

HB 1763-FN-A - AS AMENDED BY THE HOUSE

8Feb2018... 0322h
22Mar2018... 0896h

2018 SESSION

18-2311
06/03

HOUSE BILL ***1763-FN-A***

AN ACT establishing a road usage fee and making an appropriation therefor.

SPONSORS: Rep. Major, Rock. 14; Rep. Ohm, Hills. 36; Rep. Henle, Merr. 12; Rep. Almy,
Graf. 13

COMMITTEE: Ways and Means

AMENDED ANALYSIS

This bill establishes a road usage fee for motor vehicles registered to travel on New Hampshire roads based on the equivalent miles per gallon of the vehicle. The fee is collected at the time of annual registration of the vehicle and deposited in the highway fund. The bill also makes an appropriation to the department of safety to implement the road usage fee.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eighteen

AN ACT establishing a road usage fee and making an appropriation therefor.

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

1 1 New Section; Motor Vehicles; Road Usage Fee. Amend RSA 260 by inserting after section 32-
2 c the following new section:

3 260:32-d Road Usage Fee.

4 I. Except as provided by paragraph II, the owner of each New Hampshire motor vehicle
5 which has an equivalent miles per gallon (MPG) more than 20 MPG shall be required to pay a road
6 usage fee at the time of registration of the vehicle, other than temporary registration, with a
7 registration agent. The road usage fee shall be based on a vehicle that travels 10,000 miles per year
8 and averages 20 MPG. Such a base vehicle would use 500 gallons of fuel and pay \$111 per year in
9 road toll. The road usage fee for such base vehicle is \$0. The road usage fee for all other vehicles
10 shall be \$111 minus the New Hampshire road toll paid per year based on 10,000 miles of travel.

11 II. The road usage fee shall not apply to motorcycles as defined in RSA 259:63, mopeds as
12 defined in RSA 259:57, off highway recreational vehicles as defined in RSA 259:69, and motor
13 vehicles that are model year 1983 or older.

14 III. The department of safety, in conjunction with the department of transportation, shall
15 develop and maintain a system which links the United States Environmental Protection Agency's
16 MPG data system with the department of safety's vehicle identification number (VIN) data system,
17 allowing registration agents to collect the road usage fee established in amounts based on the
18 following MPG ranges:

19	MPG range at 10,000 miles per year
20	20 or less
21	greater than 20 to 30
22	greater than 30 to 40
23	greater than 40 to 50
24	greater than 50
25	no gasoline

26 IV. The registration agent may retain \$1 of each road usage fee collected in compensation
27 for the administrative costs of collecting the fee. The remainder of the fees shall be remitted to the
28 state treasurer for deposit, net of any "Apportionment A" allocated to the local highway aid fund for
29 distribution under RSA 235:23, I, in the highway fund.

30 2 Implementation of Road Usage Fee. Before April 1, 2019, the commissioner of safety, in

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1 conjunction with the commissioner of transportation, shall develop the linked data system required
2 under RSA 260:32-d as inserted by section 1 of this act and adopt rules pursuant to RSA 541-A to
3 establish road usage fees based on the requirements and mileage per gallon ranges (MPG)
4 established in RSA 260:32-d, I and III.

5 3 Appropriation; Department of Safety. The sum of \$330,000 is hereby appropriated to the
6 department of safety for the biennium ending June 30, 2019, for the purpose of implementing the
7 provisions of this act. The appropriation shall be a charge against the highway fund and is in
8 addition to any other funds appropriated to the department of safety.

9 4 Effective Date.

10 I. Section 1 of this act shall take effect April 1, 2019.

11 II. The remainder of this act shall take effect upon its passage.

HB 1763-FN-A- FISCAL NOTE
AS AMENDED BY THE HOUSE (AMENDMENT #2018-0322h)

AN ACT establishing a road usage fee and making an appropriation therefor.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2018	FY 2019	FY 2020	FY 2021
Appropriation	\$330,000	\$0	\$0	\$0
Revenue	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	\$0	\$330,000	Indeterminable Increase	Indeterminable Increase
Funding Source:	<input checked="" type="checkbox"/> General <input type="checkbox"/> Education Restricted Cost of Collections*		<input checked="" type="checkbox"/> Highway	<input checked="" type="checkbox"/> Other -

*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	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	\$0	Indeterminable Increase	\$0	\$0

METHODOLOGY:

This bill establishes an annual road usage fee for motor vehicles and will range from zero for vehicles that average less than 20 miles per gallon (MPG) up to \$111 for vehicles that average 51 MGP or more (including gasoline free vehicles). The road usage fee will be calculated as \$111 minus the estimated road toll paid per year based on 10,000 miles of travel for each vehicle. The base amount of \$111 based on a 20 MPG vehicle that travels 10,000 miles (\$0.222 road toll X 500 gallons). The Department of Safety states available data is insufficient to make an estimate on this bill's revenue impact at this time.

This bill allows for the retention of \$1 per each road usage fee collected by the registration agent, which will increase local revenues by an indeterminable amount depending on the number of fees processed. Also, pursuant to RSA 235:23 ("Apportionment A"), 12 percent of total road toll revenue and motor vehicle fees are distributed to cities and towns pursuant to the specified formula in the following year, which will increase both state expenditures and local revenues by an indeterminable amount depending on total road usage fee revenue. Revenue collected, net of the registration agent fee and "Apportionment A" is to be credited to

a separate account in the state highway fund, continually appropriated to the Department of Transportation for the purpose of maintenance, design, rehabilitation, and construction of state roads and bridges.

This bill includes a general fund appropriation of \$330,000 in FY 2018 for the Department of Safety for the purpose of implementing the provisions of this act. The Department estimates this would be sufficient to cover start-up cost, mostly related to system modifications and testing, required for the implementation of this bill. As currently written, the appropriation in FY 2018 would lapse June 30, 2018 and not be available to the Department for expenditure in FY 2019. Local expenditures may also increase relative to programming costs associated with implementing the road usage fee.

AGENCIES CONTACTED:

Department of Safety