

MINUTES OF THE  
CURRENT USE BOARD  
Regular Board Meeting

**Approved as amended**

**DATE:** November 30, 2018

**TIME:** 1:00 P.M.

**LOCATION:** Department of Revenue Administration – Training Room, 109 Pleasant Street, Concord, NH

**BOARD MEMBERS:**

Senator Ruth Ward

Representative Jim Belanger ~ *Excused*

Mary Pinkham-Langer, Chairman, Commissioner Designee, NHDRA

Jon Wraith, Dean, College of Life Sciences and Agriculture ~ *Excused*

Shawn Jasper, Commissioner, NH Department of Agriculture, Markets and Food

Susan Francher, Commissioner Designee, NH Department of Natural and Cultural Resources, Division of Forests and Lands ~ *Excused*

Barbara Richter, NH Conservation Commission ~ *Excused*

Lindsay Webb, Commissioner Designee, NH Fish & Game

Jonathan Rice, Assessing Official, City ~ *Excused*

Andrea Lewy, Assessing Official, Population >5,000

Norm Bernaiche, Assessing Official, Population <5,000

Susan Bryant-Kimball, Forest Landowner

Tom Thomson, Public Member

Chuck Souther, Public Member, Farm Land

**MEMBERS of the PUBLIC:**

Jasen Stock, NHTOA, Robert Johnson, NH Farm Bureau, Linda Kennedy, NHDRA

Vice-Chair, Ms. Bryant-Kimball, convened the regular meeting of the Current Use Board at 1:00 p.m. Introductions followed.

**Election of Chair**

Mr. Thomson ***nominated Ms. Pinkham-Langer as Acting-Chair***, Mr. Bernaiche ***seconded the nomination***. Mr. Thomson stated the Board has a lot to get accomplished in the next year including holding the three public forums and rulemaking and as Ms. Pinkham-Langer knows the rules and rulemaking process, he hoped she would accept the nomination and lead the Board through these next few tasks. Ms. Pinkham-Langer stated she has received authorization from the Commissioner to do so but advised the Board that she is planning to retire sometime in 2019. She added someone will be hired to fill Mr. Hamilton's position at the Department and that individual will likely become the Commissioner's designee on the Board. With the understanding that this would be a temporary assignment until that occurs; she accepted the nomination. Vice-Chair Bryant-Kimball asked for other nominations.

Ms. Pinkham-Langer ***nominated Lindsey Webb***. She added she would continue to assist with the rules and attend all the forums on behalf of the Department. Mr. Souther ***seconded the motion***. Ms. Webb respectfully declined the nomination and added that she supports having Ms. Pinkham-Langer as Acting-Chair. A brief discussion followed about the tasks facing the Board, in particular the rulemaking process, and felt having the experience of Ms.

Pinkham-Langer would serve the Boards' best interests. Vice-Chair Bryant-Kimball called the motion to approve Ms. Pinkham-Langer as Acting-Chair. **Motion passed unanimously.**

Mr. Thomson ***motioned for the Current Use Board to thank Stephan Hamilton for his leadership as past Chair of the Current Use Advisory Board***; Commissioner Jasper ***seconded the motion***. No discussion. Chair Pinkham-Langer called the motion. **Motion passed unanimously.**

### **Minutes**

Mr. Bernaiche ***motioned to accept the minutes of the May 4, 2018, regular board meeting***; Ms. Webb ***seconded the motion***. No discussion. Chair Pinkham-Langer called the motion to accept the minutes of the May 4, 2018, meeting as written. **Motion passed unanimously.**

### **Proposed 2019 Forest Land Assessment Ranges**

Mr. Thomson briefly explained the history of the assessment ranges and the implementation of the assessment model that uses a 5-year rolling average of information to determine the assessment ranges annually. This information includes stumpage values determined by the DRA, data provided by the Forest Service inventory and market derived rates. He also explained the difference between the assessments for the forest land categories with and without documented stewardship; a 40% delta used to create an incentive for the additional costs incurred by landowners who place their property in a stewardship management program. Questions were raised about the inputs of the model. Mr. Thomson stated Mr. Horton of the Forestry Division was expected to be at the meeting however was unable to attend. He would have been able to answer any technical questions about the model and inputs used. Ms. Webb added the rolling 5-year average has reduced the volatility seen from year-to-year in the past which is very important.

A discussion followed about the model and the factors used to determine the values. Mr. Stock mentioned an increase in hardwood prices early in the year but due to a tariff issue with China those prices have decreased as much as 20-30%. The 5-year rolling average was meant to look at long-term trends and avoid spikes caused by annual tariffs, price changes and other factors that might affect the market. Published indicators such as discount rates and risk factors are also included in the formula. It was suggested more information about the inputs used could be requested from the department.

Mr. Thomson ***motioned to bring the following proposed assessment ranges, as submitted by the Forestry Subcommittee, to the public forums***; Mr. Souther ***seconded the motion***.

