Senate Commerce Committee

Aaron Jones 271-2609

HB 1103, allowing municipalities to utilize community revitalization tax relief credits on a wider variety of properties and structures.

Hearing Date: April 21, 2026

Time Opened: 9:48 a.m. **Time Closed**: 9:58 a.m.

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

Members of the Committee Absent : Senator Reardon

Bill Analysis: This bill allows municipalities to utilize community revitalization tax relief credits for certain housing structures and new structures.

Sponsors:

Rep. Howland	Rep. M. Aron	Rep. Cole
Rep. Fracht	Rep. Gilman	Rep. Hakken-Phillips
Rep. Maggiore	Rep. Preece	Sen. Perkins Kwoka
Sen. Watters		

Who supports the bill: Representative Allan Howland, Natch Greyes (BIA), Brodie Deshaies (NHMA), Ryan Fecteau (Avesta Housing), Tom DeRosa (Housing Action NH), William Copeland Jr., Amelia Poole, Joyce Weston, Valerie Scarborough, Alex Marshall, Haley Demers, Judith Saum, Sally Widerstrom, Andrea Powers, Richard Hunnewell, Anne Hunnewell, Julie Retelle, Rosemary D'Arcy, Gary McCool

Who opposes the bill: Daniel Richardson

Who is neutral on the bill: No one

Summary of testimony presented in support:

Representative Allan Howland

- Through the Community Revitalization Tax Relief Credit, underutilized buildings in downtown areas were able to freeze their pre-renovation assessment for years to encourage investors to put money into revitalization. At the conclusion of the relief period, the building would return to its post-renovated assessed value. This helped to revitalize areas, while also increasing the taxbase of a community.

- Municipalities are allowed to convert office buildings into residential housing. This bill would expand qualifying structures to include commercial and industrial buildings. This would allow municipalities to identify buildings that are available for adaptive reuse.
- Housing Opportunity Zones have allowed municipalities to add housing in targeted areas, and it allowed them to freeze those assessments. This has not been economically viable because one-third of housing must meet HUD or workforce housing standards. Since its passage in 2021, it has only been adopted in North Conway. This bill would allow municipalities to set criteria that worked for their own community, and it would allow for new construction. If housing is added in these zones, assessment relief would be available for 7 years. If workforce requirements are met, relief would be given for 11 years.
- Representative Howland said this bill would give municipalities more flexibility, and it could be used to add more housing.

Ryan Fecteau, Senior Advisor on Planning and Partnerships, Avesta Housing

- By providing greater flexibility to municipalities, Mr. Fecteau said developers could convert older, underutilized, or vacant sites, into housing.
- RSA 79-E could lower carrying costs during the early years of development, which is critical for affordable housing since rents are offered below market value.
- Mr. Fecteau said additional revenue could be brought in if housing is developed.
- Employers continue to face hiring challenges, and building for prospective employees would help to close this gap.
- In Maine, the tax incentive has made the difference between development occurring or not.
- Mr. Fecteau said RSA 79-E should be applicable for 15 years, not 11 years, to align with the federal Low-Income Housing Tax Credit program.

Tom DeRosa, Deputy Director, Housing Action NH

- Mr. DeRosa said this was an important tool in the toolbox for municipalities because it provided them with greater flexibility.
- Mr. DeRosa said he was supportive of Mr. Fecteau's recommendation of 15 years.

Summary of testimony presented in opposition: None

Neutral Information Presented: None

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Date Hearing Report completed: April 24, 2026