

HB 1160-LOCAL - AS INTRODUCED

2020 SESSION

20-2198
05/06

HOUSE BILL ***1160-LOCAL***

AN ACT allowing municipalities to collect an occupancy fee from operators of local room rentals.

SPONSORS: Rep. Edgar, Rock. 21; Rep. Loughman, Rock. 21; Rep. Cushing, Rock. 21; Rep. Maggiore, Rock. 22; Rep. Cleaver, Hills. 35; Rep. Bushway, Rock. 21; Rep. Almy, Graf. 13; Rep. Somssich, Rock. 27; Rep. Cloutier, Sull. 10; Rep. Pantelakos, Rock. 25; Sen. Watters, Dist 4; Sen. Sherman, Dist 24; Sen. Fuller Clark, Dist 21

COMMITTEE: Municipal and County Government

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.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.
20-2198
05/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty

AN ACT allowing municipalities to collect an occupancy fee from operators of local room rentals.

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

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

Municipal Occupancy Fee

353:11 Municipal Occupancy Fee.

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

II. As authorized by the legislative body vote, the fee may be collected as a daily charge of up to \$2 per occupancy per day charged, or as a percentage of the price of the occupancy, provided that the rate shall not exceed \$2 per occupancy per day charged. If the average daily price of the occupancy does not exceed \$40, the occupancy fee shall not be collected. The vote by the legislative body shall specify the number of

consecutive days to which the occupancy fee applies, provided that the maximum number of consecutive days for which the fee may be collected for each occupancy shall not exceed 184. Enforcement powers for nonpayment shall be the same as those provided under RSA 31:39-c, RSA 31:39-d, and RSA 47:17-b, relative to enforcement of ordinances.

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

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

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

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

(b) The selectmen or city council shall hold a public hearing on the question at least 15 days but not more than 30 days before the question is to be voted on. Notice of the hearing shall be posted in at least 2 public places in the municipality and published in a newspaper of general circulation at least 7 days before the hearing.

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

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

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

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

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

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