

1 Assessing Standards Board  
2 Regular Board Meeting

3 **Draft**

4 **DATE:** December 11, 2023 **TIME:** 9:30 a.m.

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

6 **BOARD MEMBERS**

7 *(E) Excused absence.*

8 Senator James Gray	<i>Vacant, Municipal Official, Towns &gt;3,000</i>
9 Senator Rebecca Perkins Kwoka (E)	Robert Edwards, Municipal Official, <3,000
10 Representative Peter Schmidt	Emily Goldstein, NHAAO, At-Large Member
11 Representative Joe Guthrie	Joe Lessard, NHAAO, Towns, <3,000
12 Betsey Patten, Public Member, Chair	Tom Hughes, NHAAO, Towns >3,000
13 Charles Reese, NHAAO, City Official	Tom Thomson, Public Member
14 Sam Greene, NHDRA Commissioner, Designee	<i>Vacant, Public Member</i>
15 Jim Wheeler, Municipal Official, City, Designee	

16 **MEMBERS of the PUBLIC**

17  
18 Chair Patten convened the meeting at 9:30 a.m. and introductions followed.

19  
20 Elections

21  
22 Mr. Thomson *nominated Betsey Patten as Chair*; Representative Schmidt *seconded the nomination*. No  
23 other nominations were offered. Representative Schmidt *motioned to close nominations*; Mr. Lessard  
24 *seconded the motion*. Chair Patten called the motion to close nominations and for her to remain as Chair.  
25 *Motion passed unanimously.*

26  
27 Mr. Lessard *nominated Mr. Wheeler as Vice chair*; Representative Schmidt *seconded the nomination*.  
28 Representative Schmidt *motioned to close nominations*; Mr. Thomson *seconded the motion*. Chair Patten  
29 called the motion to close nominations and the nomination of Mr. Wheeler as Vice chair. *Motion passed*  
30 *unanimously.*

31  
32 Minutes

33  
34 Senator Gray *motioned to accept the minutes of the August 3, 2023, regular board meeting*; Mr. Edwards  
35 *seconded the motion*. No Discussion. Chair Patten called the motion to approve the minutes of the August  
36 3, 2023, meeting, as written. *Motion passed unanimously.*

37  
38 Senator Gray *motioned to accept the November 16, 2023, public forum notes*; Representative Schmidt  
39 *seconded the motion*. The time and location would be corrected. No other changes were offered.

40  
41 Chair Patten stated that an overview of the past year was given at the public forum, including the changes  
42 to the certification process moving from DRA to the Office of Professional Licensure and Certification  
43 (OPLC). The Assessing Certification Board (ACB) currently has two out of three members appointed  
44 including Commissioner Lindsey Stepp, from the DRA, and Robert Gagne, Certified Assessor Supervisor.

45 The Municipal Official position has not yet been filled. The Asb 300 rules will remain in effect until the  
46 OPLC adopt their own. *The public forum notes were accepted, as corrected.*

47

48 Legislative Update

49

50 The Board approved submitting a proposed change relating to RSA 76:21 Prorated Assessments for  
51 Damaged Buildings, in section I. by adding the word “physically” to clarify the type of damage that would  
52 qualify for the prorated assessment. The change would read: *I. Whenever a taxable building is physically*  
53 *damaged due to unintended fire or natural disaster to the extent that it renders the building not able to be*  
54 *used for its intended purpose [...].”* This change came about due to a BTLA case brought claiming COVID  
55 as a natural disaster. Both the BTLA and Supreme Court ruled that COVID did not comply with the  
56 statutory language. Mr. Greene would bring it to the DRA’s attorney and reach out to Senator Gray, who  
57 offered to try to find a related bill to attach it to.

58

59 Mr. Lessard noted there may be another issue to address relating to charitable exemptions and definitions  
60 based on the Ossipee decision. There is also proposed legislation in RSA 72:23 to add the ability to file an  
61 A-12 late due to accident, mistake or misfortune, which currently the A-9 has but not the A-12. This came  
62 about from a denial of the YMCA for not filing.

63

64 Subcommittee to Review Assessment of Telecommunications Poles and Conduits Right-of-Ways.

65

66 Mr. Lessard reported that he has requested information regarding the number of appeals from Tim St.  
67 Onge, tax representative for the telecommunication companies, and Skip Sansoucy for the utilities he  
68 represents. Mr. St. Onge stated the number of appeals has greatly decreased. Mr. Lessard has not received  
69 a response back from Mr. Sansoucy. Mr. Wheeler offered to help get that information. The committee  
70 members agreed getting the information would be useful. While appeals may be down, there is still  
71 inconsistency with how they are being valued and implementing a percentage would address that.

72

73 Subcommittee to Review Low-Income Housing Tax Credit (LIHTC)

74

75 Mr. Gagne reported that after some discussion, the subcommittee determined a range of cap rates would  
76 not work. The idea of having taxes based on 10% of gross revenue was discussed and the committee has  
77 not met since then however the idea was well accepted and, if recommended by the subcommittee to the  
78 full board, would require a statutory change.

