

# Bill as Introduced

SB 156-FN-LOCAL – AS INTRODUCED

2011 SESSION

11-0930  
03/05

SENATE BILL

***156-FN-LOCAL***

AN ACT authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

SPONSORS: Sen. Sanborn, Dist 7; Sen. Lambert, Dist 13; Sen. Bragdon, Dist 11; Sen. Luther, Dist 12; Sen. Merrill, Dist 21; Sen. Gallus, Dist 1; Sen. White, Dist 9; Sen. Bradley, Dist 3; Sen. Rausch, Dist 19; Sen. Morse, Dist 22; Sen. Groen, Dist 6; Sen. Carson, Dist 14; Sen. De Blois, Dist 18; Sen. Forsythe, Dist 4; Rep. T. Keane, Merr 13; Rep. Cohn, Merr 6; Rep. Kreis, Merr 6; Rep. Jennifer Coffey, Merr 6; Rep. Bettencourt, Rock 4

COMMITTEE: Commerce

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ANALYSIS

This bill authorizes retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

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Explanation: Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears [~~in brackets and struck through.~~]  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Eleven*

AN ACT authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

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

1 1 Statement of Purpose.

2 I. This bill known as Electronic Vehicle Registration (EVR) law will allow New Hampshire  
3 residents to choose the most convenient place to register their newly purchased vehicle: their town  
4 or city hall or the New Hampshire dealership where it was purchased.

5 II. Currently, New Hampshire residents and businesses can only register their vehicles at  
6 town or city halls. In more than 30 other states, customers can choose to electronically register their  
7 vehicle at the dealership. These dealers securely and quickly electronically transmit the official local  
8 and state fees and data to the appropriate entity. This bill seeks to replicate the success in those  
9 states.

10 III. This bill will:

11 (a) Allow customers to securely register their vehicles at dealerships but only at time of  
12 sale of the vehicle.

13 (b) Improve customer service at the towns, cities, state and dealerships.

14 (c) Allow law enforcement access to temporary plate information.

15 (d) Allow New Hampshire dealers to collect and electronically remit the official fees,  
16 securely and promptly, to the towns or cities and the state as they have successfully done in other  
17 states.

18 (e) Allow towns and cities and the state to collect revenues more quickly and safely.

19 IV. Current town revenues are to stay with the towns. The fees collected by dealer agents  
20 will be transmitted to the same government entity where the fees are currently sent or collected.  
21 This includes the registration permits fees (RSA 261:153, I), town clerk fee (RSA 261:152), title  
22 application fee (RSA 261:4, IV), municipal agent fee (RSA 261:74-d), waste reclamation fee  
23 (RSA 261:153, V), municipal transportation improvement fee (RSA 261:153, VI), collection of permit  
24 fees in unorganized places (RSA 261:160), and the public parking facilities fee (RSA 261:154).

25 2 New Paragraph; Notification of Unpaid Fines. Amend RSA 231:130-a by inserting after  
26 paragraph II the following new paragraph:

27 III. The town or city clerk may provide the notifications permitted by subparagraphs I(b)  
28 and I(c) to electronic vehicle registration integrators operating under an agreement with the  
29 department of safety pursuant to RSA 261:74-s.

30 3 Bond Required. Amend RSA 261:98, I to read as follows:

1 I.(a) Every retail vehicle dealer as defined in RSA 259:89-a, every auto wholesale dealer as  
2 defined in RSA 259:5-a, every automotive recycling dealer as specified by RSA 261:123, and certain  
3 utility dealers as defined by RSA 259:121 if required by rule of the commissioner, shall obtain a bond  
4 or equivalent proof of financial responsibility as described in paragraph VI, and continue in effect a  
5 surety bond or other equivalent proof of financial responsibility satisfactory to the department in the  
6 amount of \$25,000 executed by a surety company authorized to transact business in the state by the  
7 insurance department.

8 (b) The bond or its equivalent shall only be for the benefit of:

9 (1) A natural person who purchases a vehicle from a dealer, an automotive recycling  
10 dealer, or a utility dealer, and who suffers loss on account of:

11 [(a)] (A) The dealer's default or nonpayment of all valid bank drafts, including checks,  
12 drawn by the dealer for the purchase of motor vehicles;

13 [(b)] (B) The dealer's failure to deliver in conjunction with the sale of a motor vehicle a  
14 valid motor vehicle title certificate free and clear of any prior owner's interests and all liens except a  
15 lien created by or expressly assumed in writing by the buyer of the vehicle;

16 [(c)] (C) The motor vehicle purchased from the dealer was stolen; or

17 [(d)] (D) The dealer's intentional or knowing failure to disclose the vehicle's actual  
18 mileage at the time of sale.

