

Bill as Introduced

SB 136-FN - AS INTRODUCED

2009 SESSION

09-0864

03/09

SENATE BILL **136-FN**

AN ACT relative to the motor vehicle registration fee supporting a municipal and transportation improvement fund.

SPONSORS: Sen. Merrill, Dist 21; Sen. Fuller Clark, Dist 24; Sen. Houde, Dist 5; Rep. Schmidt, Straf 4; Rep. Schlachman, Rock 13

COMMITTEE: Public and Municipal Affairs

ANALYSIS

This bill increases the maximum amount that may be charged as an optional motor vehicle registration fee supporting a municipal and transportation improvement fund.

.....

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to the motor vehicle registration fee supporting a municipal and transportation improvement fund.

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

1 1 Fee Supporting a Municipal and Transportation Improvement Fund. Amend RSA 261:153,
2 VI(b) to read as follows:

3 (b) The maximum fee charged under this paragraph shall be [~~\$5~~] **\$25**. The municipality
4 shall establish the required fee, up to the maximum amount allowable, based on anticipated funding
5 needs for transportation improvements. The additional fee shall be collected from all vehicles, both
6 passenger and commercial, with the exception of all terrain vehicles as defined in RSA 215-A:1, I-b
7 and antique motor vehicles or motorcycles, as defined in RSA 259:4.

8 2 Effective Date. This act shall take effect July 1, 2009.

LBAO
09-0864
01/23/09

SB 136-FN - FISCAL NOTE

AN ACT relative to the motor vehicle registration fee supporting a municipal and transportation improvement fund.

FISCAL IMPACT:

The Department of Safety states this bill will increase state highway fund expenditures by less than \$10,000 in FY 2010. The New Hampshire Municipal Association states this bill will increase local revenue by an indeterminable amount in FY 2010 and each year thereafter. This bill will have no fiscal impact on state and county revenues or county and local expenditures.

METHODOLOGY:

This bill increases the maximum amount that may be charged as an optional motor vehicle registration fee supporting a municipal and transportation improvement fund. The New Hampshire Municipal Association states that the proposed legislation increases the maximum amount that can be charged to support a municipal and transportation improvement fund from \$5 to \$25 for each passenger or commercial vehicle. The Association states the proposed legislation will increase local revenue by an indeterminable amount in FY 2010 and each year thereafter. According to the Association, the increase to local revenues is indeterminable due to the uncertainty of how many towns would actually increase their fees and by how much.

The Department of Safety states this bill will increase state highway fund expenditures by the costs associated with performing the necessary upgrades to their MAAP system to accommodate the proposed legislation. The Department states these costs would be less than \$10,000.

This bill does not contain an appropriation

Committee Minutes

**SENATE CALENDAR NOTICE
PUBLIC AND MUNICIPAL AFFAIRS**

Senator Betsi DeVries Chairman ✓
 Senator Matthew Houde V Chairman ✓
 Senator Kathleen Sgambati ✓
 Senator Sheila Roberge ✓
 Senator John Barnes, Jr. ✓

For Use by Senate Clerk's Office ONLY	
<input type="checkbox"/> Bill Status	
<input type="checkbox"/> Docket	
<input type="checkbox"/> Calendar	
Proof: <input type="checkbox"/> Calendar	<input type="checkbox"/> Bill Status

9:15
9:55

Date: January 27, 2009

HEARINGS

Thursday

2/5/2009

PUBLIC AND MUNICIPAL AFFAIRS

LOB 103

8:30 AM

(Name of Committee)

(Place)

(Time)

EXECUTIVE SESSION MAY FOLLOW

8:30 AM	SB75-L	changing the formula for distribution of highway funds in the Woodsville fire district.
8:45 AM	SB121	establishing a commission to study potential revenue enhancements for municipalities.
9:00 AM	SB136-FN	relative to the motor vehicle registration fee supporting a municipal and transportation improvement fund.
9:15 AM	SB110	authorizing appointment of town clerks.

Sponsors:

SB75-L

Sen. Deborah Reynolds

Rep. Rick Ladd

Rep. Paul Ingbretson

SB121

Sen. Matthew Houde

Sen. Jacalyn Cilley

Sen. Martha Fuller Clark

Sen. Betsi DeVries

Sen. Harold Janeway

Sen. Deborah Reynolds

Rep. Susan Almy

Rep. Laurie Harding

Rep. Franklin Gould

Rep. Raymond Gagnon

SB136-FN

Sen. Amanda Merrill

Sen. Martha Fuller Clark

Rep. Peter Schmidt

Rep. Donna Schlachman

Sen. Matthew Houde

SB110

Sen. Kathleen Sgambati

Rep. James Cyr

Rep. Robert Perry

Sen. John Barnes, Jr.

Sen. Sheila Roberge

Public and Municipal Affairs Committee Hearing Report

TO: Members of the Senate

FROM: Susan Duncan, *Senior Legislative Aide*

RE: Hearing report on **SB 136-FN – AN ACT relative to the motor vehicle registration fee supporting a municipal and transportation improvement fund.**

HEARING DATE: February 5, 2009

MEMBERS OF THE COMMITTEE PRESENT: Senators DeVries, Houde, Sgambati, Roberge and Barnes

MEMBERS OF THE COMMITTEE ABSENT: No one

Sponsor(s): Senator Merrill with Senators Fuller Clark and Houde; Representatives Schmidt and Schlachman

What the bill does: This bill increases the maximum amount that may be charged as an optional motor vehicle registration fee supporting a municipal and transportation improvement fund.

Who supports the bill: Senator Amanda Merrill; Senator Fuller Clark; Judy Silva, NHMA; Cynthia Copeland, SRPC; Bruce Wudruff; Dover; Ken Hazeltine, Granite State Independent Living; Rad Nichols, COAST; Sharon Reynolds; ACT; Rep. Schlachman; Mickey McIver of Easter Seals; Scott Bode, Rockingham Planning Commission; Pam Reynolds, Laconia; Nancy Johnson, NH Planners Assoc; Van Chesnut, NH Trans Assoc.

Who opposes the bill: Bob Scullay, NH Motor Transport Assoc.;

Summary of testimony received:

- **Senator Merrill** introduced the bill acknowledging that funding at all levels is very tight. She explained that safe roads and bridges are very important and that this is enabling legislation that a municipality could take advantage of, if they choose to.
- Right now, this law that was enacted over a decade ago, is capped at a maximum fee of \$5.00 per registration. The proposal would raise that cap to a maximum of \$25.00 per registration. She

explained that the \$25.00 is not a magic number and that the exact amount is certainly under discussion.

- She explained that the funds raised can be used for transportation-related projects.
- Senator Roberge asked if this would be an increase or additional funds, and not a reallocation of funds raised elsewhere. Senator Merrill responded that this would allow the municipality to charge additional fees, up to \$25.00 per registration, as opposed to the current amount of \$5.00.
- Senator Barnes commented that in his Town, he knows of many (himself included) who would choose to drive somewhere else to register their car in order to avoid the cap. Senator Merrill responded that this is certainly something that the Committee members would want to consider.
- Senator DeVries spoke to the fact that the legislation is enabling – that it would allow the local legislative body to discuss and see whether it is something that they would want to bring forward. Senator Merrill agreed and said that it is strictly enabling and noted for the record that the City of Manchester does collect the fee.
- Senator Sgambati asked if the Prime Sponsor has any sense of how New Hampshire ranks compared with other states for motor vehicle registration fees. Senator Merrill was not sure.
- **Attorney Judy Silva** of the NH Municipal Association appeared in support of the legislation. She explained that they would support the optimum amount of \$25.00 and that a municipality is free to go anywhere in the middle.
- She explained that right now, cities and towns are experiencing a 60% increase in the cost of road maintenance especially with the cost of salt and paving materials.
- Attorney Silva said that she did not know what various municipalities would choose to do.
- Senator Barnes asked if it would be more fair to call this a “user’s fee” because the person who is not driving would not be using the roads. Attorney Silva agreed that it could be viewed this way.
- Senator Barnes, in looking at the average voting percentages in some of our towns, was concerned that maybe 1/3 of the voters could raise this for all of the drivers.
- He was concerned about those who would elect to register their vehicles in another town and what might be the “wash off” in other directions. Attorney Silva responded that she does not have the full statute with her but that there is always a portion of the registration that must be done locally and that a citizen may not be able to avoid it. She agreed that any political fallout would occur at the local level.
- **Bob Scullay**, President of the NH Motor Transporters Association testified in opposition. He felt that this is a violation of Article 6-a of the NH Constitution that calls for all motor vehicle registration fees to go to the Highway Fund (State). He asked that the

Committee members please look at the legal aspects of the legislation.

