Section 1 Header

2026 SESSION

26-2921.0
06/09

HOUSE BILL ***[bill number]***

AN ACT relative to creating a state assessment on non-homestead luxury second homes to fund statewide housing development programs and address housing shortages and making appropriations therefor.

SPONSORS: [sponsors]

COMMITTEE: [committee]

ANALYSIS

This bill:

I. Establishes a framework to expand affordable housing and housing-related infrastructure through financing, tax credits, workforce development, and municipal incentives.

II. Establishes a multi-stakeholder commission to study how to leverage the state's borrowing power to provide below-market financing for housing and infrastructure, including recommendations for a dedicated investment fund.

III. Expands the community development finance authority's investment tax credit program in phased amounts from FY 2026 to FY 2033, exclusively for housing and housing-related infrastructure projects.

IV. Offsets the expanded tax credits by transferring equivalent revenue from a new luxury second home state assessment.

V. Appropriates $15 million to the state workforce innovation fund to support building trades training, apprenticeships, tuition assistance, and supplemental apprentice wages.

VI. Provides designated municipalities with access to grants, loans, expedited approvals, and financing tools to encourage housing production and infrastructure development.

VII. Creates a nonlapsing fund to support municipal demolition of vacant or dilapidated buildings, administered by the department of business and economic affairs.

VIII. Establishes a fund to assist regional planning commissions in updating housing needs assessments and fair share models.

IX. Imposes a semi-annual assessment on residential properties over $1 million not used as a primary residence, with proceeds allocated to multiple housing-related programs and planning efforts

- -

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

Section 2 Header

26-2921.0
06/09

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to creating a state assessment on non-homestead luxury second homes to fund statewide housing development programs and address housing shortages and making appropriations therefor.

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

1 Short Title. This act shall be known as the "Fair Chance for Everyone Housing Development Act".

2 Statement of Purpose. The general court hereby finds that:

I. The lack of affordable single-family homes and apartments is generally regarded as one– if not, the most important – issues facing our state.

II. The 2023 Statewide Housing Assessment published by the New Hampshire housing authority said that based on estimated population growth, we will need an additional 60,000 units of housing in our state before 2030 and a total of 90,000 units before 2040.

III. There are many aspects to the problem and there is not one simple solution. State government will not “solve” this problem, but it can provide incentives to local authorities and the private sector to collaborate and address this challenge head on. This act hopes to provide some of those incentives.

3 New Chapter; Fair Chance for Everyone Housing Development. Amend RSA by inserting after chapter 21-V the following new chapter:

CHAPTER 21-W

FAIR CHANCE FOR EVERYONE HOUSING DEVELOPMENT

21-W:1 Purpose. The purpose of this chapter is to address New Hampshire’s urgent housing shortage by leveraging state financing capacity, expanding investment incentives, and supporting municipal and workforce development programs to increase the supply of affordable housing and housing-related infrastructure.

21-W:2 Commission Established; Housing and Infrastructure Financing.

I. There is established a commission to study how to fully leverage the borrowing power of the state to provide below-market financing for housing development and related infrastructure.

II. The commission shall consist of:

(a) Two members of the house of representatives, appointed by the speaker of the house.

(b) One member of the senate, appointed by the president of the senate.

(c) The state treasurer, or designee.

(d) The executive director of the business finance authority, or designee.

(e) The executive director of the housing finance authority, or designee.

(f) The commissioner of the department of business and economic affairs, or designee.

(g) The executive director of the community development finance authority, or designee.

(h) The executive director of the municipal bond bank, or designee.

(i) The president of the community loan fund, or designee.

(j) The commissioner of the banking department, or designee.

(k) One representative each from the New Hampshire Bankers Association, Housing Action NH, New Hampshire Homebuilders Association, New Hampshire Municipal Association, and New Hampshire Business and Industry Association.

(l) Up to 3 municipal finance professionals from academia or the investment industry, appointed jointly by the speaker of the house of representatives and the president of the senate.

III. The commission shall:

(a) Evaluate the allocation and use of the state's private activity bond cap.

(b) Identify other low-cost or tax-exempt funding mechanisms.

(c) Assess the feasibility of a Housing and Infrastructure Development Investment Fund.

(d) Recommend fund structure, repayment mechanisms, and administrative oversight.

(e) Analyze impacts on state debt affordability and credit ratings.

(f) Recommend statutory changes needed to implement the fund.

IV. The commission shall hold its first meeting within 45 days of the effective date of this act, called by the first-named house member. The commission shall elect a chair from among its members.

V. The commission shall report its findings and any recommendations for proposed legislation to the speaker of the house, president of the senate, house clerk, senate clerk, governor, and state library on or before August 1, 2027.

21-W:3 Community Development Finance Authority; Investment Tax Credit Expansion.

I. The community development finance authority may allocate additional investment tax credits as follows:

(a) $2,500,000 in fiscal years 2026–2027.

(b) $5,000,000 in fiscal years 2028–2029.

(c) $7,500,000 in fiscal years 2030–2031.

(d) $10,000,000 in fiscal years 2032–2033.

II. The additional credits shall be used exclusively for housing or housing-related infrastructure projects.

III. Credits shall be equal to 75 percent of the amount paid in business profits tax, business enterprise tax, or insurance premium tax.