### **Proposed Forest Land, Unproductive and Wetland Assessment Ranges for 2019-2020**

Cub 304.07 Assessment Ranges for Forest Land Categories. The assessment ranges for forest land categories without documented stewardship shall be as follows:

- (a) The category of white pine shall ~~[\$118 to \$177]~~ \$118 to \$176 per acre;
- (b) The category of hardwood shall be ~~[\$54 to \$84]~~ \$57 to \$86 per acre; and
- (c) The category of all other shall be ~~[\$37 to \$56]~~ \$38 to \$57 per acre.

Cub 304.08 Assessment Ranges for Forest Land Categories with Documented Stewardship. The assessment ranges for forest land categories with documented stewardship shall be as follows:

- (a) The category of white pine shall be [~~\$71 to \$106~~] \$71 to \$106 per acre;
- (b) The category of hardwood shall be [~~\$33 to \$49~~] \$34 to \$52 per acre; and
- (c) The category of all other shall be [~~\$22 to \$34~~] \$23 to \$34 per acre.

Cub 304.13 Assessment Range for Unproductive Land. The assessment for unproductive land shall be [~~\$22~~]23 per acre.

Cub 304.13 Assessment Range for Wetland. The assessment for wetland shall be [~~\$22~~]23 per acre.

No discussion. Chair Pinkham-Langer called the motion to bring the proposed forestry assessment ranges to the public forums. ***Motion passed unanimously.***

### **Farm Land Assessment Range**

Commissioner Jasper ***motioned for the farm land assessment range to remain at \$25-\$425 per acre***; Mr. Thomson ***seconded the motion***. No discussion. Chair Pinkham-Langer called the motion. ***Motion passed unanimously.***

A brief discussion followed pertaining to information related to the recommendation for the farm land category. Commissioner Jasper expressed the difficulty in attaining the usual backup information for the recommendation due to transition into his new position and unavailability for assistance from the Extension with their economist position being vacant. He stated the information would be provided going forward. Mr. Souther added that he spoke with the Dean and expressed the need for their assistance. He was assured the economist position will be filled and the working relationship restored. It was mentioned that the farm land rates have not changed in many years but it was recognized that the supporting information for them to remain the same or change is important to process.

### **Rules Subcommittee Update**

Ms. Bryant-Kimball reported the rules subcommittee met about every two weeks from June through September. The committee members included her, Ms. Pinkham-Langer, Ms. Lewy, Mr. Johnson as well as various members of the public who attended. A thorough review of the rules was completed; the intent was to clarify and organize. Definitions were added and information that was in multiple places was consolidated into one place. Other topics defined and clarified included fences, what is a structure, tubing for sap and seasonal high-tunnels versus demountable greenhouses. Guidance was added for reviewing, processing, accepting and denying Form A-10. Another significant change was the addition of descriptions for all forms used in the current use process including the A-10 Application; A-5 Land Use Change Tax; A-5W Warrant; CU-12 Summary of Stewardship. Discussion took place as to how changes were communicated between property owners and municipal assessing officials pertaining to changes such as requesting or removing a recreation adjustment. Form CU-18 is being proposed to be completed by either the property owner or municipal assessing official for any change in current use assessment. This will be a form of record and communication only and will not be filed with the registry. Mr. Bernaiche thanked the subcommittee for their time and effort put into this task.

Pertaining to the proposed form CU-18, Mr. Bernaiche expressed concern about using the word “shall” and the potential consequence for the municipality in the assessment review process if the form was not used. Discussion followed including the form being a good tool for both the property owners and municipal assessing officials to use. Mr. Bernaiche ***motioned to change the wording in Cub 309.07 Form CU-18, Notice of Change in Current Use Assessment: From: “(a) When a change occurs to the current use land assessment, Form CU-18 shall be***

**completed by either:" to: "(a) When a change occurs to the current use land assessment, Form CU-18 [shall be] is recommended to be completed by either:" And to replace all other references of [shall] to "recommended to", in reference to the CU-18 Form, within the propose rules. Ms. Lewy seconded the motion. No further discussion. Chair Pinkham-Langer called the motion. **Motion passed unanimously.****

Another proposed change was to move the assessment ranges under Cub 305, which had been previously reserved. The purpose was to have the ranges in one specific area of the rules for easier access rather than mixed in with the other rules and to simplify the rulemaking process each year. The appeal process of the assessed value, land use change tax and denial of application were clarified and relocated to one place at the end of the rules. It was also reaffirmed that when a change in acreage occurs, such as a reclassification of non-qualifying land, that a new map be submitted indicating the change in acreage and categories, if applicable.

A discussion followed about the term 'water body' in Cub 301.0304 "Contiguous Parcels" and whether it was clear or applicable. No change was made to the proposed language.

