

SB 305-FN-A – AS INTRODUCED

2012 SESSION

12-2927

03/09

SENATE BILL            **305-FN-A**

AN ACT                relative to disposition of boat fee revenue.

SPONSORS:            Sen. Sanborn, Dist 7; Sen. Barnes, Jr., Dist 17; Sen. Carson, Dist 14;  
Sen. Forrester, Dist 2; Sen. Forsythe, Dist 4; Sen. Gallus, Dist 1; Sen. Lambert,  
Dist 13; Sen. Luther, Dist 12; Sen. Stiles, Dist 24; Sen. White, Dist 9

COMMITTEE:          Ways and Means

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ANALYSIS

This bill requires the department of safety to pay boat fee revenue received through online payment to cities and towns.

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Explanation:          Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears [~~in brackets and struck through.~~]  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Twelve*

AN ACT                   relative to disposition of boat fee revenue.

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

- 1           1 Boat Fees Collected by the Department of Safety. Amend RSA 72-A:5, II to read as follows:  
2           II. When the boat fee is collected by the department of safety, the fee shall be deposited in  
3 the navigation safety fund established under RSA 270-E:6-a, ***except that if the department of***  
4 ***safety receives the boat fee from a New Hampshire resident through an online payment***  
5 ***system or program, the department shall forward the fee to the treasurer of the town or city***  
6 ***of residence for the general use of the town or city.***  
7           2 Effective Date. This act shall take effect July 1, 2012.

LBAO  
12-2927  
Revised 02/13/12

**SB 305 FISCAL NOTE**

AN ACT relative to disposition of boat fee revenue.

**FISCAL IMPACT:**

The Department of Safety and the New Hampshire Municipal Association state this bill will decrease state restricted revenue and increase local revenue by an indeterminable amount in FY 2013 and each year thereafter, and will increase state expenditures by \$19,600 in FY 2013. There will be no fiscal impact on county revenue, or county and local expenditures.

**METHODOLOGY:**

The Department of Safety and the New Hampshire Municipal Association state this bill requires the Department to pay boat fee revenue received through online payments to the city or town of residence of the person paying the fee. Currently, boat fees paid to the state, either at a division of motor vehicles location or online, are kept entirely by the state and deposited in the navigation safety dedicated fund. Boat fees paid to a tax collector, city or town clerk, or an authorized agent (for instance, a marina) are deposited as revenue for general use within the town in which they are paid. The Department states this bill would redirect some of the restricted revenue which currently goes to the state over to the towns of residence for those who pay the boat fee online. Beginning in FY 2012, any balance remaining in the navigation safety dedicated fund will lapse to general fund at the end of each fiscal year, so the Department states this bill could potentially affect general fund revenue as well. In calendar year 2010, the state received \$637,601 of boat fee revenue, and local governments received \$552,378 in boat fee revenue, however, the Department cannot predict the amount of revenue that would go to local governments instead of the state under this legislation. The Department also states the recent trend has been an increase in the number of individuals paying boat fees online, a shift away from the other methods of payment, and it expects that trend to continue. If this trend does continue, the Department states the transfer of revenue from the state to local governments will increase. The Department estimates that payments made to cities and towns to transfer the online boat fee revenue could be processed using existing department resources if such payments were only made once per year, which it assumes to be the case. If payments were required more often, the Department states processing costs could increase. The Department also states this bill would require programming changes to its computer system, which would

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entail the services of a consultant for 200 hours of design and coding and 80 hours of testing for an increase in expenditures in FY 2013 of \$19,600 (280 hours x \$70 per hour).