

## STATE OF NEW HAMPSHIRE OFFICE OF THE GOVERNOR

July 10, 2020

Governor's Veto Message Regarding House Bill 1247

By the authority vested in me, pursuant to part II, Article 44 of the New Hampshire Constitution, on July 10, 2020, I have vetoed House Bill 1247, relative to mortgage defaults and nonpayment of rent during the novel coronavirus disease (Covid-19) outbreak state of emergency.

Putting a moratorium on evictions was an important early step that my administration took to ensure that Granite Staters did not lose their housing during the COVID-19 pandemic. This emergency order (EO #4) was issued four days after a State of Emergency was declared on March 13, 2020, and received international recognition for the swift action we took.

After approximately four months and after providing the public with ample time and ability to prepare, this order sunset on July 1. In phasing out the moratorium on evictions, the State changed the eviction notice requirement from 7 days to 30 days for new evictions initiated for nonpayment of rent that came due during the moratorium. This will provide renters and mortgagees additional time to develop a repayment plan. Additionally, my administration allocated \$35 million in CARES Act spending to create the New Hampshire Housing Relief Program to further assist individuals and help them avoid losing their housing as the emergency order expired. This program includes:

- Assistance for past due rent that was incurred because of COVID-19.
- Assistance with other housing related expenses like utilities.
- Assistance to maintain or secure more permanent housing.

We must remember that property owners have also struggled throughout the COVID-19 pandemic. Small property owners who rent 10 units or fewer account for 90% of rental units in New Hampshire. They too have financial obligations that must be met, including mortgages, taxes and utilities.

Denying property owners the opportunity to pay their bills is a recipe for them removing these rental units from the market, placing them up for sale in our robust real estate market, and further exacerbating the shortage of rental units that already exists across New Hampshire. Not only would this reduce the housing supply, but it would also, in turn, drive up the cost of rent statewide. This would further undermine opportunities for workforce housing, particularly for low income individuals, the very same group that proponents of this legislation suggest they are trying to help.

Prior to the current pandemic, my administration was aggressively tackling a significant housing crisis in New Hampshire. Unfortunately, the Legislature chose not to move forward with my bipartisan housing bills.

House Bill 1247 adds a major structural problem to an already precarious housing environment. The effect would be to take a bad situation and make it even worse.

New Hampshire has been among the most proactive and aggressive states in the nation when it comes to housing issues during the COVID-19 pandemic and we will continue to devote significant resources and attention to the issue. However, this legislation is counterproductive and could have serious long-term consequences.

For the reasons stated above, I have vetoed House Bill 1247.

Respectfully submitted,

Christopher T. Sununu

Governor