



STATE OF NEW HAMPSHIRE

50 - 10/21/26



GOVERNOR'S OFFICE

for

EMERGENCY RELIEF AND RECOVERY

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

October 1, 2026

Her Excellency, Governor Kelly A. Ayotte
And the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a, VI, authorize the Governor's Office for Emergency Relief and Recovery (GOFERR) to accept and expend all American Rescue Plan Act (ARPA) State Fiscal Recovery Funds (SFRF) that are available for reallocation prior to the expenditure deadline of December 31, 2026 as set forth in Section 602(c)(1) of the American Rescue Plan Act (ARPA), for the New Hampshire Housing Finance Authority to use for affordable housing purposes throughout the State, via the Affordable Housing Fund, effective upon approvals of the Fiscal Committee and Governor and Executive Council, through December 31, 2026. This is an allowable use of ARPA State Fiscal Recovery Funds (SFRF) under Section 602(c)(1)(C) for provision of government services to the extent of the reduction in revenue. **100% Federal Funds.**

This item is contingent upon a determination of the amount of ARPA SFRF available for reallocation.

Funds are to be budgeted in Fiscal Year 2027 in account 01-02-002-020210-24690000-072-500574¹, ARP Grants and Disbursements, Grants Federal.

EXPLANATION

Per federal law, any ARPA SFRF funds that have not been expended by December 31, 2026 are subject to be returned to U.S. Treasury. GOFERR is currently working with agencies to determine how much, if any, of ARPA funds are not needed on current ARPA projects and working with those agencies to de-obligate those funds. Providing GOFERR with the authority to accept and expend those de-obligated ARPA SFRF funds so they may be deposited into the affordable housing trust fund prior to that date will allow the State to ensure that the ARPA SFRF funds are used effectively and will not need to be returned for this reason.

In October 2024, the Fiscal Committee approved an item granting GOFERR the authority to accept and expend all ARPA SFRF funds that remained unobligated as of December 31, 2024 for NHHFA to use for affordable housing throughout the State. The Committee had approved this then-unknown amount because, under federal law, any ARPA SFRF funds not obligated by December 31, 2024 would need to be returned to US Treasury. A total of \$2,284,698 in ARPA SFRF funds were unobligated as of December 31, 2024 and were thus provided to NHHFA under this fiscal authority. Then, in May 2026, the Committee approved a second item granting GOFERR the authority to accept and expend another \$1,755,958 in unobligated ARPA SFRF funds made available through the reallocation of funds from other ARPA SFRF projects. This brought the amount of ARPA SFRF funds deposited into the affordable housing trust fund to \$4,040,656.

This funding will be provided to the New Hampshire Housing Finance Authority (NHHFA) for deposit into their Affordable Housing Fund. The Affordable Housing Fund is a legislatively-created fund administered by NHHFA to facilitate the purchase and rehabilitation or construction of affordable housing, primarily for low- and moderate-income households.

The Affordable Housing Fund is used to finance the construction of multi-family housing developments and is a true revolving loan fund. As such, it is replenished through program income including loan repayments, through the allocation of certain tax-exempt bond fees and earnings, as well as legislative appropriations. The fund has received various allocations from the State since its creation in 1988.

Funds are typically used to provide zero rate or below market rate loans to cover financing gaps, or to fund projects that cannot support debt. Most projects funded by the Affordable Housing Fund have other resources as part of their full funding package. Many of the developments serve households with lower incomes, including those with incomes at or below 60% of the area median income ("workforce housing", as defined by RSA 674). These are income levels common to entry-level employment positions and jobs in service-related industries.

Funds are budgeted as follows:

Class 072- Grants out of Federal Funds to provide funding for grants to sub-grantees as described in the explanation.

In the event that Federal Funds are no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Thomas Broderick
Deputy Director, GOFERR