19 (2) *A New Hampshire town or city or the state of New Hampshire which*  
20 *suffers loss on account of:*

21 (A) *The dealer's failure to collect all official fees related to motor vehicle*  
22 *registration, registration renewal, registration transfer, and title applications required*  
23 *and permitted under this chapter; or*

24 (B) *The dealer's nonpayment of all official fees collected to register a*  
25 *motor vehicle, renew a registration, transfer a registration, or title a vehicle.*

26 (c) *Subparagraph (b)(2) shall apply to only those dealers who are dealer agents*  
27 *appointed pursuant to RSA 261:74-h. Subparagraph (b)(2), if applicable, shall not require*  
28 *the dealer to obtain a separate bond.*

29 4 New Subdivision; Registration by Dealer Agents. Amend RSA 261 by inserting after section  
30 74-g the following new subdivision:

31 Registration by Dealer Agents

32 261:74-h Appointment of Dealer Agents. Subject to the direction and approval of the  
33 commissioner, the director may appoint retail vehicle dealers meeting the requirements of  
34 RSA 261:103-a as agents to process motor vehicle registrations, registration renewals, or registration  
35 transfers and title applications in conjunction with the sale of a new or used vehicle by said dealer.

36 261:74-i Duration of Appointment. The director shall appoint those dealers that meet the  
37 reasonable security requirements and other requirements as set forth in this chapter and in rule.

1 The appointment of any dealer for the purposes of this subdivision shall continue only as long as the  
2 ownership of the dealer remains the same, except as provided in RSA 261:74-j and RSA 261:74-q. In  
3 case of a transfer of ownership, the new owner may apply to become a dealer agent.

4 261:74-j Qualifications and Training of Dealer Agents. No dealer shall be appointed as an agent  
5 unless the dealer principal or its staff meet the qualifications and successfully complete the training  
6 programs established under RSA 261:74-r. No dealer agent may perform the duties required under  
7 this subdivision unless the dealer principal or its staff continues to meet the reasonable qualification  
8 and training requirements.

9 261:74-k Duties of Dealer Agents. Each dealer agent or its staff shall perform all the duties  
10 necessary to register motor vehicles, renew motor vehicle registrations, transfer motor vehicle  
11 registrations, and process title applications unless the director determines otherwise. Dealers shall  
12 be responsible to the division, or towns and cities where applicable, for any inventory of title  
13 applications, registration forms, and any other materials issued to them and for all moneys collected.

14 261:74-l Security and Record-Keeping Requirements. Before receiving title applications,  
15 registration forms, and any materials related to electronic vehicle registration, dealer agents shall  
16 adopt and implement security and record-keeping requirements satisfactory to the director.

17 261:74-m Examination of Dealer Agent Records. Any dealer appointed as an agent pursuant to  
18 this subdivision shall be deemed to have given its consent for authorized agents of the department  
19 and any auditor employed or commissioned by the state of New Hampshire or the municipality to  
20 examine, during usual business hours and with reasonable notice, the records required to be  
21 preserved under this chapter; provided no such agent shall be subjected to unnecessary or  
22 unreasonable examinations or investigations.

23 261:74-n Collection of Fees.

24 I. Dealer agents shall collect the fees required to process motor vehicle registrations,  
25 registration renewals, transfers of registrations, and title applications as set forth this chapter.

26 II. When a dealer agent processes motor vehicle registrations, the towns and cities shall  
27 receive the following fees through the dealer agent: the registration permit fee under RSA 261:153,  
28 I, town clerk fee under RSA 261:152, the title application fee under RSA 261:4, IV, the municipal  
29 agent fee under RSA 261:74-d, the waste reclamation fee under RSA 261:153, V, the municipal  
30 transportation improvement fee under RSA 261:153, VI, the collection of permit fees in unorganized  
31 places under RSA 261:160, and the public parking facilities fee under RSA 261:154.

32 III. When a registration permit applicant resides in a town that assesses, levies, or collects a  
33 resident tax pursuant to RSA 72:1, the applicant shall comply with the provisions of RSA 261:71  
34 either by showing or causing to be shown to the dealer agent a tax receipt or by executing the  
35 affidavit permitted under RSA 261:71 at the time of sale; however, if a resident tax town  
36 electronically shares resident tax data with the electronic vehicle registration integrator, an

1 applicant shall not be permitted to register a vehicle if such data reveals that the applicant is  
2 delinquent in paying the resident tax.

3 IV. If the applicant resides in a town or city which has adopted the provisions of  
4 RSA 231:130-a and the town or city has provided notification of unpaid fines to the electronic vehicle  
5 registration integrator pursuant to 231:130-a, III, a dealer agent shall not issue a registration permit  
6 to the applicant unless the town or city clerk's records reveal no outstanding parking violations in  
7 this state.

8 261:74-o Optional Electronic Vehicle Registration Charge. Each dealer agent may collect a  
9 charge from the consumer to transmit the registration and title data and the fees collected required  
10 to register a motor vehicle, renew a motor vehicle registration, transfer a motor vehicle registration,  
11 or title a motor vehicle. This optional charge is in addition to other dealership fees or charges and  
12 the fees otherwise required to register a motor vehicle, transfer a motor vehicle registration, renew a  
13 motor vehicle registration, or title a motor vehicle. The charge shall be separately stated and  
14 identified as "optional electronic vehicle registration charge" on the purchase agreement between  
15 customer and dealer-agent. If a customer declines to pay the optional electronic vehicle registration  
16 charge, the dealer agent is not required to register or title the vehicle or collect the required fees.

