The Revised Law on Accessory Dwelling Units – 2025 Edition Updated Version August 12, 2025

NHMA EVILLEZIONE AND ALEXANDO EST. 1981

This guidance document is an updated version of the original guidance NHMA issued on accessory dwelling units in July 2025.

Governor Ayotte signed House Bill 577 on July 15, 2025, relative to accessory dwelling units, substantially amending RSA 674:71 to :73. This document provides local officials with guidance on how to interpret and implement the new law.

The Revised Law

The New Basic Requirement. A municipality that adopts a zoning ordinance shall allow accessory dwelling units in all zoning districts that permit single-family dwellings. One accessory dwelling unit, which may be either attached or detached, shall be allowed as a matter of right, and municipalities may no longer require either a conditional use permit or special exception for an ADU.

Revised Definitions:

- "Accessory dwelling unit" means a residential living unit that is located on a lot containing a single-family dwelling that provides independent living facilities for one or more persons, including provisions for sleeping, eating, cooking, and sanitation, on the same parcel of land as the principal dwelling unit it accompanies. Accessory dwelling units may be constructed at the same time as the principal dwelling unit.
- "Attached unit" means a unit that is within or physically connected to the principal dwelling unit or completely contained within a preexisting detached structure.
- "Detached unit" means a unit that is neither within nor physically connected to the principal dwelling unit, nor completely contained within a preexisting detached structure.

Effective Date. The new law took effect on July 1, 2025. (The Governor did not sign the bill until July 15, 2025.)

NHMA's "The Revised Law on Accessory Dwelling Units 2025," UPDATED

Where to Begin?

Does your zoning ordinance already address ADUs?

- If your zoning ordinance expressly <u>allows ADUs</u>, <u>both attached and detached</u>, <u>without limitation</u>, then you <u>may</u> not need to do anything, because your ordinance may already comply with the new law. However, please keep reading, because your ordinance may contain a limitation that doesn't *seem* like a limitation.
- The municipality shall allow one accessory dwelling unit without additional requirements for lot size, setbacks, aesthetic requirements, design review requirements, frontage, space limitations, or other controls beyond what would be required for a single-family dwelling without an accessory dwelling unit. However, the municipality is not required to allow more than one accessory dwelling unit for any single-family dwelling.
- If your zoning ordinance contains no provisions pertaining to accessory dwelling units, then one accessory dwelling unit shall be deemed a permitted accessory use, as a matter of right, to any single-family dwelling in the municipality, and no municipal permits or conditions shall be required other than building permits, if required by statute.

What Can You Do?

Here are some of the conditions a zoning ordinance may impose:

One ADU per dwelling. A municipality is not required to allow more than one attached or detached ADU per single-family dwelling. A one-ADU limit should be stated in the ordinance if a municipality wishes to implement a limit. Of course, the municipality may allow more than one ADU per principal dwelling unit, if it chooses.

ADU's may be prohibited for multi-family uses, or on rented or leased land. The municipality may prohibit accessory dwelling units associated with multiple single-family dwellings attached to each other, such as townhouses. The municipality may prohibit accessory dwelling units associated with rented or leased land.

<u>Sale of an ADU through condominium conveyance is prohibited</u>. Subsequent condominium conveyance of any accessory dwelling unit separate from the principal dwelling unit shall be prohibited, notwithstanding the provisions of RSA 356-B:5, unless allowed by the municipality.

Attached ADU's - manner of access. Attached accessory dwelling units shall have either an independent means of ingress and egress or ingress and egress through a common space shared

with the principal dwelling. However, the municipality shall not limit the choice of ingress and egress.

Owner occupancy. The ordinance may require owner occupancy of either the principal or the accessory dwelling unit, but it cannot specify which unit the owner must occupy. A municipality may require that the owner demonstrate that one of the units is his or her principal place of residence, and the municipality may establish reasonable regulations to enforce such a requirement.

