

SB 634 - AS INTRODUCED

2026 SESSION

26-2195

12/09

SENATE BILL        **634**

AN ACT            enabling municipalities to adopt a municipal occupancy fee.

SPONSORS:        Sen. Prentiss, Dist 5; Sen. Long, Dist 20; Sen. Watters, Dist 4; Sen. Perkins  
Kwoka, Dist 21; Sen. Altschiller, Dist 24; Sen. Rosenwald, Dist 13; Sen. Fenton,  
Dist 10

COMMITTEE:      Ways and Means

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ANALYSIS

This bill enables a municipality to collect an occupancy fee from room rentals for the purpose of establishing a municipal capital fund, revolving fund, or tourism support fund.

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Explanation:      Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears ~~[in brackets and struck through.]~~  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 enabling municipalities to adopt a municipal occupancy fee.

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

1 1 New Subdivision; Local Option Municipal Occupancy Fee. Amend RSA 353 by inserting after  
2 section 10 the following new subdivision:

3 Local Option Municipal Occupancy Fee

4 353:11 Municipal Occupancy Fee.

5 I. The legislative body of a municipality may vote to collect a municipal fee on each  
6 occupancy, as defined in RSA 78-A:3, XI, for the purpose of establishing a municipal capital  
7 improvement or tourism support fund, which is intended to increase or stabilize local hotel and other  
8 room rental occupancy.

9 II. As authorized by the legislative body vote, the fee may be collected as a daily charge of up  
10 to \$2 per occupancy per 24-hour period, or as a percentage of the price of the occupancy, provided  
11 that the rate shall not exceed \$2 per occupancy per 24-hour period. If the average daily price of the  
12 occupancy does not exceed \$40, the occupancy fee shall not be collected. The vote by the legislative  
13 body shall specify the number of consecutive days to which the occupancy fee applies, provided that  
14 the maximum number of consecutive days for which the fee may be collected for each occupancy  
15 shall not exceed 184. Enforcement powers for nonpayment shall be the same as those provided  
16 under RSA 31:39-c, RSA 31:39-d, and RSA 47:17-b, relative to enforcement of ordinances.

17 III. The revenues collected shall be deposited in a capital reserve fund, tourism support  
18 fund, revolving fund, or other special revenue fund, as authorized by the municipality. Such funds  
19 shall be used to augment funding for the cost of municipal services associated with the increase in  
20 tourism and transient traffic.

21 IV. Any funds received shall not be deemed part of the general fund accumulated surplus,  
22 nor shall any surplus be expended for any purpose or transferred to any appropriation until such  
23 time as the town select board or legislative body of the city shall have voted to appropriate a specific  
24 amount from the fund for a specific purpose.

25 V. Any town or city may adopt the provisions of this section in the following manner:

26 (a) In a town, the question shall be placed on the warrant of a special or annual town  
27 meeting under the procedures set out in RSA 39:3, and shall be voted on by ballot. In a city, the  
28 legislative body shall vote on the question as provided in its charter.

29 (b) The selectmen or city council shall hold a public hearing on the question at least 15  
30 days but not more than 30 days before the question is to be voted on. Notice of the hearing shall be

1 posted in at least 2 public places in the municipality and published in a newspaper of general  
2 circulation at least 7 days before the hearing.

3 (c) The town or city shall specify in the wording of the question:

4 (1) The name of the fund and permitted uses of the fund; and

5 (2) The nature, amount, and manner of collection of the occupancy fee, including the  
6 number of consecutive days to which the occupancy fee shall apply.

7 (d) If a majority of those voting on the question vote "Yes," the municipal occupancy fee  
8 shall apply within the town or city on the date set by the selectmen or the city council.

9 (e) A town or city may consider rescinding its action in the manner described in  
10 subparagraphs (a)-(c). The wording of the question shall be the same as was adopted by the town or  
11 city, except the word "adopt" shall be changed to "rescind." If a majority of those voting on the  
12 question vote "Yes," following the action taken to rescind, the municipal occupancy fee shall not  
13 apply within the town or city, and any moneys already in the fund shall be used for the purposes  
14 already voted.

15 2 Effective Date. This act shall take effect upon its passage.