- **Cynthia Copland**, Executive Director of the Strafford Regional Planning Commission (Dover) testified in support. She also presented a letter from the Town of Durham in support of the legislation. She reiterated that this is merely an option that can be enacted by the community and that each community can set the specific amount. She explained that she lives in New Market and that they do have this fee there.
- She explained that over the last ten years she has seen the efficient use of these moneys for the construction of sidewalks and other projects.
- She explained that in her area there are 6,477 vehicles registered which bring in \$32,385 in the fees.
- She said that with the increased costs of projects and materials, it is beneficial if the community could look at a match for their projects.
- **Bruce Woodruff**, Transportation Planner for the City of Dover, testified in support and talked of his experience with the local option fee. He said that their ordinance specifically says that these moneys can be expended on projects supported by a federal grant. They use the moneys for their local matching funds.
- He explained that over the last few years they have done 13 projects and a 14th project is now in the works. He said that they have done 3 intersection upgrades, signalization upgrades, more efficient traffic flow, a railroad bridge for trails, 3 sidewalk projects and one bicycle project.
- He explained that Dover chose to collect \$3.50 for each registration with .50 being held for administrative costs and \$3.00 going into the fund.
- He said that the \$5.00 is not enough, but perhaps the \$25.00 is too much and suggested that maybe raising it to a maximum of \$10.00 would be good.
- Senator Barnes asked in a city, how do the citizens get to decide. Mr. Woodruff responded that they must hold public hearings and that the city council meetings were recorded and aired publicly. He said that there were two public hearings and that the people were given ample opportunity to comment on the proposal before it was adopted.
- Senator Barnes commented that in this case 9 folks out of maybe 20,000 decided. He said that in our towns, that wouldn't be the case. Mr. Woodruff responded that this is true, but that their 9 councilors are elected and that they have had zero complaints in Dover.
- **Rad Nichols**, Executive Director of COAST, testified in support. He explained that this is already a very successful law and that it gives the community an opportunity to decide. He said that

Exeter, New Market, Dover and Rochester all use these funds for a variety of projects.

- He said that the need for these projects is growing and that there is an outcry for more public transportation. He said that this is one way that support can be provided.
- **Sharon Reynolds**, of ACT, testified as a consumer of public transportation services. ACT stands for the Alliance for Community Transportation.
- She said that she would raise it above the proposed \$25.00.
- She agreed that as the gas prices rose, more people were turning to public transportation.
- She said that there is nothing wrong with a user fee on the wear and tear that folks are putting on the system.
- She encouraged the Committee members to please pass the bill with the \$25.00 fee.
- **Scott Vogel**, Senior Transportation Planner with the Rockingham Planning Commission, testified in support. He explained that this is one of their legislative priorities and that this had been adopted unanimously by the Commission which represents 26 communities.
- He explained that this fee is valuable and said that both Greenland and Seabrook charge this fee.
- He said that this provides a means to fund projects outside of the property taxes.
- He also noted that a third area of use for these funds is that it helps to make up for the decreased level of state and federal funds for transportation projects that is available because more funds are going to the huge projects such as widening I-93.
- He said that they had a recent survey of registered households and that they were asked about the \$5.00 fee. Seventy-eight percent indicated that they would support the higher level.
- Senator Barnes asked about the number of individuals who had participated in the survey. Mr. Vogel responded that it had been 508 randomly selected individuals and that the survey was conducted by the UNH Survey Center.
- **Nancy Johnson** representing the NH Planning Association submitted written testimony and merely said that they strongly support the bill.
- **Van Chesnut** also testified in support and spoke to depending solely on the property tax.

Funding: See fiscal note.

Future Action: The Committee took the bill under advisement.

sfd

[file: SB 136-FN report]

Date: February 8, 2009

And I've passed out for you all copies of the relevant part of the law, and in particular, on the second page of that hand-out, you'll see highlighted the information about this transportation improvement fund and fee.

Please see Attachment #1 – Title XXI MOTOR VEHICLES.

Senator Amanda Merrill, D. 21: You'll see in that current law that the maximum transportation improvement fee that can be charged by a municipality is five dollars, as it has been since the beginning in 1997. SB 35 (sic) would raise that maximum allowed fee to twenty-five dollars, obviously towns and cities remaining free to adopt whatever level of funding they think is appropriate.

And I would also note that the twenty-five dollars in the bill is not a magic figure to offset some particular loss of other funds. And I think you may hear from others that a different amount is appropriate, and I'm sure that's a topic of discussion for the Committee. But, as you'll see, the present bill does suggest twenty-five as a new cap. And again, five dollars has been in place since 1997.

As for how the fee money can be used: again, the statute outlines the allowed uses, all transportation related. However, I would also say that there are other people here today who can talk with much greater knowledge than I about the ways that their communities and regions are using the fund money now and how it might be further used.

So, I will stop there. Thank you all.

Senator Betsi DeVries, D. 18: Thank you. Questions from the Committee? Senator.

Senator Sheila Roberge, D. 9: To clarify: You're going to be raising additional funds. You're not going to be allocating the funds that you already have. Is that my understanding?

Senator Amanda Merrill, D. 21: That's right, Senator.

Senator Sheila Roberge, D. 9: So, you're not taking money away from anything, at this point. You're not re-allocating. This is additional money.

Senator Amanda Merrill, D. 21: It is allowing municipalities to charge a greater amount on this optional fee. So, in other words, it's already an option for municipalities as to whether they want to collect this fee, as it goes through the proper adoption method. And this would simply say, "You're

allowed to go up to twenty-five dollars”, as opposed to five dollars, which is what is in law now.

Senator Betsi DeVries, D. 18: Thank you, Senator Roberge. Senator Barnes has a question.

Senator John S. Barnes, Jr., D. 17: Thank you, Madam Chair. I guess this is a, “Would you believe?” If the town I live in went from the five to twenty-five dollars, would you believe Jack would now drive over to Epping and register his car, instead of in the town? And I have a hunch there’s a lot of other Yankee, conservative folks around the state that might do the same thing. So, the towns might end up losing a lot of registration money when they drive people to go to the local registries where this wouldn’t affect them

Senator Amanda Merrill, D. 21: Well, I appreciate your comment, Senator. Obviously, I think the issue of affordability and balancing the needs at the different levels of our government for funds for transportation are things the Committee’s going to want to talk about and what’s the appropriate level for this particular method of funding.

Senator John S. Barnes, Jr., D. 17: Thank you.

Senator Amanda Merrill, D. 21: Thank you.

Senator Betsi DeVries, D. 18: Senator Merrill, I just wanted to clarify that I’ve heard you state it a couple of times, but to be sure, this is an enabling piece of legislation that only would allow that local legislative body to have the discussion and determine if they wish to incorporate that fee. Is that correct?

Senator Amanda Merrill, D. 21: That’s right, Senator, yes; as exists today, except with a different cap in place. And as for the number of municipalities that, if I might add...?

Senator Betsi DeVries, D. 18: If you would.

Senator Amanda Merrill, D. 21: As for the number of municipalities who currently use the fee, I, unfortunately, do not have a good strong figure for you. And some of the people behind me may be able to tell you about at least the number of towns in their regions. I had an incomplete list from the Department of Revenue Administration, but as I pointed out, not all municipalities, necessarily, report that they do this.

So, for example, on the list I have, which includes at least a couple of municipalities from my District, including Dover and Durham – and you have a letter from my Durham Town Administrator, in support – I know that, for example, I believe the City of Manchester collects the fee, and I'm sure others do, too, who are not on that list that I happen to have.

Please see Attachment #2 – Letter from the Town of Durham.

Senator Betsi DeVries, D. 18: Thank you, Senator. Senator Sgambati.

Senator Kathleen G. Sgambati, D. 4: Thank you. Senator, do you have any kind of sense of how the cost of registering a car in New Hampshire compares to other states?

Senator Amanda Merrill, D. 21: I don't have that figure.

Senator Kathleen G. Sgambati, D. 4: Thank you.

Senator Amanda Merrill, D. 21: Perhaps somebody behind me will.

Senator Betsi DeVries, D. 18: Thank you, Senator. Further questions? Thank you for bringing the bill forward, Senator.

Senator Amanda Merrill, D. 21: Thank you all.

Please see Attachment #3 – Senator Merrill's typewritten testimony.

