

HB 1450-FN - AS INTRODUCED

2022 SESSION

22-2116

08/05

HOUSE BILL                    ***1450-FN***

AN ACT                    including agricultural resources under the land and community heritage investment program.

SPONSORS:            Rep. Caplan, Merr. 6; Rep. Bixby, Straf. 17; Rep. Stavis, Graf. 13

COMMITTEE:        Ways and Means

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ANALYSIS

This bill includes agricultural resources under the land and community heritage investment program and requires an annual transfer from the real estate transfer tax revenue to the land and community heritage investment program trust fund.

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                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Two*

AN ACT including agricultural resources under the land and community heritage investment program.

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

1 1 Purpose; Land and Community Heritage Investment Program. Amend RSA 227-M:1 to read  
2 as follows:

3 227-M:1 Purpose. The general court finds that in order to maintain New Hampshire's quality of  
4 life and economic vitality for its citizens, growth and development should be balanced with careful  
5 protection of the state's most important natural, **agricultural**, cultural, and historical resources.  
6 Permanent protection of these resources, through acquisition of lands, buildings, and other physical  
7 assets, or interests in these assets, must be accomplished along with their planned long-term  
8 stewardship. The general court further recognizes the importance of public-private partnerships to  
9 achieve these ends. To protect and preserve New Hampshire's natural, **agricultural**, cultural, and  
10 historical resources for this and future generations, the general court establishes in this chapter the  
11 New Hampshire land and community heritage investment program. The intent of the program is to  
12 conserve and preserve this state's most important natural, **agricultural**, cultural, and historical  
13 resources through the acquisition of lands, and cultural and historical resources, or interests therein,  
14 of local, regional, and statewide significance, in partnership with the state's municipalities and the  
15 private sector, for the primary purposes of protecting and ensuring the perpetual contribution of  
16 these resources to the state's economy, environment, and overall quality of life.

17 2 Eligible Resource; Land and Community Heritage Investment Program. Amend RSA 227-M:2,  
18 V to read as follows:

19 V. "Eligible resource" means a natural, **agricultural**, cultural, or historical resource  
20 including archaeological sites; historic buildings and structures which house cultural events and  
21 programs; historic properties including buildings and structures; historic and cultural lands and  
22 features; ecologically significant lands; existing and potential public water supply lands; farmland;  
23 forestland; habitat for rare species or important wildlife; wildlife corridors and habitat strongholds  
24 as defined in RSA 207:1; lands for recreation; riverine, lake, estuarine, and ocean shorelands; scenic  
25 areas and viewsheds; and wetlands and associated uplands.

26 3 Stewardship; Land and Community Heritage Investment Program. Amend RSA 227-M:2, VIII  
27 to read as follows:

28 VIII. "Stewardship" means planning for and taking the necessary actions over the long term  
29 to successfully preserve and protect the natural, **agricultural**, cultural, or historical value of a  
30 resource asset. Such actions include, as applicable, managing the resource asset in accordance with

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1 all legal obligations entered into under this chapter, performing regular maintenance and upkeep,  
2 providing for necessary monitoring, educating or informing those that might negatively impact upon  
3 the resource asset about the need and/or legal obligation to protect and preserve it, paying tax or in-  
4 lieu-of tax obligations, obtaining liability insurance, and securing sufficient levels of financial  
5 resources to carry out all such necessary actions.

6 4 Board of Directors; Land and Community Heritage Investment Program. Amend RSA 227-  
7 M:4, II (c) to read as follows:

8 (c) ~~[Eight]~~ **Nine** public members, to be appointed by the governor and council:

9 (1) Two of whom shall represent cultural and historic resource interests;

10 (2) One of whom shall represent natural resources interests;

11 (3) One of whom shall represent outdoor recreation interests;

12 (4) One of whom shall represent business or real estate interests;

13 (5) One of whom shall represent municipal interests;

14 (6) One of whom shall represent local planning interests; ~~and~~

15 (7) One of whom shall represent regional planning commissions[-] ; **and**

16 **(8) One of whom shall represent agricultural and local interests.**

17 5 Aquisition, Restoration, and Protection Criteria and Guidelines. Amend RSA 227-M:9, II(d) to  
18 read as follows:

