

SB 246 - AS INTRODUCED

2022 SESSION

22-2951

11/04

SENATE BILL           **246**

AN ACT               relative to qualified private communities.

SPONSORS:         Sen. Birdsell, Dist 19; Sen. Carson, Dist 14; Rep. W. MacDonald, Rock. 5

COMMITTEE:       Election Law and Municipal Affairs

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ANALYSIS

This bill defines and regulates "qualified private communities."

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to qualified private communities.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1 1 New Chapter; Qualified Private Communities. Amend RSA by inserting after chapter 356-C  
2 the following new chapter:

3 CHAPTER 356-D

4 QUALIFIED PRIVATE COMMUNITIES

5 356-D:1 Definitions. In this chapter the following definitions shall apply:

6 I. "Capital reserve fund" means a monetary fund setup for the purpose of accumulating cash  
7 reserves for future expenses related to capital assets in the qualified private community.

8 II. "Declarant" means any person who executes or proposes to execute the declaration  
9 associated with a qualified private community, or on whose behalf the declaration is executed or  
10 proposed to be executed.

11 III. "Qualified private community" means a residential condominium, cooperative, open  
12 space subdivision, or other community consisting of at least 4 units, the residents of which do not  
13 receive any tax abatement or tax exemption related to its construction, comprised of a community  
14 trust or other trust device, condominium association, homeowners' association, or council of co-  
15 owners, wherein the cost of maintaining roads, streets, water, and sewer infrastructure and  
16 providing essential services is paid for by a not-for-profit entity consisting exclusively of unit owners  
17 within the community. "Qualified private community" shall not include:

18 (a) Any apartment building or garden apartment complex owned by an individual or  
19 entity that receives monthly rental payments from tenants who occupy the premises.

20 (b) Any proprietary campground facility.

21 (c) Any community where title to land does not convey with improvements, except a  
22 residential condominium or cooperative.

23 356-D:2 Qualified Private Community; Requirements.

24 I. No city or town shall approve plans for a qualified private community unless the declarant  
25 agrees to establish a capital reserve fund of no less than 50 percent of the cost to replace all  
26 roadways within the qualified private community, based on the cost estimate as described in  
27 paragraph II.

28 II. The declarant shall submit a written estimate of the cost to replace the roadways in the  
29 qualified private community for approval by the city or town. The estimate shall be based on the  
30 projected cost to replace the roads on the projected completion date of the project. This estimate may  
31 be updated from time to time until completion of the project.

1           III. The capital reserve fund shall be held in escrow until the qualified private community is  
2 complete, the unit owners have control of the community trust or other trust device, condominium  
3 association, homeowners' association, or council of co-owners and the declarant has relinquished  
4 interest in the qualified private community.

5           2 Effective Date. This act shall take effect April 1, 2023.