Senator Betsi DeVries, D. 18: Calling on Judy Silva from the New Hampshire Municipal Association, hoping you can answer a few of the questions of the Committee.

Attorney Judy Silva: Thank you. I am Judy Silva from the Municipal Association.

Senator Betsi DeVries, D. 18: Go ahead.

Attorney Silva: Thank you. And I'm not sure I can answer your questions in terms of how many towns do have this option, but we would support this. As you said, it is a local option. It is a discussion that would need to take place locally. I think the Senator is right, having served as a selectman as well, that this is something that the voters are going to need to take a look at and make the decision about.

It may be that right now, nobody wants to change it, but it may be that things may change in the future, and the twenty-five dollar amount may not look as onerous as it might at this time. But it is a local decision. It does help municipalities with funding for their transportation needs, and we can support that additional with a modification of this tool that the Legislature has given us.

Senator Betsi DeVries, D. 18: Thank you. I have a question of you before I open up to other questions. Do you have an opinion as to the rate of increase that's been asked for in this bill - going from five dollars to twenty-five dollars - on how that might be necessary by the municipalities you represent?

Attorney Silva: Well, as I read this, it gives them the option to establish a fee up to twenty-five dollars.

Senator Betsi DeVries, D. 18: Up to.

Attorney Silva: So, you can go anywhere in the middle there. And the figures that I've heard recently is that there has been a sixty percent increase in the costs of materials for road maintenance, and that's obviously significant. There's been a salt increase, cost increase, as well as all of the paving material. Costs have gone through the roof with the petroleum prices that we've seen. So, I don't know what municipalities would choose to do, whether they would feel it was appropriate to do this kind of a fee, but a small increase might help offset some of the taxes that would need to be raised or some of the cuts. As you heard the Mayor from Lebanon say, they're not doing any paving this year. It's just trying to juggle what works best to meet those local needs.

Senator Betsi DeVries, D. 18: Thank you, Judy. Additional question, Senator Barnes?

Senator John S. Barnes, Jr., D. 17: Thank you, Madam Chair. Judy, a couple of questions. Wouldn't you call this, maybe, a user's fee, because a person that doesn't register a car isn't paying for that extra money that you're looking for to fix the roads? So, the taxpayers in the town that don't register their cars aren't paying for it, so it's a user's fee. Could be looked at that way.

Attorney Silva: I think you could look at it that way.

Senator John S. Barnes, Jr., D. 17: The second question is this: You're right. I'm a strong supporter of the towns and the cities being able to vote on things that we pass. This Committee is a good example of that. All of the

bills come through here, and I think the people should have a right to vote on them. The history that I've gone through in the towns that I represent, come March, there's going to be very few people going out to vote. So, let's say one third of these registered voters, which would probably be a high number, would come out in March to vote; that this was on the warrant article, and just suppose, the vote is 500 in favor and 350 against: it passes. Whoopee. The voters had a chance, but there are 6,000 voters registered. What about the rest of those folks?

And my question, I guess, is: I'm concerned about people saying, "The heck with the town; we'll go to the local registry like we have for years and years and years before." And this has been a real boon to the towns to be able to register, to get that money to register cars. I'm afraid we'll chase more money out than we bring in, because those people that didn't vote will say, "Oh my God! You're kidding me. How do you raise that?" Well, we voted on it. "Well, I didn't know that."

I'm concerned about the washout the other direction. Do I have a ... Am I on the right track or am I crazy?

Attorney Silva: Well, I would never say that you are crazy, Senator.

Senator John S. Barnes, Jr., D. 17: Don't be afraid to say it. You're a constituent.

(Laughter)

Senator John S. Barnes, Jr., D. 17: You go ahead and say that. You're a constituent. You have the right to do that. Many of them do.

(Laughter)

Attorney Silva: Thank you. I, unfortunately, do not have the full statute here, and there is always a part of the registration that needs to be done locally, as well as the state registration. What many towns do is have somebody that serves as the municipal agent to conduct, to perform the state registration piece. I believe this may attach to the local registration piece, so that you would not necessarily, as a resident who is unhappy with an increase, be able to avoid it by registering your car some place else.

But I do think that the political fallout would be at the local level and that, whether or not to raise it and how much and when that might be appropriate to do, is certainly right for discussion locally.

Senator John S. Barnes, Jr., D. 17: Thank you. That's a good answer because there are two separate things there.

Attorney Silva: Right.

Senator John S. Barnes, Jr., D. 17: So I probably couldn't save a buck by driving to Epping.

Senator Kathleen G. Sgambati, D. 4: You'd waste your gas.

Senator John S. Barnes, Jr., D. 17: Yeah. I could take my bike over there. Bicycle, not motorcycle.

Senator Betsi DeVries, D. 18: Thank you, Senator. Just keeping in mind that I still have about eight people wishing...

Senator Kathleen G. Sgambati, D. 4: Thank you.

Senator Betsi DeVries, D. 18: ...or seven people wishing to speak.

Senator John S. Barnes, Jr., D. 17: Thank you, Madam Chair.

Senator Betsi DeVries, D. 18: Further questions? Thank you, Judy. Calling on Bob Sculley.

Robert Sculley, President of New Hampshire Motor Transport Association: Thank you, Madam.

Senator Betsi DeVries, D. 18: In opposition to the bill.

Mr. Sculley: Thank you, Madam Chair. For the record, my name is Robert Sculley. I'm President of New Hampshire Motor Transport Association, and I will be brief. We oppose it, but not because of the intent of the legislation. We think the money that you're attempting to raise to be going to good use. We believe there's a legal question here, a violation of Article 6-A of the Constitution that calls for all registration of motor vehicle fees to go into the highway fund. So, I'd ask you to look at that.

My only other comment, after listening to the prime sponsor, Senator Merrill, if, for some reason, this legislation would be amended to include non-highway purposes on the increase in registration fees, then our opposition would be much stronger. I'm just asking you to take a look at the legal aspect of it.

I thank you very much. Happy to try to answer any questions.

Senator Betsi DeVries, D. 18: Questions from the Committee? Seeing none...

Mr. Sculley: Thank you, Madam Chair.

Senator Betsi DeVries, D. 18: Thank you very much. And I'm sorry. I don't know all of the initials and what they stand for, but I have a Cynthia Copeland.

Cynthia Copeland, Director of Strafford Regional Planning Commission:
(Speaking from the back of the room) Yes.

Senator Betsi DeVries, D. 18: Welcome, Cynthia. Southern Regional Planning Commission, I'm assuming.

Director Copeland: Strafford Regional Planning.

Senator Betsi DeVries, D. 18: Strafford.

Director Copeland: Yeah.

Senator Betsi DeVries, D. 18: You might want to state that once again to make sure...

Director Copeland: Yes, I will.

Senator Betsi DeVries, D. 18: ...we get that correct on the record.

Director Copeland: Madam Chair and members of the Committee, my name is Cynthia Copeland. I'm the Executive Director of Strafford Regional Planning Commission in Dover. And I'm also here representing the Metropolitan Planning Organization, the Strafford Metropolitan Planning Organization, which is a mandated federal transportation function that we carry out.

I see that you already have a letter from the town of Durham. Have you received a letter from the town of Durham?

Senator Betsi DeVries, D. 18: Yes.

Senator Kathleen G. Sgambati, D. 4: Yes

Director Copeland: Okay. All right. The Strafford Regional Planning Commission and the Metropolitan Planning Organization are strong

proponents of this strategic tool. It's a very valuable tool because it leaves it as an option to be enacted by the communities, and it allows the communities to set the amount that they want to collect as a fee.

I also should disclose that I live in the town of Newmarket, and the town of Newmarket does have this fee, which it's been using very effectively. And, Senator Barnes, when I pay my registration fee, and I pay the local component, I only pay one amount. It's not ... It only comes through as however much as a total. So, I don't see this fee as part of what I pay in my registration.

I also would note that, over the last ten years that I've been living in Newmarket as a resident, I've been able to evidence their effective use of this funding for sidewalks, for a match to transportation enhancement projects, to congestion mitigation and air quality projects for the local town, paving of sidewalks. I love it. I get to walk on sidewalks throughout town, and they're all financed by this local option fee.

So, in our region, we have the town of Durham, the town of Newmarket, the city of Dover, and, I believe, the city of Rochester have enacted this fee. In the letter from Durham, it says that right now they have six hundred ... 6,477 vehicles registered, which, with a five dollar per vehicle fee, brings in \$32,385. Well, what this does is ... A community can look at their capital improvement plan for transportation projects and do their strategic planning, and at the same time, they can use this local option fee as a strategic funding tool. And so, that's what I believe the true value is for the communities.

