted to multi-family dwelling units or mixed use provided that the structure's envelope is not altered to further violate zoning district dimensional requirements.***

VII. ***Any owner of commercially-zoned property improperly denied an application for multi-family housing, or who is subjected to requirements beyond those allowed in this section, and who is thereby required to file suit against the municipality in order to exercise the property rights thus recognized, shall be entitled to be reimbursed reasonable attorney's fees incurred as a direct result.***

329:7 Contingency. If HB 1010 of the 2026 regular legislative session becomes law, section 2 of this act shall not take effect and section 6 of this act shall take effect 60 days after its passage. If HB 1010 of the 2026 regular legislative session does not become law, section 2 of this act shall take effect 60 days after its passage and section 6 of this act shall not take effect.

329:8 Contingent Renumbering. If HB 1433 of the 2026 regular legislative session becomes law: RSA 162-V as inserted by section 3 of this act shall be renumbered as RSA 162-X. If HB 1433 of the 2026 regular legislative session does not become law: RSA 162-V as inserted by section 3 of this act shall be renumbered as RSA 162-W.

329:9 Effective Date.

I. Sections 2 and 6 of this act shall take effect as provided in section 7 of this act.

II. The remainder of this act shall take effect 60 days after its passage.

CHAPTER 329
HB 1588-FN - FINAL VERSION
- Page 4 -

Approved: July 15, 2026

Effective Date:

- I. Sections 2 & 6 effective as provided in section 7
- II. Remainder effective September 13, 2026

