

Senate Election Law and Municipal Affairs Committee
Tricia Melillo 271-3077

HB 126, relative to notice of execution of tax lien to mortgagees.

Hearing Date: April 15, 2021

Members of the Committee Present: Senators Gray, Birdsell, Ward, Soucy and Perkins Kwoka

Members of the Committee Absent : None

Bill Analysis: This bill extends the time for the notice of the execution of a municipal or state tax lien to be given to a mortgagee.

Sponsors:

Rep. Cahill

Rep. DeSimone

Who supports the bill: Becky Benvenuti, Charlotte DiLorenzo, Camila Devlin, Dawn Enwright, Brenda Masewic Adams

Who opposes the bill: None

Summary of testimony presented in support:

Senator Birdsell introduced the bill for the Prime Sponsor

Becky Benvenuti – NH Municipal Association

- This bill provides an additional 15 days for municipalities to issue a notice of tax lien to property mortgagees.
- Perfecting the inherent tax lien, which exists on all taxable properties on April 1st each year, is an important, multi-step statutory process.
- Each tax collector is required to issue tax liens within 18 months of the April 1st assessment date for all properties with unpaid taxes.
- Identifying and notifying all mortgagees by certified mail, is currently required within 45 days from the date the tax lien is executed.
- Because of the significant time required to physically search each property at the registry of deeds and the special legal expertise required to ensure that all mortgagees are identified and properly noticed, the vast majority of all 234 towns and cities delegate this responsibility to the tax collector.
- Nearly all municipalities execute their property tax liens within the same few months each year.

- The issue has become that over the past 5-10 years, the number of professional abstractors in New Hampshire who perform this municipal service has greatly diminished.
- Due to the large number of delinquent properties statewide and the critical importance of perfecting the tax liens, extending the statutory mortgagee notice time an additional 15 days from 45 days to 60 days after tax lien execution would be extremely beneficial for all parties.

Summary of testimony presented in opposition: None

Neutral Information Presented:

Bruce Kneuer – NH Department of Revenue

- The DRA does not have any objection to this change.

TJM

Date Hearing Report completed: April 16, 2021