So, costs, as has been said, have increased over time, and it would be beneficial if the communities could look at being able to have a greater amount for their match and for their local projects.

So, I thank you for your consideration of this bill.

Senator Betsi DeVries, D. 18: Thank you very much, Cynthia, for your testimony. Were there any questions from the Committee? Seeing none, thank you very much.

Director Copeland: You're welcome.

Senator Betsi DeVries, D. 18: Calling on Bruce ... Is it Woodruff?

Bruce Woodruff: (Speaking from the back of the room) Yes.

Senator Betsi DeVries, D. 18: Representing the town of Dover. Or is that the city of Dover? Town?

Senator John S. Barnes, Jr., D. 17: City.

Senator Betsi DeVries, D. 18: City. I'll get it all straight by the end of two years.

Mr. Woodruff: Good morning, Madam Chair...

Senator Betsi DeVries, D. 18: Bruce, welcome.

Mr. Woodruff: ...Mr. Vice Chair and members of the Committee. My name is Bruce Woodruff. I'm the city's transportation planner. Excuse my voice because I'm losing it this morning because I do have a cold, and it is cold outside.

I want to talk about the city of Dover's experience with the local option fee. After it was passed in 1998, as RSA 126, the city went through a really prolonged discussion, at the city council level, about whether we should enact this user fee. And those were the exact words used by city councilors when they considered the ordinance language that we crafted. This, the original bill, gives each town and city the ability to say how the funds will be spent in that framework of transportation.

The fee itself is a fee that's collected at the time of folks coming in and registering their cars but is not part of that registration fee. So, I want to say that all those funds then go into what the city has called a transportation reserve. The ordinance language said that the only thing you could spend that transportation reserve money on is transportation and transit-related projects. If (coughs) – pardon me – if the projects themselves were part of a federal or state grant, then those monies would be part of the local match. That's how Dover framed this. And that tied in with Dover's transportation improvement program that is also related to our capital improvements program.

So, everything is tied together. Dover was very fortunate over the past twelve to fourteen years in that our applications to the State DOT for C-MAQ enhancements, STP pots of money were very successful. We've used the local option fee through the last ten to twelve years to fund the local match on thirteen projects. Thirteen. We're down to one. We have successfully prosecuted eleven, one is on-going, and we have one to go. There is a fourteenth project that we started in December of this year, and that is Dover FastTrans.

Dover FastTrans, in the end, will be the only project that's funded by the local option fee. Previous to that, we have used these funds for thirteen projects, which have included three intersection upgrades, one central av (sic) corridor signalization, signalization and coordination upgrade, which has done a lot towards moving our traffic and lessening the clouds of stuff that comes out of people's tailpipes, making the traffic flow more efficient.

We have funded Dover's community trail on the abandoned Newington railroad branch. That's the project that's starting right now with the re-hab of the bridge over the Cochecho River and onward. And we have done three sidewalk projects and one bicycle shoulder project. So, as you can see, there is a history of success here.

Now, on to what Dover did. When the original bill was passed, the maximum cap was five dollars. Dover chose to collect three-fifty, with fifty cents going towards administration and three dollars for each fee per registration going into the transportation reserve.

I come here today to say that we know that, in the future, we'll need more money. In these economic times, Dover does not plan on going back to its city council and amending its own ordinance to collect more. But when the times get better, we will. We also don't think that the five dollar cap is enough. Twenty-five may be too much, and I leave that up to this Committee. If you were to ask my professional opinion at this point, to get this passed, I would say ten dollars would be a good cap. But that's just my opinion.

So, I just need to close by telling you ... Well, first I will say that money: Dover takes in between 117,000 and 126,000 dollars per year to go into the transportation reserve. That money has built up through the years so that we do have that flexibility to spend it the way we want. The FastTrans is very important to the city of Dover. We know that transit costs are going up, and this is a much needed thing. This is a hedge for the future, and what it does is it allows all your local legislators to make their own decisions. You're not forcing anything on them; you're just giving them the opportunity.

I appreciate your time.

Senator Betsi DeVries, D. 18: Thank you very much, Bruce. Questions from the Committee? Senator Barnes.

Senator John S. Barnes, Jr., D. 17: It'll be real quick, because I know you still have four people to go, maybe five. I lost track.

Help me out on the city. In the town, I understand that we have town meetings, deliberative sessions, and we vote in March. How does the city handle it? How do the citizens in your city determine whether they want this puppy or not?

Mr. Woodruff: Well, because I'm the transportation planner, Senator, we started the process way back in 1999, with some public hearings at the Transportation Advisory Commission level, to gauge what people thought about it. And from there, there was a recommendation that went to the council with a draft ordinance. But, as you probably are aware, it's a pretty open process in Dover, with regard to passing ordinances. There are two public hearing opportunities. All of this is broadcast on the cable network, and the people are given ample opportunity to talk about it, and then the nine councilors consider it.

Senator John S. Barnes, Jr., D. 17: So, the people ... Thank you. The answer to my question is: Nine people, out of the twenty-some-odd thousand you have in Dover, make the decision on whether that's going to happen or not. So, this enabling legislation enables nine people in the city of Dover to make that decision for the people. Now, in the towns, that's not true. Everybody that's a registered voter has an opportunity to weigh in on it.

Mr. Woodruff: Yes, sir. I would say that the nine are elected, and they do answer to their constituencies in small wards. But the bottom line is that, through the years, there have been absolutely zero complaints about this fee. It was vetted as a way to fund transportation projects that didn't raise folks' property tax bill. And, as you're aware in Dover, in current times, I go before the council every time we need to spend some of this money. And they need to be reminded sometimes that the money that we are spending on this, eighty percent is coming from different pots of money, from the state or the federal government, and twenty percent is local money, but none of it is general fund money. It comes out of this transportation reserve. And they vote yes, resoundingly, because of that.

So, you know ... I'm a resident of Milton, which is a town, and I understand that process, but, as you know, it's up to the individual voter whether they come to the deliberative sessions...

Senator John S. Barnes, Jr., D. 17: I understand.

Mr. Woodruff: ...and get involved.

Senator John S. Barnes, Jr., D. 17: Thank you.

Mr. Woodruff: Thank you.

Senator Betsi DeVries, D. 18: Thank you, sir. Additional questions? Seeing none, I thank you for your testimony.

Mr. Woodruff: Thank you. I appreciate it.

Senator Betsi DeVries, D. 18: I would call on Gary Abbott of the Associated General Contractors of New Hampshire.

Gary Abbott: Thank you, Madam Chairman. I'll be very brief. After talking with the sponsor, I'd like to just be removed from the list as having no position.

Senator Betsi DeVries, D. 18: Thank you.

Mr. Abbott: Thank you.

Senator Betsi DeVries, D. 18: That is very brief.

(Laughter)

Senator Betsi DeVries, D. 18: Calling on ... Is it Ken? Is it Hazeltine or Hazelton?

Ken Hazelton: (Speaking from the back of the room) Yes.

Senator Betsi DeVries, D. 18: With the Granite State Independent Living.

Mr. Hazelton: I am not speaking.

Senator Betsi DeVries, D. 18: Oh, I'm sorry. Not wishing to speak. My apologies.

Senator Kathleen G. Sgambati, D. 4: Position?

Senator Betsi DeVries, D. 18: Position: in support. Which would bring us down to, looks like, Rad Nichols. Rod?

Rad Nichols, Executive Director of COAST: (Speaking from the back of the room) Rad.

Senator Betsi DeVries, D. 18: Rad.

Director Nichols: I'm a California kid.

(Laughter)

Director Nichols: Late sixties.

Senator Betsi DeVries, D. 18: With an organization...

Director Nichols: What can I say?

Senator Betsi DeVries, D. 18: ...called COAST, I should have known that.

Director Nichols: COAST. Madam Chair, members of the Committee. My name's Rad Nichols. I'm the Executive Director for the Cooperative Alliance for Seacoast Transportation. We're your regional public transit system in the Seacoast, serving eleven communities, including a small diversion into Berwick, Maine.

We're here today to speak in favor of this amendment of an already successful state law. This is simply giving communities another alternative to the property tax to fund needed transportation projects in their community. In the coast region, we have Exeter, Newmarket, Dover, and Rochester who use these funds for a variety of projects. In some cases, those are for projects that support public transit in their community.

The need, as expressed by residents of the seacoast, for enhanced public transportation is growing. There is an outcry, quite honestly, for more public transportation. This is one way that a community can choose to fund public transportation in a state that has very, very few ways to do that.

