



New Hampshire Association of Conservation Commissions

SERVING NEW HAMPSHIRE'S COMMUNITIES SINCE 1970

TO: House Municipal and County Government Committee
FROM: Barbara Richter, NHACC Executive Director
DATE: January 29, 2018
SUBJECT: Written testimony regarding HB1210

Thank you for the opportunity to provide testimony on HB 1210.

The Board of Directors of the NH Association of Conservation Commissions certainly understands the importance of studying the effect of current use taxation on NH municipalities. **The success of the Current Use law is testament to NH values.** The study committee proposed by this bill should carefully review the existing research on fair taxation of undeveloped land. The committee should also carefully review studies supporting the benefits of open space in providing clean air and water to NH. We support gathering information on the effect of current use taxation on small and rural municipalities to ensure that NH has a beautiful, working landscape for future generations.

Since 1973, Current Use law has been an important tool encouraging the protection of NH's natural areas, farms and forests. **Current Use is key to ensuring that NH remains a healthy, desirable place to live, work and visit.** Tourism is an important component of the NH economy and the natural landscape is what brings visitors to this state every year. Current use is critical to keeping natural areas wild and scenic in the future, and helps stabilize the tax base. Current use taxation is based on the **income producing capacity** of the land, providing fair taxation for NH Citizens. RSA 79-A has already established that natural areas are a public benefit and should be protected and that open space imposes few costs on local government and therefore is an economic benefit to its citizens. "Cost of Community Services" studies compare the costs of residential, commercial/industrial, and open space land. The results are clear according to *Layperson Guide to Current Use 2007* — **residential development often costs communities far more than they generate in revenues.**

Since Current Use is such a successful program, we recommend that House Municipal and County Government Committee consider the following as part of the study:

- The study committee should make sure **all stakeholders** who benefit from current use are represented on the committee.
- The study committee should define **small and rural** communities and explain why are these municipalities singled out since current use benefits the state a whole.
- **New and updated cost of community service studies should be completed as part of this study.** The Committee should conduct at least *three new* cost of community service studies to determine the fiscal impact of current use on a municipal budget.

- The study committee should look into the **economic values** inherent in supporting the state's traditional **forestry and agriculture industries**; in keeping scenic rural landscape in attracting tourists; in maintaining habitat for wildlife.
- The study committee should also review the **economic benefits of green infrastructure** and the cost saving associated with protecting natural areas.

As you know, land conservation can help stabilize property taxes by guiding growth and limiting the need for municipal services. Natural areas provide immeasurable benefits of clean air and water and current use helps landowners keep property in a natural state. Studies of the Land Use Change Tax (LUCT) show that when land comes out of current use, towns receive all of their foregone tax revenue, and then some. Towns often use the LUCT to purchase land for conservation purposes providing additional economic and public benefits.

The NH Association of Conservation Commissions is a nonprofit organization which serves the approximately 217 local conservation commissions in the state. More than 1,000 volunteers serve on the state's conservation commissions. We have been providing technical assistance and other resources to these commissions since 1970.

Respectfully submitted,

Barbara Richter,
Executive Director

79-A:1 Declaration of Public Interest.

It is hereby declared to be in the public interest to encourage the preservation of open space, thus providing a healthful and attractive outdoor environment for work and recreation of the state's citizens, maintaining the character of the state's landscape, and conserving the land, water, forest, agricultural and wildlife resources.

It is further declared to be in the public interest to prevent the loss of open space due to property taxation at values incompatible with open space usage.

Open space land imposes few if any costs on local government and is therefore an economic benefit to its citizens.