IV. To offset the revenue reduction, equivalent amounts shall be transferred from the luxury second home state assessment established in RSA 76:22.

21-W:4 Luxury Second Home State Assessment. The luxury second home state assessment established in RSA 76:22 shall be used to fund the housing programs described in this chapter.

21-W:5 Workforce Development.

I. The sum of $15,000,000 is hereby appropriated to the state workforce innovation fund established in RSA 12-O:45 for the following purposes:

(a) $2,500,000 to expand building trades training at regional career and technical centers and community colleges.

(b) $2,500,000 to support apprenticeship programs.

(c) $5,000,000 for tuition assistance and loan forgiveness for students entering the trades.

(d) $5,000,000 for supplemental apprentice wages.

II. The department of business and economic affairs shall administer tax credits for apprentice program sponsors.

21-W:6 Housing Champion Incentives.

I. Municipalities designated as housing champions shall be eligible for:

(a) Housing production and infrastructure grants under RSA 12-O:73.

(b) Property tax assessment holidays under RSA 79-A.

(c) Expedited state approvals and priority for state-funded projects.

(d) Regional collaboration incentives.

(e) Access to low-cost financing and CDFA tax credits.

II. The department of business and economic affairs shall review housing champion applications within 90 days and complete final determinations within 180 days.

III. Municipalities receiving planning grants must submit a complete application within 2 years.

IV. Developers of workforce housing in applicant communities shall retain eligibility for state assistance during the application period.

21-W:7 Municipal Demolition Grant Program Fund Established. There is hereby established in the state treasury the municipal demolition grant program fund. The fund shall be administered by the department of business and economic affairs and used to provide grants to municipalities for the demolition of vacant or dilapidated buildings. The department shall adopt rules under RSA 541-A relative to eligibility, application procedures, and reporting requirements. The fund shall be nonlapsing and shall be continually appropriated to the department for the purposes of this section.

21-W:8 Regional Planning Commission Housing Assessment Support Fund Established. There is hereby established in the state treasury the regional planning commission housing assessment support fund. The fund shall be administered by the office of planning and development within the department of business and economic affairs and used to assist regional planning commissions in updating housing needs assessments, including 5-year updates to the fair share housing production

model and county-level fair share tables. The fund shall be nonlapsing and shall be continually appropriated to the department for the purposes of this section.

4 New Paragraphs; State Treasurer; Special Funds. Amend RSA 6:12, I(b) by inserting after subparagraph (410) the following new subparagraphs:

(411) The municipal demolition grant program fund established in RSA 21-W:7.

(412) The regional planning commission housing assessment support fund established in RSA 21-W:8.

5 New Subdivision; Non-Homestead Property Assessment. Amend RSA 76 by inserting after section 21 the following new subdivision:

Non-Homestead Property Assessment

76:22 Non-Homestead Property Assessment.

I. A non-homestead property assessment is hereby established on residential properties with an assessed value over $1,000,000 that are not used as a primary residence for at least 183 days per year.

II. The assessment shall be $2.50 per $500 of assessed value above $1,000,000.

III. The $1,000,000 threshold shall be adjusted annually for inflation beginning January 1, 2028.

IV. Property owners may file a homestead declaration with the department of revenue administration to claim exemption.

V. The department shall adopt rules under RSA 541-A to administer the assessment.

VI. The assessment shall be paid semi-annually, with the first payment due no later than June 30, 2027.

6 Appropriation; Housing Development Fund Allocations.

I. There is hereby appropriated to the dedicated housing development fund the following sums for the purposes specified:

(a) The sum of $7,500,000 for the fiscal year ending June 30, 2026, and the sum of $14,500,000 annually thereafter, to be allocated to the affordable housing fund established under RSA 204-C:57.

(b) The sum of $2,500,000 for the fiscal year ending June 30, 2026, and the sum of $5,000,000 annually thereafter, to be allocated to the housing infrastructure municipal grant program established under RSA 12-O:73.

(c) The sum of $1,250,000 for the fiscal year ending June 30, 2026, and the sum of $2,500,000 annually thereafter, to be allocated to the housing planning and regulation grant program established under RSA 12-O:72.

(d) The sum of $1,250,000 for the fiscal year ending June 30, 2026, and the sum of $2,500,000 annually thereafter, to be allocated to the partners in housing program established under RSA 12-O:72-a.

(e) The sum of $1,250,000 for the fiscal year ending June 30, 2026, and the sum of $2,500,000 annually thereafter, to be allocated to the housing production municipal grant program established under RSA 12-O:73.

(f) The sum of $1,250,000 for the fiscal year ending June 30, 2026, and the sum of $2,500,000 annually thereafter, to be allocated to the municipal demolition grant program.

(g) The sum of $250,000 for the fiscal year ending June 30, 2026, and the sum of $500,000 annually thereafter, to be allocated to the regional planning commissions.

(h) The sum of $468,750 for the fiscal year ending June 30, 2026, and the sum of $937,500 annually thereafter, to be deposited into the general fund to offset CDFA tax credit expansion.

II. The governor is authorized to draw a warrant for said sums out of any money in the treasury not otherwise appropriated, for the purposes specified in this section.

7 Effective Date. This act shall take effect January 1, 2027.