Again, I'll just close by saying that this is an amendment to an already successful state law.

Please see Attachment #4 – Mr. Nichols' typewritten testimony.

Senator Betsi DeVries, D. 18: Thank you very much, sir. Questions from the Committee? Seeing none, we thank you for your testimony.

Director Nichols: Thank you.

Senator Betsi DeVries, D. 18: Calling on, looks like Sharon Reynolds.

Sharon Reynolds: (Speaking from the back of the room) Yes.

Senator Betsi DeVries, D. 18: With ACT.

Ms. Reynolds: Hi.

Senator Betsi DeVries, D. 18: Good morning.

Ms. Reynolds: Madam Chair and members of the Committee, my name's Sharon Reynolds. I'm a resident of Dover, and I'm a consumer of both the COAST services that Rad Nichols' organization offers and Wildcat Transit that the University of New Hampshire offers. I'm a member of ACT as a consumer of Community Partners services; that's how I got involved. And ACT stands for the Alliance for Community Transportation, which right now is an ad hoc group that is seeking to become a member of ... become a regional coordinating committee, reporting to the state coordinating committee as they're trying to set up a brokered transportation system from Wakefield-Brookfield all the way down to the Seabrook line, or into Seabrook, I should say.

I'm here as a consumer of transportation services, and I agree that it is a user fee, but we're the state of user fees. So, from my perspective, it's nothing unique about this approach. I think ... The only way I disagree with Bruce is that I think you can't spend enough money. I would lift it above twenty-five dollars, if I could, but I know we're in tough economic times. But when we're in tough economic times, more and more people choose public transportation, over and over again. I've watched ever since the gas prices went haywire and people get hit by hard times. They need public transportation and other transportation services more than ever.

Last year, I think Wildcat services served a million people. That's a lot of trips, and that's a lot of people. I value public transportation. It's my way to get to where I want to go to. It determines my quality of life, because without transportation, I'm stuck. I don't have a car that is roadworthy. So, for me, transportation is a means to get to anywhere I want to go. I had to get a ride here because there is no public transportation to Concord, but that's another issue.

I personally think that there's nothing wrong with charging users an impact fee for the wear and tear they put on the transportation system, because they're getting back benefits. They're getting their roads paved; they're getting sidewalks, and from my perspective, sidewalks are very important because, in Dover, there have been several pedestrian fatalities or near-fatalities, and from my perspective, I don't want to take my life into my hands every time I cross the street, which, in some places in Dover, feels that

way. So, everything that the State enables the localities to do is all the better, from my perspective.

So, I would encourage you to pass this bill, and I encourage you to retain the twenty-five dollar fee. I know it's a high number, but it's not like it's coming out of anyone's pocket right away. The localities can decide in their various ways how that money is spent, so I think it's giving local control. And I know a lot of localities like that. I was on the Barrington Conservation Commission, and I know how important local control is to towns and cities. So, I hope you will consider this bill.

Thank you for your consideration.

Senator Betsi DeVries, D. 18: Thank you for your testimony this morning. Questions from the Committee? Seeing none, we thank you.

Ms. Reynolds: Thank you.

Senator Betsi DeVries, D. 18: I have one individual left signed up to speak; one individual not indicating. I have, need, an indication from Pam Reynolds, if she might be here. Was she planning to speak?

Pam Reynolds: (Speaking from the back of the room) I'm not planning to speak.

Senator Betsi DeVries, D. 18: Not planning to speak. That would leave Scott Bogle, I believe, with the Rockingham Planning Commission. Thank you, Scott.

Scott Bogle: Good morning, Madam Chair and members of the Committee. My name's Scott Bogle, and I'm a Senior Transportation Planner with the Rockingham Planning Commission. I'd like to express the Commission's support for Senate Bill 136. This measure was, actually, part of the list of legislative priorities that was established by the Commission for this legislative session and was adopted unanimously by the Commission's board of commissioners, which represents twenty-six communities across Rockingham County.

We see the fee as valuable for municipalities in funding a range of local transportation needs, from road maintenance and intersection safety improvements to sidewalks, to increasing access to public transportation. In the RPC region, there are three communities, currently, that charge this fee: Exeter, Greenland, and Seabrook. We have received inquiries from a number

of other communities about the process for adopting the fees. We anticipate that other communities will be looking to use this in the coming years.

We've particularly promoted it to communities as a mechanism outside the property tax for establishing a dedicated source of funding for expanding access to public transportation. In 2008, we worked with the town of Exeter and now State Representative Donna Schlachman in establishing this fee in Exeter with the proceeds targeted to expanding options for senior transportation. As Bruce Woodruff and Cynthia Copeland have noted, other communities have targeted the funds differently, in particular as matching funding for competitor federal grants under the TE&C match programs or the State Aid Municipal Highway and Bridge Program.

A third area of use that hasn't really been mentioned as yet is generally making up for the declining level of state and federal funding that's available for local transportation infrastructure needs. Over the last decade, the federal highway funds that come to the state have increasingly been absorbed in major projects, such as I-93, leaving fewer funds available for smaller projects in the state highway system that respond to specific local needs. We see this as a policy issue that ultimately needs to be addressed outside of the local option fee, likely involving an increased state commitment, in terms of funding for transportation. But in the meantime, the fee provides a valuable option for communities, in terms of addressing local transportation needs in a timely manner.

Regarding the question that had come up earlier about public support for the fee: the Rockingham Planning Commission, last summer, did regional households surveys as part of updating our long-range transportation plan and, as part of that, asked a number of questions about public support for various revenue generating mechanisms to fund transportation projects. And we specifically asked a question about this fee at the five dollar level, explaining the local controlled aspect of it, and actually found seventy-eight percent of respondents on the survey indicating that they'd support the adoption of this fee in their community. We interpreted that, in part, to be the readily understandable flat nature of the fee, as opposed to a tax, as well as the local control aspect of it: that the adoption of the fee, the level of the fee, and the targeting of the proceeds from the fee are up to the local voters.

One other element I'd note is that the New Hampshire Association of Municipal - pardon me - of Regional Planning Commissions is discussing this measure today and expects to submit testimony subsequent to this hearing.

So, I'd like to reiterate the planning commission's support for the bill, urge your support, and thank you for your attention to our testimony.

Please see Attachment #5 – Mr. Bogle’s typewritten testimony.

Senator Betsi DeVries, D. 18: Thank you very much for your testimony.
Question from Senator Barnes.

Senator John S. Barnes, Jr., D. 17: Thank you, Madam Chair. How many surveys did you send out?

Mr. Bogle: This was a household, telephone-based survey that was done by the UNH Survey Center to 508 randomly generated telephone numbers throughout the RPC region.

Senator John S. Barnes, Jr., D. 17: Follow up?

Senator Betsi DeVries, D. 18: Follow up.

Senator John S. Barnes, Jr., D. 17: Five hundred and eight. Okay.

Mr. Bogle: Yes.

Senator John S. Barnes, Jr., D. 17: Thank you for that answer. Now, how many households are there in that whole district that you represent, approximately? I know you don’t have an exact amount.

Mr. Bogle: I don’t have the number off the top of my head. I would say that, based on the discussion with UNH Survey Center, I believe that’d give us a margin of error in the neighborhood of one to two percent.

Senator John S. Barnes, Jr., D. 17: Thank you. I appreciate your coming in and testifying.

Senator Betsi DeVries, D. 18: Thank you very much for your testimony. Further questions from the Committee? Seeing none, that was the last speaker that I had signed up on Senate Bill 136. And with that, I believe I will close the hearing. Oh, I’m sorry.

Attorney Nancy Johnson: (Speaking from the back of the room) Yeah, I am, too. May I address the Committee?

Senator Betsi DeVries, D. 18: Please come forward.

Attorney Johnson: I’m going to be very, very brief. My name is Nancy Johnson, and I’m here representing the New Hampshire Planners

Association. I found out five minutes ago that we are strongly supporting this bill. I was not aware of that, and I will, rather than reading my testimony, I will leave it with you, because everyone has addressed already what my testimony would include, to respect your time.

Please see Attachment #6 - Attorney Johnson's typewritten testimony.

Attorney Johnson: Thank you.

Senator Betsi DeVries, D. 18: Thank you, Nancy. I'm glad you got in before the gavel.

Attorney Johnson: I am, too.

Senator Betsi DeVries, D. 18: I see somebody else wishing to speak.