### **Correspondence Received**

Correspondence was received from Barbara Reid with the following comments and suggestion changes pertaining to the Draft Proposed Rules. After a brief discussion it was suggested Ms. Reid's correspondence be forwarded to the Board to be revisited and discussed during the review of public comments after the public forums are held.

### **Proposed Rules Review**

A discussion took place about the intent of Cub 301.0402 (d) Utility lines. It was understood that some activities use equipment which require power and the intent of this rule was allow a power source in current use for the purpose of providing power to portable equipment to carry out these activities. A comment was made that this language provides some guidance for both property owners and assessors where there never was any.

#### **Cub 304.06 Forest Land Types Classifications.**

Cub 304.06 (a)(2) Hardwood forest stands in which any combination of hardwood trees, as listed below, along with other less common hardwood species makeup the majority of the stocking **such as:**

- a. ~~Red Oak~~ **Oak**
- b. ~~Sugar Maple~~ **Maple;**
- c. ~~Yellow Birch~~ **Birch;** and
- d. ~~White Birch;~~ or **Ash; or**

Cub 304.06 (a)(3) All other forest stands in which tree species not included in (1) and (2) above, make up the majority of the stocking- **such as:**

- a. **Hemlock;**
- b. **Spruce-Fir; and**
- c. **Red Pine.**

Mr. Stock described the hardwood types used in the assessment model as being red oak, sugar maple and yellow and white birch and suggests Cub 304.06 (a)(2) keep these same specific hardwood types. A lot of red maple is valued very differently than that same property with sugar maple, which affects what category that would be placed under the documented stewardship and forest land categories. He added he does not believe ash is included as a hardwood in the assessment model. The higher value hardwoods are the current four listed; the all other category

in the assessment model was meant to segregate the lesser value hardwood species, such as cherry and beech, and other miscellaneous species. To avoid changing the model he suggests keeping the original hardwoods of red oak, sugar maple, yellow birch and white birch listed in the rule to match the assessment model. Those are the four species that currently drive the hardwood values produced by the assessment model.

Mr. Stock was asked if he felt Cub 304.06 (a)(3) should be changed. His concern was the hardwood category as that would be the most impacted if changed; he did not have an issue with the species listed for the all other category. A suggestion was made to provide more information and examples in the handbook about the different species within the handbook. Commissioner Jasper ***moved that the proposed changes to the species in Cub 304.06 (a)(2) and (3) be withdrawn and that the rule revert to the original language***; Ms. Webb ***seconded the motion***.

Cub 304.06 (a)(2) Hardwood forest stands in which any combination of hardwood trees, as listed below, along with other less common hardwood species makeup the majority of the stocking:

- a. Red Oak
- b. Sugar Maple;
- c. Yellow Birch; and
- d. White Birch; or

Cub 304.06 (a)(3) All other forest stands in which tree species not included in (1) and (2) above, make up the majority of the stocking.

No further discussion. Chair Pinkham-Langer called the motion. ***Motion passed unanimously***

Commissioner Jasper ***motioned to bring the proposed rules to the public forums***; Ms. Bryant-Kimall ***seconded the motion***. No discussion. Chair Pinkham-Langer called the motion. ***Motion passed unanimously***

### **Handbook Subcommittee Update**

Ms. Webb reported the subcommittee met twice over the summer continuing to update the sections and adding in maps. The meetings were discontinued until the rules process is complete so the handbook would have the most current information available. Once the rules are approved, the meetings will continue and handbook completed.

### **Agricultural Structures Subcommittee Update**

This subcommittee did not meet; the topic of agricultural structures was taken up within the rules subcommittee discussions.

### **Public Forum Schedule**

Mr. Bernaiche ***motioned to hold the 2018 public forums in Lancaster, Keene and Concord***; Senator Ward ***seconded the motion***. No discussion. Chair Pinkham-Langer called the motion. ***Motion passed unanimously***.

December 10, 2018, 6:00 p.m.  
Lancaster – North Country Resource Center

December 12, 2018, 6:00 p.m.  
Keene – Location to be determined

December 14, 2018, 9:30 a.m.  
Concord - Department of Revenue

**Regular Board Meeting**

December 14, 2018 9:30 p.m. – To immediately follow the public forum.

Mr. Bernaiche ***motioned to adjourn***; Ms. Bryant-Kimball ***seconded the motion. Motion passed unanimously.***

Chair Pinkham-Langer adjourned the meeting at 3:06 p.m.

Respectfully Submitted, Stephanie Derosier  
NH Department of Revenue Administration – Municipal and Property Division

Documentation relative to the Current Use Board may be submitted, requested or reviewed by:

Telephone: (603) 230-5955  
Facsimile: (603) 230-5947  
E-mail: [cub@dra.nh.gov](mailto:cub@dra.nh.gov)  
Web: <http://revenue.nh.gov/current-use>

In person at 109 Pleasant Street, Concord  
In writing to:  
NH Department of Revenue Administration  
Current Use Board  
PO Box 487  
Concord, NH 03302-0487