



State of New Hampshire

FIS 21 311

DEPARTMENT OF SAFETY
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October 12, 2021

The Honorable Ken Weyler, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

- Pursuant to RSA 14:30-a, VI, authorize the Department of Safety, Division of Motor Vehicles, to accept and expend \$3,192,099 of American Rescue Plan Act of 2021 (ARPA), State and Local Fiscal Recovery Funds (FRF), for the purpose of improving New Hampshire's Commercial Driver License (CDL) participation rates by adding testing sites, personnel, and mobile equipment. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts. Effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. Funding Source: 100% Federal Funds.
- Pursuant to RSA 124:15, and contingent upon the approval of requested action #1, authorize the Department of Safety, Division of Motor Vehicles to establish four full time temporary Licensing Examiner II positions to oversee the additional CDL program functions. Effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. Funding Source: 100% Federal Funds.

Funds are to be budgeted in SFY2022 in the following account:
02-23-23-2330-24XX0000¹ – Department of Safety, Division of Motor Vehicles – ARP Funds

<u>Class</u>	<u>Description</u>	<u>SFY 2022 Current Adjusted Authorized</u>	<u>Requested Action</u>	<u>SFY 2022 Revised Adjusted Authorized</u>
000-400338	Federal Funds	(\$0.00)	(\$3,192,099.00)	(\$3,192,099.00)
	TOTAL REVENUE	(\$0.00)	(\$3,192,099.00)	(\$3,192,099.00)
018-500106	Overtime	\$0.00	\$80,000.00	\$80,000.00
020-500200	Current Expense	\$0.00	\$76,000.00	\$76,000.00
030-500311	Equipment	\$0.00	\$300,000.00	\$300,000.00
039-500188	Telecommunications	\$0.00	\$20,000.00	\$20,000.00
040-501587	Indirect Costs	\$0.00	\$226,274.00	\$226,274.00
041-500801	Audit Fund Set Aside	\$0.00	\$3,775.00	\$3,775.00
059-500117	Salary Temporary Employees	\$0.00	\$234,666.00	\$234,666.00

¹ All direct program costs will be accounted for using activity 00FRF602PH2302A and all administrative and indirect costs will be accounted for using activity 00FRF602PH2302Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

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060-500601	Benefits	\$0.00	\$181,384.00	\$181,384.00
066-500543	Employee Training	\$0.00	\$20,000.00	\$20,000.00
103-500737	Contracts for Op Services	\$0.00	\$2,050,000.00	\$2,050,000.00
	TOTAL EXPENSES	\$0.00	\$3,192,099.00	\$3,192,099.00

EXPLANATION

The COVID-19 pandemic has changed the way consumers and businesses acquire products, changing the shipping industry and putting massive pressure on the logistics industry nationwide. A shortage of commercially licensed drivers and changing federal rules in 2022 will likely accelerate these serious issues across a wide range of transportation needs, including tractor-trailers, heating oil/propane delivery tankers, public and school buses, box trucks, and hazardous materials transports. In 2019, the state had 32,510 licensed CDL drivers. As of July, 2021 that number dropped to 29,362, reflecting a loss of 3,148 licensed CDL drivers since the start of the COVID-19 pandemic.

In order to address this, the Department of Safety, Division of Motor Vehicles (DMV) will utilize these funds to support the state's commercial transportation and logistics industries in retaining and attracting new drivers by increasing the availability of resources to ensure those candidates have a clear pathway to a commercial driver's license (CDL). The DMV will expand its ability to meet increased demand and improve efficiency by adding testing sites, personnel, and mobile equipment. New testing sites will be located in Bethlehem, Lebanon (expansion of existing site), Hillsboro, and Epping, adding to the existing locations offered including Concord, Nashua, Durham, Lebanon and Twin Mountain. This will ensure that CDL candidates that complete written test requirements and obtain a CDL permit, can expeditiously schedule a skills test examination without the need to travel to a distant testing site.

The DMV currently employs four full time Licensing Examiner II CDL positions. With the addition of four more, the number of available test appointments will increase considerably. At this time, there is no way to determine exactly how many additional knowledge and skills tests will be completed as it will be determined by number of applicants who choose to obtain a commercial driver license. These full-time temporary positions will be posted once approved and the division will utilize any and all recruitment methods available to fill these positions as quickly as possible. Selected candidates who do not currently have a CDL must obtain one within 6 months of hire date.

A total of \$3,847,869 was awarded to improve CDL participation rates effective October 1, 2021 through December 31, 2024. This item requests authorization to accept and expend the funds through June 30, 2023. The remaining \$655,770 will be budgeted in the FY24/25 biennial budget.

This is an allowable use of ARP FRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts.

Funds are to be budgeted as follows:

- Class 018 – Overtime: Used to reimburse current full time employees
- Class 020 – Current Expense: To purchase supplies, fuel and maintenance for vehicles
- Class 030 – Equipment: To purchase laptops, tablets and vehicle for CDL program
- Class 039 – Telecommunications: Represents costs for cell phones and cellular service for tablets used to conduct remote CDL driving tests.
- Class 040 – Indirect Costs: Represents the indirect cost associated amount for this request at 8.5%
- Class 041 – Audit Fund Set-Aside: Represents the audit fund set-aside associated amount for this request
- Class 059 – Salary Temporary Employees: Used to pay wages for five new full-time positions
- Class 060 – Benefits: To pay associated benefits for five new full-time positions
- Class 066 – Employee Training: To cover costs for training for CDL program employees
- Class 103 – Contracts for Operational Services: To cover costs associated contracted services as needed for the CDL Program

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The following information is provided in accordance with the comptroller's instructional memorandum dated September 21, 1981.

- 1) *List of personnel involved* Four (4) full time temporary Licensing Examiner II (LG 16). The proposed funding for these positions ends December 31, 2024.
- 2) *Nature, Need, and Duration*: These positions are needed to assist with the enhancement of the CDL program in response to the shortage of commercially licensed drivers.
- 3) *Relationship to existing agency programs*: These positions will enhance the current CDL program by adding additional availability of testing and enhanced public knowledge about the program.
- 4) *Has a similar program been requested of the legislature and denied?* No.
- 5) *Why wasn't funding included in the agency's budget request?* These funds were recently awarded and unanticipated at the time the budget was created.
- 6) *Can portions of the grant funds be utilized?* All grant funds can only be used for the eligible work described above.
- 7) *Estimate the funds required to continue this position*: Funds for these positions are estimated at \$802,673 for the duration of the grant through December 31, 2024.

In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully Submitted,



Robert L. Quinn
Commissioner of Safety