79

80 Due to the transition of board members, Mr. Lessard was asked to replace Mr. Gagne as chair of the  
81 subcommittee, Mr. Hughes, Mr. Reese and Representative Guthrie offered to be on the committee, and  
82 Mr. Gagne offered to remain on the committee as a public member. Other members of the existing  
83 committee included Ms. Martin, Ms. Patten, Jim Menihane from NH Housing, and Robert Tourigny from  
84 NeighborWorks Southern NH.

85

86 Regular Board Meetings

87

88 Due to the few remaining tasks, there was a suggestion and agreement to plan on quarterly meetings going  
89 forward and, if there is an issue that needs attention, a meeting could be called by the chair.

90

91 2023 Annual Report

92

93 The Board reviewed the draft report and suggested changes were offered. The suggested changes are noted  
94 on the attached draft report. There was some confusion about HB 285, incorporation by reference of the  
95 NH Equalization Manual and what it means. This will be looked into for clarification and the board  
96 updated.

97 Mr. Edwards *motioned to approve the 2023 Annual Report as amended*; Mr. Greene *seconded the*  
98 *motion*. Chair Patten called the motion. *Motion passed unanimously*.

99  
100 Correspondence

101  
102 The following correspondence was received from Norm Bernaiche and read into the record:

103  
104 Good Afternoon folks,

105  
106 I am of the understanding that only towns that perform cyclical work get monitored. So basically,  
107 if you are proactive in keeping your data maintained you get monitored. If you chose not to do  
108 anything, the monitoring consists of the year of certification which is what? 30 or 35? Yet, other  
109 towns are getting monitored at the rate of 150 to 175 in that same time period. Seems patently  
110 unfair. Can you guys take the lead on this at the ASB. Am I making sense?

111  
112 Mr. Lessard explained this is the process, towns who contract for field work have that work monitored by  
113 the DRA and towns that do not perform field work, do not have work to be monitored and this can create a  
114 perception of bias. There was also a question of whether or not the DRA monitors building permits.

115  
116 Mr. Greene clarified the two roles of the Department. The first being annual cyclical work, whether  
117 contracted or completed in-house, is monitored each year it is conducted. The typical number of sales for  
118 annual cyclical work is 12 properties, in the year of a revaluation an additional 12 sales properties are  
119 visited, for a full revaluation, typically 36 properties. For those municipalities who do not conduct cyclical  
120 inspections there is nothing for the DRA to monitor unless there is a revaluation, then the DRA monitors  
121 12 sales in the year values are updated. Monitoring is performed to make sure work included in a contract  
122 or work plan is completed.

123  
124 The second role is assessment review which includes accuracy of data, which is a review of 30-35  
125 properties and revised inventory (building permits), which is up to an additional 30-35 properties. This  
126 review is conducted in every municipality once every 5 years. These two roles are separate and unrelated.

127  
128 Relating to the numbers mentioned in the correspondence, those are not accurate to the number of  
129 properties visited however it may represent the number of property record cards requested annually, which  
130 is typically twice the number actually visited due to having property owners opt out of a visit or properties  
131 that cannot be visited due to no trespassing signs.

132  
133 There was a suggestion that for those municipalities that do not conduct cyclical inspections, the DRA  
134 could monitor building permits. Mr. Greene suggested that could become part of the department's role  
135 and added to the rules.

136  
137 Ms. Goldstein pointed out when there is a revaluation and assessment review being conducted, in start up  
138 meetings with municipalities and the DRA, there are some terms used interchangeably causing some  
139 confusion as to what is being monitored. She also asked for those municipalities not contracting out work,  
140 how often in-house work plans are requested by the department. Mr. Greene responded the department  
141 typically has a conversation with those municipalities and inquires whether or not they are performing  
142 cyclical inspections, which many do not. In-house inspection work is monitored the same way contracted  
143 inspection work is however, as with Portsmouth, there may be times the question was not asked by DRA,  
144 or the information was not provided by the municipality.

145  
146 Ms. Goldstein stated that was her point. Portsmouth has an in-house inspection program, yet the DRA did  
147 not know about it and did not monitor it. Requesting those in-house work plans from municipalities that do  
148 not contract out work is important and should be followed up on so that those municipalities are being

149 monitored the same way municipalities that contract the work are. Mr. Greene agreed and added he does  
150 not believe this has happened very often.

