

SB 416-FN-A – AS AMENDED BY THE SENATE

03/27/14 1078s

2014 SESSION

14-2863  
09/10

SENATE BILL ***416-FN-A***

AN ACT relative to highway fund appropriations and establishing a committee to study the effectiveness and efficiency of the department of transportation.

SPONSORS: Sen. Bradley, Dist 3; Sen. Morse, Dist 22; Sen. Forrester, Dist 2; Sen. Odell, Dist 8

COMMITTEE: Finance

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AMENDED ANALYSIS

This bill prohibits certain allocations of highway funds to the judicial branch, the department of justice, and the office of the commissioner and division of administration within the department of safety. The bill also establishes a committee to study methods of maintaining highway fund integrity, and a committee to study the effectiveness and efficiency of the department of transportation.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT                   relative to highway fund appropriations and establishing a committee to study the effectiveness and efficiency of the department of transportation.

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

1           1 Findings and Purpose. The New Hampshire general court finds that:

2           I. Part 2, Article 6-a of the New Hampshire constitution limits the use of “registration fees,  
3 operators’ licenses, gasoline road tolls or any other special charges or taxes with respect to the  
4 operation of motor vehicles or the sale or consumption of motor vehicle fuels” exclusively for “the  
5 construction, reconstruction and maintenance of public highways within this state, including the  
6 supervision of traffic thereon.”

7           II. RSA 9:9-b requires that at least 73 percent of highway fund appropriations be allocated  
8 to the department of transportation, and no more than 26 percent be allocated to the department of  
9 safety.

10          III. However, the legislature has repeatedly waived its own diversion caps, diverting an  
11 additional \$36.6 million over the caps required by RSA 9:9-b over the last 4 years.

12          IV. This act ensures the constitutional and statutory protections for the highway fund by  
13 prohibiting unrelated appropriations in the next state budget, and by establishing a legislative study  
14 committee to monitor highway fund diversion.

15          2 New Sections; Prohibitions on Highway Fund Allocations; Study Committee. Amend RSA 9 by  
16 inserting after section 9-c the following new sections:

17          9:9-d Prohibitions on Highway Fund Allocations. No highway funds shall be allocated to the  
18 judicial branch, the department of justice, the office of the commissioner within the department of  
19 safety, or the division of administration within the department of safety, except for the purposes of  
20 road toll administration and audit.

21          9-9-e Committee Established.

22          I. There is established a committee to study methods of maintaining highway fund integrity.

23          II.(a) The members of the committee shall be as follows:

24                  (1) Three members of the senate, at least one of whom shall be from the majority  
25 party and at least one of whom shall be from the minority party, appointed by the president of the  
26 senate.

27                  (2) Three members of the house of representatives, appointed by the speaker of the  
28 house of representatives.

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1 (b) Members of the committee shall receive mileage at the legislative rate when  
2 attending to the duties of the committee.

3 III. The committee shall study methods of maintaining highway fund integrity. The  
4 committee shall study:

5 (a) The current diversion of highway fund revenues for purposes not authorized by the  
6 New Hampshire constitution and state law.

7 (b) Methods of ensuring that highway fund revenues remain dedicated to “the  
8 construction, reconstruction and maintenance of public highways within this state, including the  
9 supervision of traffic thereon.”

10 IV. The first-named senate member shall be the chairperson of the committee. The first  
11 meeting of the committee shall be called by the first-named senate member. The first meeting of the  
12 committee shall be held within 45 days of the effective date of this section. Four members of the  
13 committee shall constitute a quorum.

14 V. The committee shall report its interim findings and any recommendations for proposed  
15 legislation on or before November 1, 2015, and make its final report of findings and  
16 recommendations for legislation on or before November 1, 2016 to the president of the senate, the  
17 speaker of the house of representatives, the senate clerk, the house clerk, the governor, and the state  
18 library.

19 3 Repeal. RSA 9:9-e, relative to the committee to study methods of maintaining highway fund  
20 integrity, is repealed.

21 4 Committee Established.

22 I. There is established a committee to study the effectiveness and efficiency of the  
23 department of transportation.

24 II.(a) The members of the committee shall be as follows:

25 (1) Three members of the house finance committee, at least one of whom shall be a  
26 member of the minority party, appointed by the speaker of the house of representatives.

27 (2) Three members of the senate finance committee, at least one of whom shall be a  
28 member of the minority party, appointed by the president of the senate.

29 (b) Members of the committee shall receive mileage at the legislative rate when  
30 attending to the duties of the committee.

31 III. The committee shall:

32 (a) Review the department of transportation’s statutory duties and responsibilities.

33 (b) Review whether the department is effectively and efficiently fulfilling its statutory  
34 obligations.

35 (c) Review whether the department’s current sources of funding are adequate to enable  
36 the department to fulfill its statutory obligations.

37 (d) Study successful practices and administrative models of other state’s departments of

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1 transportation and identify best practices or models that may increase effectiveness and efficiency in  
2 New Hampshire.

3 (e) Review whether the department is maximizing its resources by working cooperatively  
4 with other state agencies and private entities, where appropriate.

5 IV. The members of the study committee shall elect a chairperson from among the members.  
6 The first meeting of the committee shall be called by the first-named senate member. The first  
7 meeting of the committee shall be held within 30 days of the effective date of this section. Four  
8 members of the committee shall constitute a quorum.

9 V. The committee shall report its findings and any recommendations for proposed legislation  
10 to the president of the senate, the speaker of the house of representatives, the senate clerk, the  
11 house clerk, the governor, and the state library on or before December 1, 2014.

12 5 Effective Date.

13 I. RSA 9:9-d as inserted by section 2 of this act shall take effect July 1, 2015.

14 II. Section 3 of this act shall take effect November 1, 2016.

15 III. The remainder of this act shall take effect upon its passage.

**SB 416-FN-A FISCAL NOTE**

AN ACT relative to highway fund appropriations and establishing a committee to study the effectiveness and efficiency of the department of transportation.

**FISCAL IMPACT:**

The Office of Legislative Budget Assistant states this bill, as amended by the Senate (Amendment #2014-1078s), will have an indeterminable impact on state expenditures in FY 2016 and each year thereafter. There will be no impact on state revenue, or county and local revenues or expenditures.

**METHODOLOGY:**

The Office of Legislative Budget Assistant states this bill prohibits highway fund allocations to the Judicial Branch, the Department of Justice, the Office of the Commissioner within the Department of Safety, or the Division of Administration within the Department of Safety, except for the purposes of road toll administration and audit, effective in FY 2016. This bill's impact on state expenditures in FY 2016 and each year thereafter is indeterminable. However, pursuant to chapter 143:1, laws of 2013 (HB1), the current state operating budget appropriates the following highway funds, which under this bill would not be permissible in FY 2016 and each year thereafter:

	<b>FY 2014</b>	<b>FY 2015</b>
Judicial Branch	\$2,000,000	\$2,000,000
Department of Justice	\$366,682	\$367,839
Department of Safety		
Office of the Commissioner	\$8,368,379	\$8,736,178
Division of Administration	\$12,515,821	\$12,803,608
(Less: Road Toll Administration and Audit)	<u>(\$1,670,199)</u>	<u>(\$1,715,100)</u>
Net Department of Safety	\$19,214,001	\$19,824,686
<b>TOTAL</b>	<b>\$21,580,683</b>	<b>\$22,192,525</b>

This bill also establishes two legislative study committees, which will have no impact on state, county, or local revenues or expenditures.