



February 10, 2025

The Honorable Diane Pauer, Chair
New Hampshire House of Representatives
Committee on Municipal and County Government
Legislative Office Building, Room 301-303
33 North State Street
Concord, NH 03301

RE: Opposition to HB 123, Instituting a New Tax in New Hampshire

Dear Madam Chair and Members of the Committee:

Aurora Sustainable Lands (Aurora) owns the Connecticut Lakes Headwaters Forest in Pittsburg, Clarksville and Stewartstown. The property has been privately owned and managed under a landmark conservation easement since 2003, ensuring greater protection of critical habitats and public access for generations. As the largest privately held forest in the state, this remarkable resource has been and continues to be managed as a working forest, providing a variety of forest products to manufacturing facilities throughout the region. Of note, the property has been enrolled in a carbon offset program since 2013.

Aurora opposes HB 123 and the proposed amendment #2025-0297h (or similar), which would replace the original version of the bill. The proposed amendment would institute a new tax in New Hampshire. In fact, it would be the first tax of its kind in the nation. One consequence of this proposed new tax would be the immediate decrease in value of every acre of privately held forestland in the state. The company understands the point of this bill is to offset possible decline of timber tax revenue due to a number of factors. These factors may include weather, declining timber markets, tariffs, and forest management strategies including enrollment in carbon credit projects. The proposed solution in the amendment is not the appropriate way to address possible declines.

It will take time and study to determine whether there is any constitutional means for the state or any municipality to impose tax with respect to the business income arising from carbon offset programs or with respect to the private properties that may engage in carbon offset programs. As you might expect, Aurora already pays state business taxes and timber taxes. Moreover, for the last two tax years, Aurora has voluntarily worked with the towns of Pittsburg, Stewartstown and Clarksville to mitigate any shortfall in timber tax revenue. Further, Aurora intends to provide similar support for 2026 should the legislature decide to study these issues in the future.

Aurora remains committed to honoring the letter and spirit of the conservation easement, continuing timber harvesting and enhancing the forest's use and enjoyment by the public. We stand ready to help policy makers examine revenue-neutral options to ensure that local revenue derived from forests can be as reliable as reasonably possible.

Sincerely,

A handwritten signature in black ink that reads "Blake H. Stansell". The signature is written in a cursive style with a large, prominent initial "B".

Blake Stansell, President