19 (d) Extent to which project meets multiple objectives of the program (natural,  
20 **agricultural**, historic, and cultural);

21 6 New Section; Funding. Amend RSA 227-M by inserting after section 17 the following new  
22 section:

23 227-M:18 Funding. Each July 1, 1/4 of a percent of the revenue from the New Hampshire real  
24 estate transfer tax under RSA 78-B:13 shall be transferred to the land and community heritage trust  
25 fund for the purposes of land and community heritage investment program land and resource  
26 acquisition. Whatever portion of this deposit to the land and community heritage investment  
27 program is not used by June 30 of the following year for the funding of concrete historic,  
28 agricultural, natural, or cultural resource acquisition shall lapse to the general fund.

29 7 New Paragraph; Tax on Transfer of Real Property; Land and Community Heritage Investment  
30 Program. Amend RSA 78-B:13 by inserting after paragraph III the following new paragraph:

31 IV. The commissioner shall determine the annual amount of revenue each fiscal year and  
32 deposit 1/4 of a percent of such annual revenue into the land and community heritage trust fund  
33 established in RSA 227-M:7 as provided in RSA 227-M:18.

34 8 Trust Fund Established; Administration. Amend RSA 227-M:7, III to read as follows:

35 III. **Notwithstanding the procedures of RSA 227-M:18**, no funds of any state agency  
36 shall be transferred to the trust fund without specific authorization from the general court. Federal

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- 1 funds accepted by the fiscal committee and governor and council for purposes similar to those of this
- 2 chapter may be deposited in the trust fund.
- 3 9 Effective Date. This act shall take effect July 1, 2022.

**HB 1450-FN- FISCAL NOTE**  
**AS INTRODUCED**

AN ACT including agricultural resources under the land and community heritage investment program.

**FISCAL IMPACT:**    ☒ State                    ☐ County                    ☒ Local                    ☐ None

STATE:	Estimated Increase / (Decrease)			
	FY 2022	FY 2023	FY 2024	FY 2025
<b>Appropriation</b>	\$0	\$0	\$0	\$0
<b>Revenue</b>	\$0	Indeterminable Decrease	Indeterminable Decrease	Indeterminable Decrease
<b>Expenditures</b>	\$0	\$0	\$0	\$0
<b>Funding Source:</b>	<input checked="" type="checkbox"/> General	<input type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

**LOCAL:**

<b>Revenue</b>	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
<b>Expenditures</b>	\$0	\$0	\$0	\$0

**METHODOLOGY:**

This bill expands the Land and Community Heritage Investment Program (LCHIP) to include agricultural resources. It also requires an annual transfer of 1/4 percent of Real Estate Transfer Tax (RETT) to the LCHIP trust fund on July 1st each year starting July 1, 2022.

The Department of Revenue Administration (DRA) states the fiscal impact is an indeterminable decrease on the General and Educational Trust Funds as they are unable to predict the total revenues from RETT in future years. However, using FY 2021 cash basis RETT revenue data, the DRA can calculate the fiscal impact of the proposed legislation had the legislation been in place in a prior fiscal year. In FY 2021, total cash basis RETT revenue was \$202.7M. One quarter of one percent of total cash basis RETT revenue for FY 2021 is \$506,750. Thus, if the proposed legislation had been in place in a prior fiscal year, General and Education Trust Fund revenue would have been reduced by \$506,750. However, to the extent the LCHIP trust fund revenues are not used they will be lapsed back into the General Fund.

LCHIP states there would be an indeterminable decrease in RETT revenue and an indeterminable increase in the LCHIP Trust Fund. They also state there would be an

indeterminable increase in local revenue as some of the additional LCHIP funds might go to municipalities thus increasing their revenues.

New Hampshire Association of Counties states there would be no fiscal impact on county revenue or expenditures.

**AGENCIES CONTACTED:**

NH Department of Revenue Administration, New Hampshire Association of Counties and LCHIP