Van Chestnut, Chair, New Hampshire Transit Association: (Speaking from the back of the room) If I could have one minute. I'm sorry I didn't have a chance to...

Senator Betsi DeVries, D. 18: You need to come forward.

Chairman Chesnut: ...sign in.

Senator Betsi DeVries, D. 18: We just ask if you would be brief, as we are quite overdue for our next hearing.

Chairman Chesnut: Madam Chairman, members of the Committee, Van Chestnut, Chair of the New Hampshire Transit Association.

Senator Betsi DeVries, D. 18: Clarification of the last name?

Chairman Chesnut: C-H-E-S-N-U-T, no T in the middle. One of the reasons you've heard so much about public transportation this morning, even though this isn't a public transportation bill, is that there's about a half dozen states in the country that don't invest any state dollars in public transportation; of the remainder that do, New Hampshire consistently ranks last. So, that means in New Hampshire, local communities rely more heavily on local sources of funding, and particularly the property tax, to pay for their public transportation investments.

So, that's why a number of communities in the area I work in, Hanover, Lebanon: those are two communities that have adopted this fee and are

ML

using it for a variety of purposes, including public transportation. And Lebanon City Council specifically, in their budget deliberations this year, expressed that they're in favor of having the option to see this increased. They adopted this a couple years ago, use it for public transportation.

And I thank you for your time.

Senator Betsi DeVries, D. 18: Thank you. I would just ask for clarification. First, the organization you said you were representing today?

Chairman Chesnut: New Hampshire Transit Association.

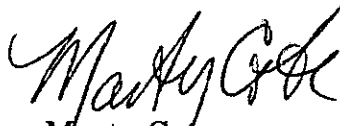
Senator Betsi DeVries, D. 18: Questions from the Committee? Seeing none, thank you very much, Van.

Chairman Chesnut: Thank you.

Senator Betsi DeVries, D. 18: With that, I will close the hearing on Senate Bill 136.

Hearing concluded at 9:55 a.m.

Respectfully submitted,



Marty Cote
Senate Secretary
3/30/09

6 Attachments

TITLE XXI

MOTOR VEHICLES

CHAPTER 261

CERTIFICATES OF TITLE AND REGISTRATION OF VEHICLES

Municipal Permits for Registration

Section 261:153

261:153 Fees for Registration Permits. –

I. The treasurer of each city, or such other person as the city government may designate, and the town clerk of each town shall collect fees for such permits as follows: on each vehicle offered for registration a sum equal to 18 mills on each dollar of the maker's list price for a current model year vehicle, 15 mills on each dollar of the maker's list price for the first preceding model year vehicle, 12 mills on each dollar of the maker's list price for the second preceding model year vehicle, 9 mills on each dollar of the maker's list price for the third preceding model year vehicle, 6 mills on each dollar of the maker's list price for the fourth preceding model year vehicle, and 3 mills on each dollar of the maker's list price for the fifth preceding model year vehicle and any model year prior thereto. In no event, however, shall the fee be less than \$5. Registration permit fees for construction equipment, as defined in RSA 259:42, shall be governed by RSA 261:64. The director shall make the final determination of any vehicle model year in any case in which a dispute arises. The fee collected hereunder for a vehicle used only in the manner and for the purposes specified in RSA 261:82 shall be \$5; and provided further, that the fee collected hereunder for a farm tractor shall be \$5. In cases of doubt, the director may investigate for the purpose of determining eligibility for limited purpose registrations.

II. In all cases the manufacturer's list price shall be rounded off to the nearest \$100 and the actual permit fee shall be rounded off to the nearest dollar.

III. If the permit is issued for a vehicle specified in RSA 261:141, III in a month other than the month in which the anniversary of the owner's birth occurs, the amount of the permit fee shall be changed as follows:

(a) If the month in which the anniversary of the owner's birth occurs will be one of the next 4 months, the permit fee shall be increased by 1/12 for each whole month or part thereof remaining until the end of the month in which such anniversary will occur and the owner shall not be required to obtain a permit for the next registration period.

(b) In all other cases for vehicles specified in RSA 261:141, III the permit fee shall be determined by multiplying 1/12 of the permit fee for the vehicle times the total number of whole months and any part of a month remaining until the end of the month in which the anniversary of the owner's birth occurs, and the owner shall be required to obtain a permit for the next registration period.

IV. Each designated city official as the city government may designate and the town clerk of each town shall use the straight line method in computing fees stipulated in paragraph I for any registration. The straight line method means that no registrant shall pay less or more than 12 months at each stipulated mill rate, whether such 12 months extend over one or more registration periods. The mill rate to be charged on a vehicle originally offered for registration by a registrant shall be based on the year of manufacture of the said vehicle and shall continue for the next 12 months, including the month of registration. For each successive 12 months registration of the same vehicle thereafter, whether or not such 12 months registration extends beyond one or more registration periods, the fees to be charged

shall be computed successively at the next lower mill rate; provided, that the minimum rate to be charged for any registration shall always be 3 mills on each dollar of the maker's list price of a vehicle.

V. Beginning July 1, 1989, in addition to each registration fee collected under paragraph I, there may be collected an additional fee for the purposes of a town reclamation trust fund as established in RSA 149-M:18. Of this amount, \$.50 shall be retained by the city official designated by the city government or by the town clerk for administrative costs and the remaining amount shall be deposited into the reclamation trust fund established by the town for the purpose of paying collection and disposal fees for the town's motor vehicle waste. For the purposes of this paragraph, "motor vehicle waste" means "motor vehicle waste" as defined in RSA 149-M:18. A town which collects such additional fees shall not charge a disposal fee for motor vehicle waste at the town's solid waste disposal facility. If a town finds the additional fee is not sufficient to cover fees for collection and disposal of town motor vehicle waste, it shall notify the office of energy and planning. The office shall study the fee in accordance with RSA 4-C:1 and make recommendations, if necessary, for increases in the fee. The additional fee schedule shall be graduated by class of vehicle as follows:

(a) The fee for heavy vehicles, including mobile homes and house trailers, heavy trucks and truck-tractors whose gross weight exceeds 18,000 pounds, and buses shall be \$5.

(b) Unless otherwise provided, the fee for automobiles, light vehicles including trucks, and commercial motorized vehicles including tractor trailers, shall be \$3.

(c) Unless otherwise provided, the fee for special use vehicles including all-terrain vehicles, agricultural and farm vehicles, and historic vehicles and for 2-wheeled vehicles including mopeds, motorcycles, and non-motorized car and boat trailers, shall be \$2.

VI. (a) Beginning on July 1, 1997, in addition to the motor vehicle registration fees collected under paragraphs I and V, the legislative body of a municipality may vote to collect an additional fee for the purpose of supporting a municipal and transportation improvement fund, which shall be a capital reserve fund established for this purpose and governed by the provisions of RSA 34 and RSA 35 for cities and towns, respectively. Of the amount collected, up to 10 percent, but not more than \$0.50 of each fee paid, may be retained by the local official designated by the municipal government or by the town or city clerk for administrative costs. The remaining amount shall be deposited into the municipal transportation improvement fund established to allow a community to fund, wholly or in part, improvements in the local or regional transportation system including roads, bridges, bicycle and pedestrian facilities, parking and intermodal facilities and public transportation. The funds may be used for engineering, right-of-way acquisition, and construction costs of transportation facilities, and for operating and capital costs of public transportation only. The funds may be used as matching funds for state or federal funds allocated for local or regional transportation improvements. Such funds shall be appropriated by the legislative body of the municipality for the purposes provided in this paragraph only and shall not be used to offset any other non-transportation appropriations made by the municipality.

(b) The maximum fee charged under this paragraph shall be \$5. The municipality shall establish the required fee, up to the maximum amount allowable, based on anticipated funding needs for transportation improvements. The additional fee shall be collected from all vehicles, both passenger and commercial, with the exception of all terrain vehicles as defined in RSA 215-A:1, I-b and antique motor vehicles or motorcycles, as defined in RSA 259:4.

(c) Any town or city may adopt the provisions of subparagraphs (a) and (b) for an optional additional motor vehicle registration fee to fund municipal transportation improvements in the following manner:

(1) In a town, the question shall be placed on the warrant of a special or annual town meeting under the procedures set out in RSA 39:3, and shall be voted on by ballot. In a city, the legislative body may consider and act upon the question in accordance with their normal procedures for passage of resolutions, ordinances, and other legislation. The legislative body of a city may vote to place the question on the official ballot for any regular municipal election, or in the alternative, shall place the question on the official ballot for any regular municipal election upon submission to the legislative body of a petition signed by 5 percent of the registered voters.

