

HB 1658-FN - AS INTRODUCED

2022 SESSION

22-2591

12/05

HOUSE BILL ***1658-FN***

AN ACT relative to testing in lieu of license renewal fees.

SPONSORS: Rep. Abramson, Rock. 37; Rep. Ankarberg, Straf. 10

COMMITTEE: Transportation

ANALYSIS

This bill allows an individual to take a written test in lieu of paying a fee to renew their driver's license.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 testing in lieu of license renewal fees.

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

1 1 New Paragraph; Written Test for Renewal. Amend RSA 263:10 by inserting after paragraph
2 II the following new paragraph:

3 III. The director shall adopt rules pursuant to RSA 541-A providing for the renewal of a
4 driver's license by written test. The test shall be administered at no cost to the driver. Upon
5 passage of the written test an applicant for renewal shall not be required to pay a fee for the renewal
6 of their license. Each successful written test shall only be valid for one license renewal.

7 2 Effective Date. This act shall take effect 60 days after its passage.

**HB 1658-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to testing in lieu of license renewal fees.

FISCAL IMPACT: ☒ State ☐ County ☒ Local ☐ None

| STATE: | Estimated Increase / (Decrease) | | | |
|------------------------|--|---|---|---|
| | FY 2022 | FY 2023 | FY 2024 | FY 2025 |
| Appropriation | \$0 | \$0 | \$0 | \$0 |
| Revenue | \$0 | (Decrease of up to \$13,000,000 - \$15,600,000) | (Decrease of up to \$13,000,000 - \$15,600,000) | (Decrease of up to \$13,000,000 - \$15,600,000) |
| Expenditures | \$0 | \$115,000 | (Decrease of up to \$1,560,000 - \$1,872,000) | (Decrease of up to \$1,560,000 - \$1,872,000) |
| Funding Source: | <input type="checkbox"/> General Collections* <input type="checkbox"/> Education <input checked="" type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Cost of | | | |

*Pursuant to Part II, article 6-a of the New Hampshire constitution, any costs associated with the collection and administration of Highway Funds by the Department of Safety shall be deducted by the Department before such funds are credited to the Highway Fund as unrestricted revenue.

LOCAL:

| | | | | |
|---------------------|-----|-----|---|---|
| Revenue | \$0 | \$0 | (Decrease of up to \$1,560,000 - \$1,872,000) | (Decrease of up to \$1,560,000 - \$1,872,000) |
| Expenditures | \$0 | \$0 | \$0 | \$0 |

METHODOLOGY:

This bill, assumed effective in FY 2023, would allow an individual to take and pass a written test, at no cost, instead of paying the renewal fee for their driver's license. The Department of Safety states this would result in a decrease in revenue and an increase of customer traffic at all locations. Additional space and testing stations would be needed to meet the demand in each of the 14 DMV locations. The Department estimates state highway fund revenue could decrease by up to \$13,000,000 (if all were non-Real ID) and \$15,600,000 (if all were Real ID) per fiscal year. Also, pursuant to RSA 235:23 ("Apportionment A"), 12 percent of road toll and motor vehicle fees collected are distributed to municipalities, therefore, under this bill state expenditures and local revenue could decrease by up to \$1,560,000 to \$1,872,000 per year, beginning in FY 2024. Additionally, the Department expects expenditures would increase to cover the cost of programming changes, as well as additional testing stations and building renovations where possible. The cost of each license test station is \$10,000 with the additional

equipment cost of approximately \$1,500 per station. The Department states it would start with an additional 10 stations totaling \$115,000.

AGENCIES CONTACTED:

Department of Safety