

HB 257-FN – AS INTRODUCED

2013 SESSION

13-0309  
06/09

HOUSE BILL            **257-FN**

AN ACT                discontinuing collection of the toll at exit 12 on the Everett turnpike in the town of Merrimack.

SPONSORS:            Rep. Notter, Hills 21; Rep. Peterson, Hills 21

COMMITTEE:          Public Works and Highways

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ANALYSIS

This bill discontinues collection of the toll at exit 12 on the Everett turnpike in the town of Merrimack.

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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                                Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Thirteen*

AN ACT                    discontinuing collection of the toll at exit 12 on the Everett turnpike in the town of  
Merrimack.

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

- 1            1    Department of Transportation; Collection of Everett Toll at Exit 12 Discontinued.
- 2            Notwithstanding any law to the contrary, the commissioner of the department of transportation shall
- 3            discontinue the collection of tolls at exit 12 on the Everett turnpike in the town of Merrimack.
- 4            2    Effective Date. This act shall take effect 60 days after its passage.

**HB 257-FN - FISCAL NOTE**

AN ACT discontinuing collection of the toll at exit 12 on the Everett turnpike in the town of Merrimack.

**FISCAL IMPACT:**

The Department of Transportation states this bill, **as introduced**, will decrease state restricted revenue by \$893,767 in FY 2014, \$905,297 in FY 2015, \$917,790 in FY 2016, and \$931,281 in FY 2017, and decrease state restricted expenditures by \$371,194 in FY 2014, \$378,618 in FY 2015, \$386,190 in FY 2016, and \$393,914 in FY 2017. There is no impact on county and local revenue or expenditures.

**METHODOLOGY:**

This bill discontinues toll collection at exit 12 on the Everett Turnpike in the town of Merrimack. The Department of Transportation assumes tolling at the ramp will be discontinued effective July 1, 2013. Toll revenue generated by the turnpike system is deposited into a separate account and dedicated exclusively for the operating expenses, construction, reconstruction, and maintenance of the turnpike system. The balance remaining after expenses are paid is dedicated to payment of the interest and principal on bonds issued to finance the turnpike system.

The Department bases traffic and revenue estimates on a contracted study prepared for the Department as well as data collected by the New Hampshire Turnpike System. The Department assumes expenditures associated with the exit 12 toll would increase by 2 percent annually were the toll to remain in operation. Once toll operations are ceased, the Department states staff will be reassigned to other toll plazas, reducing the number of part-time staff at other plazas. The Department projects the bill will have the following impact on state restricted revenue and expenditures:

	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
Increase (decrease) in state restricted revenue	(\$893,767)	(\$905,297)	(\$917,790)	(\$931,281)
Increase (decrease) in state restricted expenditures	(\$371,194)	(\$378,618)	(\$386,190)	(\$393,914)

The Department assumes the Exit 12 tollbooths will remain in place after tolling is discontinued. Should the booths be removed, state costs will be an additional \$500,000 in FY 2014.

Because toll revenues are used to pay the interest and principal on bonds issued to finance the turnpike system, the Department states any erosion of toll revenue will need to be factored into debt service coverage ratios to ensure compliance with the toll rate covenant of the bond resolution. The Department states erosion of coverage ratios may also have a negative impact on the rating of the turnpike revenue bonds, as well as the interest on future bond issuances by the turnpike system.