



The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

January 23, 2018

The Honorable John O'Connor
Chair, Environment and Agriculture Committee
Legislative Office Building, Room 303
Concord, NH 03301

RE: HB 1212, An Act establishing a local option for commercial buildings with environmental liability that are delinquent on property taxes

Dear Chair O'Connor and Members of the Committee:

Thank you for the opportunity to testify on HB 1212. This bill would enable a municipality to prohibit occupancy of a commercial building with delinquent property taxes if the municipality has refused a tax deed for the property due to potential environmental liability issues. The New Hampshire Department of Environmental Services (NHDES) is concerned about the potential unintended consequences of this bill.

NHDES is tasked with overseeing the assessment and cleanup of environmentally contaminated properties, pursuant to state law governing hazardous wastes, petroleum, and groundwater protection. It has been our experience that the owners of these environmentally distressed properties are often experiencing financial distress, which may lead to tax delinquency. In such cases, NHDES often has difficulty in getting property owners to fulfill their obligations as responsible parties for the contamination, which further exacerbates both the environmental and financial distress. While NHDES understands the plight of local communities that are left with little recourse relative to such properties, the Department is concerned that prohibiting the occupancy of contaminated property would have the unintended consequence of cutting off what may be the only revenue source for funding property maintenance, environmental monitoring and cleanup – not to mention paying for past due property taxes. NHDES has a lot of experience working with financially-distressed property owners to address environmental conditions and restore properties to productive use. While success in this area can be slow to arrive, it usually leads to the reuse of the properties and payment of past-due taxes.

Thank you again for the opportunity to comment on HB 1212. Should you have further questions or need additional information, please feel free to contact either Michael Wimsatt, Director of the Waste Management Division (Michael.Wimsatt@des.nh.gov, 271-2905) or Karlee Kenison, Administrator of the Hazardous Waste Remediation Bureau (Karlee.Kenison@des.nh.gov, 271-3744).

Sincerely,

Robert R. Scott
Commissioner

cc: Sponsors of HB 1212: Representatives Gauthier, F. McCarthy, John J. O'Connor