(2) The selectmen or city council shall hold a public hearing on the question at least 15 days but not more than 30 days before the question is to be voted on. Notice of the hearing shall be posted in at least 2 public places in the municipality and published in a newspaper of general circulation at least 7 days before the hearing.

(3) A town or city may choose to restrict the use of the municipal transportation improvement fund to one or more of the transportation system modes provided for in paragraph VI(a). Any such restriction shall be so stated in the wording of the question.

(d) If a majority of those voting on the question vote "Yes," the additional motor vehicle registration fee shall apply within the town or city on the date set by the selectmen or the city council.

(e) (1) A town or city may consider rescinding its action in the manner described in subparagraph (c). The wording of the question shall be the same as that was adopted by the town or city, except the word "adopt" shall be changed to "rescind."

(2) If a majority of those voting on the question vote "Yes," following the action taken to rescind, the additional motor vehicle registration fee shall not apply within the town or city.

Source. 1919, 55:5. 1921, 120:3. 1925, 136:1. PL 100:14. 1927, 12:1. 1933, 29:1. 1941, 75:1. RL 116:20. 1945, 81:1. 1953, 130:2. RSA 260:27. 1963, 184:2. 1965, 153:2. 1975, 497:9. 1976, 3:3, 7. 1977, 314:4. 1979, 215:2. 1981, 146:1; 446:1, 2. 1983, 285:12. 1989, 263:9. 1991, 225:2. 1994, 42:2, 3. 1996, 251:10. 1998, 4:1. 1999, 265:1. 2003, 319:9, eff. July 1, 2003. 2004, 257:44, eff. July 1, 2004.



TOWN OF DURHAM
15 NEWMARKET ROAD
DURHAM, NH 03824-2898
Tel: 603/868-5571
Fax: 603/868-5572

February 4, 2009

Public and Municipal Affairs Committee
N.H. State Senate
107 N. Main Street
Concord, New Hampshire 03301

Re: **Senate Bill 136-FN**

Dear Honorable Members of the Committee:


This letter is submitted in regard to Senate Bill 136-FN, an act relative to the motor vehicle registration fee supporting a municipal and transportation improvement fund.

The Town of Durham has adopted the provisions of RSA 261:153 VI at the \$5 per vehicle level. A total of 6,477 vehicles are registered in the community resulting in an annual contribution of approximately \$32,385 toward our municipal transportation and improvement fund.

As long as the fee charged under this paragraph remains at the local option, the Town of Durham would be supportive of municipalities having the ability to tailor the program to meet their own unique transportation and planning needs. The \$25 maximum would be an appropriate cap at this time.

Do not hesitate to contact me should you have further questions in regard to this or any other matter.

Very truly yours,



Todd I. Selig
Administrator

cc: Senator Amanda Merrill, District 21
Cynthia Copeland, Strafford Regional Planning Commission
James Campbell, Durham Dir. Planning & Community Development
Maura Carroll, New Hampshire Municipal Association



The Senate of the State of New Hampshire

107 North Main Street, Room 302, Concord, N.H. 03301-4951

AMANDA MERRILL
District 21

Office 271-7803

TTY/TDD
1-800-735-2964

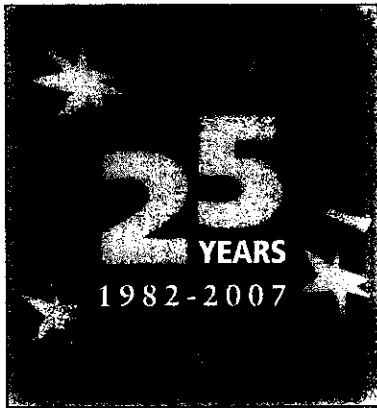
SB 136-FN Summary

Sen. Amanda Merrill

Senate Public and Municipal Affairs Committee

February 5, 2009

- Since 1997, municipalities have had the option of collecting a municipal and transportation improvement fee as part of their motor vehicle registration fees (see RSA 261:153 VI)
- Fees go into a municipal and transportation improvement fund and may be used for improvements to local and regional transportation systems, including roads and bridges, bicycle and pedestrian facilities, and intermodal facilities. Funds may be used as match for state and federal funds for local and regional transportation improvements.
- The maximum fee has remained at \$5.00 since 1997.
- SB 136 would give municipalities the option of collecting a maximum fee of \$25.00, subject to existing law regarding procedure for adoption of the fee.



Written Testimony in Support of Senate Bill 136

I/we are in favor of this bill as it enables communities another choice on how they desire to meet their transportation needs within their community.

This amendment is necessary to enable communities the ability to keep up with inflation and the increased needs of their community transportation network without affecting local property taxes.

For public transit this is one of the very few mechanisms in place that communities can and are using to support our operations and leveraging available federal funds. In Dover, the new FastTrans service initiated in December is supported by the City's transportation Improvement Fund. In Exeter, the fund is being used to support the increased transportation needs of the growing elderly and disabled populations in their community.

This is an amendment to an already successfully implemented RSA.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Rad Nichols".

Rad Nichols
Executive Director

COAST

Cooperative Alliance for
Seacoast Transportation

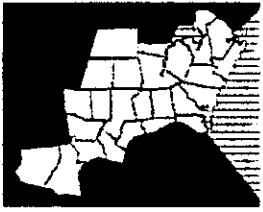
42 Sumner Drive

Dover, NH 03820

603-743-5777

603-743-5786 Fax

www.coastbus.org



Rockingham Planning Commission

156 Water Street, Exeter NH 03833
 PH: 603-778-0885 • FX: 603-778-9183
email@rpc-nh.org • www.rpc-nh.org

February 5, 2009

Senator Betsi DeVries, Chair
 Senate Committee on Public and Municipal Affairs
 Statehouse Room 106
 107 North Main Street
 Concord, NH 03301

RE: SB136 Regarding local vehicle registration fees and municipal transportation improvement funds

Dear Senator Devries and Members of the Committee,

On behalf of the Rockingham Planning Commission (RPC) I would like to express support for SB 136, which would increase from \$5.00 to \$25.00 the amount that municipalities may charge as a supplemental vehicle registration fee to fund local transportation improvements. This change to RSA 261:153 was identified as one of the RPC's top legislative priorities for 2009, and endorsed unanimously by the RPC Commissioners, representing 26 communities across Rockingham County.

We see the fee as a valuable tool for municipalities in funding transportation needs ranging from intersection safety improvements and road maintenance to sidewalk expansion and public transportation. Three towns in the RPC region currently charge the fee – Exeter, Seabrook and Greenland - and we have received inquiries from other communities such that we anticipate expanded use of it in the coming years. The RPC worked closely with the Town of Exeter in establishing the fee in 2008, with the proceeds targeted to expanding transit options for senior citizens.

Municipalities have used the fee with success to meet a range of transportation funding needs:

- Providing a dedicated funding stream outside of the local property tax to support local and regional public transportation services, which receive very little operating support from the State;
- Providing a non-lapsing transportation fund that towns can accumulate and use to supply required local match to state-aid municipal bridge and highway projects, or competitive federal grant programs such as Transportation Enhancements (TE) or Congestion Mitigation Air Quality (CMAQ) funding;
- Providing a local share for roadway improvements to be built with impact fees collected from developers, and
- Generally making up for declining state and federal funding available for local transportation infrastructure.

Over the past decade Federal highway funds received by the state have been increasingly absorbed by major projects such as I-93, with fewer resources allocated by NHDOT to invest in smaller projects on the state highway system that address more local needs. While this is a policy issue that needs to be addressed apart from the local option fee, in part with an increased State commitment to transportation funding, RSA 261:153 expands communities' options for generating local funds to get critical projects done in a timely manner.

SB136 provides for additional flexibility to municipalities in using this tool, while continuing to leave adoption of the fee and use of its revenues up to local voters, and we urge you to support its passage.

Thank you for your consideration of this testimony.

Sincerely,

Scott Bogle
 RPC Senior Transportation Planner



Executive Committee

Jennifer Czysz
President

James Campbell
Vice President

Mikaela Engert
Secretary

Benjamin Frost, Esq., AICP
Treasurer

Kerrie Diers, Esq., AICP
*Professional
Development Officer*

Pierce Rigrod
Newsletter Editor

Clayton Mitchell, Esq. PhD
Legislative Liaison

Sarah Marchant
Public Information Officer

Christa Koehler
Sustainability Coordinator

Tim Thompson
*Ex Officio
NNECAPA*

**P.O. Box 617
Concord, NH 03302-0617
603-224-7447
www.nhplanners.org**

February 5, 2009

The Honorable Betsi L. DeVries, Chair
Senate Public and Municipal Affairs
Legislative Office Building, Room 103
Concord, NH 03301

Subject: *SB 136, relative to the motor vehicle registration fee supporting a municipal and transportation improvement fund.*

Dear Senator DeVries:

The New Hampshire Planners Association is pleased to express its support for SB 136, which will increase the maximum limit for contributions to the municipal and transportation improvement fund from the motor vehicle fee.