151  
152 Task List

- 153  
154 1. RSA 72:8-c Propose Legislation add % of value to use to assess rights-of-way (in subcommittee)  
155 2. LIHTC – relating to determining taxes (in subcommittee)  
156 ~~2. RSA 76:21 Prorated Damaged Buildings~~ – Remove. Proposed legislative change to be submitted.  
157 3. Review payments in lieu of taxes (PILOT)– inconsistency in determining amount (in subcommittee)

158  
159 Mr. Edwards expressed some concern about the increase in requests for PILOTS. Mr. Gagne stated only  
160 an entity that would otherwise qualify as exempt, qualifies for a PILOT. Those that would qualify as  
161 exempt do not qualify for a PILOT, they would pay taxes. For residential properties that would qualify as  
162 exempt, there is a provision for those. Power generation facilities can negotiate PILOTS and whatever is  
163 granted to one, must be granted to other similar facilities. Not all charitable entities qualify for a PILOT  
164 and there is a measure in RSA 72:23-1 for certain charitable entities to qualify. A subcommittee was  
165 formed to review this issue. Mr. Edwards, Chair, Mr. Wheeler, Mr. Lessard and Ms. Patten.

166  
167 Next Meeting

168  
169 Call of the Chair.

170  
171 Representative Schmidt *motioned to adjourn*; Representative Guthrie *seconded the motion. Motion*  
172 *passed unanimously.*

173  
174 Chair Patten adjourned the meeting at 11:33 a.m.

175  
176  
177 Respectfully submitted,

178  
179 Stephanie Martel, ASB Clerk  
180 Municipal and Property Division  
181 NH Department of Revenue Administration

182 All meetings are recorded and available upon request.

183 Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed by:

184  
185 Telephone: (603) 230-5096 In person at:  
186 Facsimile: (603) 230-5947 109 Pleasant Street, Concord

187 Web: [www.revenue.nh.gov](http://www.revenue.nh.gov)  
188 E-mail: [asb@dra.nh.gov](mailto:asb@dra.nh.gov) In writing to:  
189 NH Department of Revenue  
190 Assessing Standards Board  
191 PO Box 487  
192 Concord, NH 03302-0487

## Assessing Standards Report Annual Report 2023

The Assessing Standards Board [~~meet~~] *met* [~~six~~] *seven* times in 2023. There were three subcommittees, Low-Income Housing Tax Credit, Equalization and Assessment Review Standards. The full board elected Betsey Patten as Chairman and Robert Gagne as Vice Chairman.

### Legislation

HB 202 was the result of the HB 411 Study Committee on the Equalization Rate Used for Abatements (2023) *and has been recommended for ought to pass by committee*. The board recommended that “full assessment” be changed to “revaluation” to avoid confusion.

HB 285 [~~was passed that put the Equalization Manual under RSA 541-A for rulemaking~~] *incorporated by reference the NH Equalization Manual into administrative rules*.

HB 409 was passed that put the Assessing Certification Board (ACB) under the supervision of the Office of Professional Licensure and Certification (OPLC).

### Rules

The full board reviewed the proposed rules regarding the certification of assessors (*Asb 300*). Those rules were adopted and will stay in effect until the OPLC and ACB create their own set of rules. A copy of the rules [~~is attached to this document~~] *may be found on the Administrative Rules website at:* [https://gencourt.state.nh.us/rules/state\\_agencies/asb100-300.html](https://gencourt.state.nh.us/rules/state_agencies/asb100-300.html).

Equalization Subcommittee recommended two changes for the next equalization schedule which the full board approved. Increase the threshold for providing an explanation for a change in value (Section 3.03.01(b)3.) and for which value is used (section 3.05.04(c)) from \$3,000 to \$5,000. Change the method of rounding for calculating equalization statistics from bankers rounding to standard rounding.

The Subcommittee to Review Assessment Review Standards recommended changes for the Standards for Monitoring of Local Assessment Practices by the Department of Revenue Administration, as provided on April 14, 2023. The subcommittee also recommended that these changes be implemented for the next five-year assessment cycle. The full board approved the recommended changes [~~which are attached to this document~~]. *The assessment review standards may be found on the Department’s website at:* <https://www.revenue.nh.gov/mun-prop/property/assessment-review.htm>

Low-Income Housing Tax Credit Subcommittee discussed using 10% of [~~the shelter rents~~] *gross revenue from all sources* to eliminate any subjectivity and volatility instead of trying to find a range of capitalization rates. This issue is still being reviewed by the board.

### Proposed Legislation for 2024

RSA 76:21 Prorated Assessments for Damaged Buildings

The board supported changing the RSA to: “Whenever a taxable building is *physically* damaged due to unintended fire or natural disaster...”

Respectfully Submitted

Betsey Patten Chairman  
Assessing Standards Board

Documentation relative to the Assessing Standards Board may be requested by:

Telephone: (603) 230-5096  
Facsimile: (603) 230-5947  
Web: [www.revenue.nh.gov](http://www.revenue.nh.gov)  
E-mail: [asb@dra.nh.gov](mailto:asb@dra.nh.gov)

In person at:  
109 Pleasant Street, Concord

In writing to:  
NH Department of Revenue Administration  
Assessing Standards Board  
PO Box 487  
Concord, NH 03302-0487

cc: