

HB 641-LOCAL - AS AMENDED BY THE HOUSE

28Feb2019... 0438h

2019 SESSION

19-0756  
05/03

HOUSE BILL

***641-LOCAL***

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

SPONSORS: Rep. Edgar, Rock. 21; Rep. Almy, Graf. 13; Rep. Cushing, Rock. 21; Rep. Cleaver, Hills. 35; Rep. Pantelakos, Rock. 25; Rep. Cloutier, Sull. 10; Rep. Khan, Rock. 20; Rep. Loughman, Rock. 21; Rep. Suzanne Smith, Graf. 8; Sen. Sherman, Dist 24

COMMITTEE: Municipal and County Government

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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.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

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

3 Municipal Occupancy Fee

4 353:11 Municipal Occupancy Fee.

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

9 II. As authorized by the legislative body vote, the fee may be collected as a daily charge of  
10 up to \$2 per room containing occupied beds, or as a percentage of the price of the room, provided  
11 that the rate shall not exceed \$2 per occupancy per 24-hour period. If the average daily price of the  
12 room does not exceed \$40, the occupancy fee shall not be collected. Enforcement powers for  
13 nonpayment shall be the same as those provided under RSA 31:39-c, RSA 31:39-d, and RSA 47:17-b,  
14 relative to enforcement of ordinances.

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

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

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

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

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

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1           (c) A town or city shall specify the name of the fund, permitted uses of the fund and the  
2 nature, amount, and manner and frequency of collection of the fee in the wording of the question.

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

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

11           2 Effective Date. This act shall take effect upon its passage.