This optional charge collected during motor vehicle registration is currently limited to \$5.00. Raising the maximum gives municipalities the ability to generate additional revenues needed to meet the increasing burden of providing and maintaining our transportation infrastructure and developing alternative transportation options. Making the connection between local motor vehicles and local transportation improvements is a reasonable way to secure funds for these costs from the beneficiaries of these facilities in the context of reduced federal and state support for transportation investments.

We recognize the difficult economic times and are confronted on a daily basis with the degradation of our transportation infrastructure. There is no easy solution to this tension. Communities however must continue to secure these facilities and need to find a balanced and rational way to raise the funds necessary to do so as more and more responsibilities are shifted down to the local level. This fee is optional and requires the approval of the local legislative body.

Raising the maximum level charged under RSA 261:153, VI(b) provides a more effective, yet optional, method for municipalities to secure funds for these improvements and the New Hampshire Planners urges your committee to recommend the passage of SB 136. Thank you for your consideration of our testimony.

Sincerely,

Clayton R. Mitchell Esq., Ph.D.
Legislative Liaison

Speakers

Senate Public and Municipal Affairs Committee: Sign-In Sheet

Date: February 5, 2009

Time: 9:00 a.m. Public Hearing on SB 136-FN

SB 136-FN

relative to the motor vehicle registration fee supporting a municipal and transportation improvement fund.

Name	Representing	Support	Oppose	Speaking?	Yes	No
		<input type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input type="checkbox"/>
X Judy Silva	NHMA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sen Fuller-Crane	Dis. 2A	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
X Bo:3 Scullen	NHMA ^{of transport}	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
X Cynthia Copeland	SRPC ^{traffic}	<input type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
X Bruce Woodruff	Dover	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Ken Hazette	Granish State Independent Living	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
X Rod Wilkels	COAST	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
X Sherryl Reynolds	AET ^{All-Comm Trans.}	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rep Schlachman	Rock Dist 13	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mickey McIver	EASTER SEALS	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Erin Bode	Rockingham Planning Commission	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Gary Abbott	AGC of NH	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Fam Reynolds	Laconia	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
X Sea Merrill	Prime -	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Nancy Johnson	NH Planners Assoc	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Van Chestnut	NH Trans Assoc	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input type="checkbox"/>

Testimony



State of New Hampshire

HOUSE OF REPRESENTATIVES

CONCORD

Submission a

To: Sen. DeVries and Honorable Members of
Public and Municipal Affairs Committee

From: Rep. Schlachman,
Rock. 13, Exeter, Stratham, North Hampton

Date: February 5, 2009

Re SB 136 relative to the motor vehicle registration for supporting a
municipal and transportation improvement fund

I am pleased to co-sponsor SB 136, a bill that seeks to increase the limit of the "Local Option Fee" towns can set on vehicle registrations. In communities that have instituted this fee, it has become an important mechanism by which public transportation projects can be supported without raising the property tax.

Presently, several towns in the Seacoast area, including my own, have passed the Local Option Fee. Raising the limit will provide greater flexibility with regard resource development and allocation. For example, in those NH towns already using the Local Option Fee to fix roads and sidewalks, raising the limit will mean they can support other activities, such as senior transportation services, without compromising projects historically funded with the LOF.

My town, Exeter, passed the LOF last March and designated the funds to be used for transportation for the elderly. This has provided stable funding to our senior transportation programs that provide over 5000 rides each year - most of which are to medical appointments, pharmacies and grocery stores.

I hope that you will support this enabling legislation. By raising the fee limit, towns have the option of using a relatively stable source of revenue to address growing public transportation needs.

Donna Schlachman

Voting Sheets

Senate Public & Municipal Affairs Committee

EXECUTIVE SESSION

Bill # SB136

Hearing date: 2/5/09
 Executive session date: 2/19/09
 Motion of: ITL

Room: Room 103, LOB

VOTE: 3-2

Made by DeVries
Senator: Houde
 Sgambati
 Roberge
 Barnes

Seconded DeVries
by Senator: Houde
 Sgambati
 Roberge
 Barnes

<u>Committee Member</u>	<u>Present</u>	<u>Vote</u> (Y/N)	<u>Reported out by</u>
Senator DeVries, Chairman	<input checked="" type="checkbox"/>	No	
Senator Houde, Vice-Chair	<input checked="" type="checkbox"/>	No	
Senator Sgambati	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Senator Roberge	<input checked="" type="checkbox"/>		
Senator Barnes	<input checked="" type="checkbox"/>		

*Amendments: _____

NOTES: _____

Committee Report

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE

Date: February 19, 2009

THE COMMITTEE ON Public and Municipal Affairs

to which was referred Senate Bill 136-FN

AN ACT relative to the motor vehicle registration fee supporting a
 municipal and transportation improvement fund.

Having considered the same, the committee recommends that the Bill:

IS INEXPEDIENT TO LEGISLATE

BY A VOTE OF: 3 - 2

AMENDMENT # s

Senator Kathleen G. Sgambati
For the Committee

Marty Cote 271-3045

New Hampshire General Court - Bill Status System

Docket of SB136

Docket Abbreviations

Bill Title: relative to the motor vehicle registration fee supporting a municipal and transportation improvement fund.

Official Docket of SB136:

Date	Body	Description
01/08/2009	S	Introduced and Referred to Public and Municipal Affairs; SJ2, Pg.29
01/27/2009	S	Hearing; February 5, 2009, Room 103, LOB 9:00 a.m.; SC 9
02/19/2009	S	Committee Report; Inexpedient to Legislate [03/04/09];
03/04/2009	S	Inexpedient to Legislate [Not Voted On]
03/04/2009	S	Sen. Sgambati Moved Laid on Table, MA, VV; SJ 6 , Pg.79

 NH House

NH Senate

Contact Us

New Hampshire General Court Information Systems
 107 North Main Street - State House Room 31, Concord NH 03301

Other Referrals

COMMITTEE REPORT FILE INVENTORY

SB136 ORIGINAL REFERRAL

RE-REFERRAL

1. THIS INVENTORY IS TO BE SIGNED AND DATED BY THE COMMITTEE SECRETARY AND PLACED INSIDE THE FOLDER AS THE FIRST ITEM IN THE COMMITTEE FILE.
2. PLACE ALL DOCUMENTS IN THE FOLDER FOLLOWING THE INVENTORY IN THE ORDER LISTED.
3. THE DOCUMENTS WHICH HAVE AN "X" BESIDE THEM ARE CONFIRMED AS BEING IN THE FOLDER.
4. THE COMPLETED FILE IS THEN DELIVERED TO THE CALENDAR CLERK.

DOCKET (Submit only the latest docket found in Bill Status)

COMMITTEE REPORT

CALENDAR NOTICE on which you have taken attendance

HEARING REPORT (written summary of hearing testimony)

HEARING TRANSCRIPT (verbatim transcript of hearing)

List attachments (testimony and submissions which are part of the transcript) by number [1 thru 4 or 1, 2, 3, 4] here: Attachments 1 thru 6

SIGN-UP SHEET

ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE:

___ - AMENDMENT # _____ - AMENDMENT # _____
___ - AMENDMENT # _____ - AMENDMENT # _____

ALL AVAILABLE VERSIONS OF THE BILL:

AS INTRODUCED _____ AS AMENDED BY THE HOUSE
___ FINAL VERSION _____ AS AMENDED BY THE SENATE

PREPARED TESTIMONY AND OTHER SUBMISSIONS (Which are not part of the transcript)

List by letter [a thru g or a, b, c, d] here: Submission a.

EXECUTIVE SESSION REPORT

___ OTHER (Anything else deemed important but not listed above, such as amended fiscal notes):

IF YOU HAVE A RE-REFERRED BILL, YOU ARE GOING TO MAKE UP A DUPLICATE FILE FOLDER

DATE DELIVERED TO SENATE CLERK

6/29/09
~~3/31/09~~

Marilyn Cole
COMMITTEE SECRETARY