CHAPTER 91 HB 576-FN-A-LOCAL - FINAL VERSION

14Feb2023... 0162h 6Apr2023... 0692h

2023 SESSION

23-0399 06/10

HOUSE BILL 576-FN-A-LOCAL

AN ACT relative to administration of a commercial property assessed clean energy (C-PACE)

program in a clean energy efficiency and clean energy district.

SPONSORS: Rep. Mangipudi, Hills. 11; Rep. Darby, Hills. 11; Rep. McWilliams, Merr. 30; Rep.

Preece, Hills. 17; Sen. Watters, Dist 4; Sen. Altschiller, Dist 24

COMMITTEE: Science, Technology and Energy

AMENDED ANALYSIS

This bill clarifies the use of a commercial property assessed clean energy (C-PACE) model in a clean energy efficiency and clean energy district under RSA 53-F. The bill also provides for senior lien status for clean energy efficiency and clean energy districts and for the lien of the assessment contract to run with the property until the assessment is paid in full.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT

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relative to administration of a commercial property assessed clean energy (C-PACE) program in a clean energy efficiency and clean energy district.

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

- 91:1 New Paragraph; Authority; Energy Efficiency and Clean Energy Districts; C-PACE Programs. Amend RSA 53-F:3 by inserting after paragraph VI the following new paragraph:
- VII. Adoption of a clean energy efficiency and clean energy district shall include a commercial property assessed clean energy (C-PACE) model implemented according to the most recent U.S. Department of Energy (DOE) released best practice guidelines for PACE financing programs.
- 91:2 Energy Efficiency and Clean Energy Districts; Priority Lien and Collection. Amend RSA 53-F:8 to read as follows:

53-F:8 Priority; Collection and Enforcement. Collection of special assessments under this chapter shall be made by the tax collector or other official responsible for property tax or municipal service charge collection. A municipality shall commit bills for amounts due on the special assessments, including interest and any charges, to the tax collector with a warrant signed by the appropriate municipal officials requiring the tax collector to collect them. Each year bills for amounts due on the special assessments shall coincide with bills for property taxes or municipal service charges. [Each special assessment on the property of a participating property owner shall create a lien on the property pursuant to RSA 80:19, except that the lien shall be junior to existing liens of record at the time the bill for the assessment is mailed to the participating property owner. Enforcement powers for nonpayment shall be those provided under RSA 80 relative to property tax collection, including RSA 80:19; provided, however, a tax sale of the property shall not extinguish prior liens of record. At the time of enforcement, only the past due balances of the special assessment under this chapter, including all interest, charges, and penalties, shall be due for payment. Notwithstanding any other provision of law, in the event of a transfer of property ownership through foreclosure or a sheriff's sale by a senior mortgagee or lienholder which has consented to the making of a loan by a private lender under the provisions of this chapter, the lien of the municipality shall not be extinguished, and the net proceeds of the sale, if any, after payment of all prior obligations to mortgagees and lienholders, costs and expenses of foreclosure or sheriff's sale, shall be first applied to the payment of any past due balances of the loan and then any excess shall be applied against the remaining balance of the loan. If a senior mortgagee or lienholder has not given its consent to the loan, a foreclosure or sheriff's sale by the mortgagee or lienholder shall extinguish all junior mortgages and liens.] Each special assessment imposed under a clean energy efficiency and clean energy district program pursuant to an assessment contract, including any interest on the assessment and any penalty, shall, upon recording of the assessment contract in the county in which the district area is located, constitute a lien against the property on which the assessment is imposed until the assessment, including any interest

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or penalty, is paid in full. The lien of the assessment contract shall run with the property until the assessment is paid in full and a satisfaction or release for the same has been recorded by the town, city, or district or its program administrator and shall have the same lien priority and status as other property tax and special assessment liens as provided in RSA 80. The town, city, or district, or any permitted assignee, shall have all rights and remedies in the case of default or delinquency in the payment of an assessment as it does with respect to delinquent property taxes and other delinquent special assessments as set forth in RSA 80, except that all prior recorded mortgages or liens shall retain priority over the lien of the assessment contract unless all such mortgagees or lienholders of record have consented to the lien as provided for in RSA 53-F:5.

91:3 Effective Date. This act shall take effect 60 days after its passage.

Approved: June 20, 2023

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Effective Date: August 19, 2023