Combined principal dwelling & ADU shall otherwise comply with municipal zoning regulations. Any municipal regulation applicable to single-family dwellings shall also apply to the combination of a principal dwelling unit and an accessory dwelling unit, including but not limited to lot coverage standards and standards for maximum occupancy per bedroom consistent with policy adopted by the United States Department of Housing and Urban Development, provided that such municipal regulations shall not be more restrictive for accessory dwelling units than for any single-family use in the same zoning district.

<u>Aesthetic Standards</u>. A municipality may apply aesthetic standards to accessory dwelling units only if it has also applied such standards to the principal dwelling unit.

<u>Minimum and maximum sizes</u>. The ordinance may establish size limits for ADUs, but it may not limit an ADU to less than 750 square feet. The total living space of the accessory dwelling unit shall not exceed 950 square feet unless otherwise authorized by the municipality.

What Can't You Do?

Here are some conditions that the ordinance may <u>not</u> impose:

Septic system/wastewater requirements/water supply. The municipality may not impose greater requirements for a septic system for a single-family home with an accessory dwelling unit than is required by the Department of Environmental Services. The applicant for a permit to construct an accessory dwelling unit shall make adequate provisions for water supply and sewage disposal for the accessory dwelling unit in accordance with RSA 485-A:38, but separate systems shall not be required for the principal and accessory dwelling units. Prior to constructing an accessory dwelling unit, an application for approval for a sewage disposal system shall be submitted in accordance with RSA 485-A as applicable. The approved sewage disposal system shall be installed if the existing system has not received construction approval and approval to operate under current rules or predecessor rules, or the system fails or otherwise needs to be repaired or replaced.

<u>Parking.</u> Only if existing municipal regulations impose off-street parking requirements for the principal dwelling unit can the municipality require up to one additional parking space for each accessory dwelling unit. Required parking spaces may be provided either on-site or at a legally dedicated off-site location, at the property owner's discretion.

NHMA's "The Revised Law on Accessory Dwelling Units 2025," UPDATED

<u>Familial Relationships.</u> A municipality "may not require a familial relationship between the occupants of an accessory dwelling unit and the occupants of a principal dwelling unit." Some municipalities have this restriction built into their existing ADU definition; that will need to change.

<u>Bedroom limit</u>. A municipality "may not limit an accessory dwelling unit to only one bedroom." This means, of course, that it may impose a *two*-bedroom limit.

<u>Electric Service</u>. A municipality shall not deny the establishment of a separate electrical panel and separate electrical service for the accessory dwelling unit.

What Must You Do?

The ordinance *shall* permit the following:

<u>ADU in Nonconforming Structures.</u> Under RSA 674:72, XI, a municipality shall allow accessory dwelling units to be converted from existing structures, including but not limited to detached garages, regardless of whether such structures violate current dimensional requirements for setbacks or lot coverage.

NHMA offers the following suggestions for interpreting and applying Paragraph XI of 674:72. This section of the statute is ambiguous, and so municipalities are encouraged to consult with their own legal counsel as to how to proceed on any building permit applications that fall under this section of the law.

- 1. In order for a structure to be an "existing structure" under this provision, it had to exist on or before July 1, 2025, the effective date of HB 577.
- 2. For any structure that was in existence prior to July 1, 2025, the municipality could determine eligibility for placement of an ADU within that existing structure where the existing structure does not comply with dimensional requirements for setbacks and lot coverage based on one of the following possible procedures, which should be reviewed and approved by the municipality's regular municipal legal counsel:
 - a. The existing structure could be required to demonstrate that it qualifies as a preexisting, nonconforming structure exempt from the currently applicable dimensional requirements for setbacks and lot coverage according to RSA 674:19 or any local zoning regulation protecting non-conforming structures, or;
 - b. The existing structure received a prior zoning approval or determination it was exempt from the current dimensional requirements for setbacks and lot coverage, or;
 - c. Deem the provisions of Paragraph XI of amended 674:72 as essentially granting a blanket zoning exemption from dimensional requirements for setbacks and lot coverage for any existing structure that seeks a building permit to place an ADU in that existing structure.