17 261:74-p Proof of Residency. A dealer agent shall not process any vehicle registration,  
18 registration renewal, or transfer of motor vehicle registrations of a natural person unless the  
19 applicant has provided to the dealer agent a current New Hampshire driver's license or New  
20 Hampshire nondriver's picture identification card with an address matching the application to be  
21 transmitted. Dealer agents shall not process registrations for homeless residents without a  
22 permanent address eligible to register under RSA 261:52-c. A dealer agent may register the vehicles  
23 of a corporation or other legal entity with a place of business in this state if the applicant is a  
24 registered business in New Hampshire and in good standing.

25 261:74-q Revocation of Agency Status.

26 I. The director may revoke a dealer's agent status for any violation of law or rule governing  
27 electronic vehicle registration, any violation of the dealer agent's security and record-keeping plan,  
28 revocation or suspension of the dealer license, or any other action that in the director's opinion  
29 adversely affects the registration system. If the director determines that a dealer agent has not  
30 continued to fulfill the requirements of this subdivision or has violated any of the rules adopted  
31 pursuant to this subdivision, the director shall commence a process to suspend or revoke the agent  
32 status of the dealer. The director shall take into account concerns by towns or cities about dealer  
33 agents.

34 II. Any dealer agent whose appointment is sought to be suspended or revoked shall be  
35 afforded the opportunity for a hearing before the bureau of hearings prior to such suspension or  
36 revocation. Following the hearing, the director may suspend or revoke the appointment as dealer

1 agent upon satisfactory evidence of malfeasance, misfeasance, theft, financial instability, or violation  
2 of the rules adopted under this subdivision and that the revocation is in the best interest of the state.

3 III. Upon the revocation of such agency, the dealer agent shall surrender to the department  
4 or its authorized agent all materials issued by the state under the provision of this subdivision and  
5 all records pertaining to all matters authorized by this subdivision.

6 IV. Whenever an authorized auditor of the state of New Hampshire or the department  
7 determines that the public interest requires immediate action, the director may issue a temporary  
8 order suspending the authority of a dealer agent to register or transfer registrations, pending a  
9 hearing.

10 261:74-r Rulemaking. The director shall adopt rules pursuant to RSA 541-A relative to:

11 I. Minimum standards for the qualification of dealer agents and their staffs.

12 II. Minimum security standards for the dealer agent, staff, and dealer agent facility.

13 III. Training requirements and programs for dealer agents and their staffs.

14 IV. The collection, deposit, and remittance of state and local funds pursuant to this  
15 subdivision.

16 V. The completion of required reports and records and their submission to the department.

17 VI. Minimum standards of accuracy, legibility, and timeliness of submission for documents  
18 and reports.

19 VII. The indemnification of the state or town or city in case of loss.

20 VIII. The efficient and economical administration of this subdivision.

21 IX. Revocation and suspension of dealer agent status.

22 X. The ability to enter into agreements with dealer-agents and EVR Integrators.

23 261:74-s Agreements with Electronic Vehicle Registration Integrators.

24 I. Upon approval of the attorney general and governor and council, the department may  
25 enter into an agreement with an electronic vehicle registration integrator to provide, at no cost to the  
26 state, the necessary hardware, software, and network connections between dealer agents and the  
27 department for the electronic transmittal and receipt of registration and title data. The electronic  
28 vehicle registration integrator shall be authorized in the agreement to collect and transfer funds  
29 electronically from the dealers to the department, towns, cities, or town clerks, where appropriate.  
30 The first agreement entered into under this section shall not last longer than 270 days.  
31 RSA 261:141-b shall not apply to electronic transfers to or from an electronic vehicle registration  
32 integrator or a dealer agent. Electronic vehicle registration integrators shall transmit funds within  
33 one business day to the appropriate entity if the entity accepts electronic transfers of funds and  
34 within 30 days to any other entity.

35 II. An agreement under this section shall provide for minimum standards established by the  
36 department and the department of information technology for transfers of data and funds, financial  
37 solvency of the electronic vehicle registration integrator, training of dealer-agents by the electronic

1 vehicle registration integrator, implementation of an electronic vehicle registration integrator "help  
2 line" to assist dealer agents, automatic calculation of all fees required by this chapter, bonding to  
3 indemnify the state, municipalities, and dealers in the event of loss, security, and privacy of motor  
4 vehicle records, access by state-appointed auditors to the records and reports of the electronic vehicle  
5 registration integrator, minimum standards for the accuracy and timeliness of submission of data  
6 and funds, reporting to the state, towns, or cities, transmittal of fees required to register a motor  
7 vehicle, renew a motor vehicle registration, transfer a motor vehicle registration, or title a vehicle  
8 provided said fees are transmitted to the appropriate entity in the manner set forth in this chapter,  
9 conditions for cancellation of the agreement, and the other requirements related to the efficient and  
10 economical administration of this subdivision.

11       5 Report by Commissioner of Safety. Six months after implementation of the first agreement  
12 entered into under the authority of RSA 261:74-s, the commissioner of safety shall submit a report  
13 evaluating the dealer agent program and the use of the electronic vehicle registration integrator.  
14 The report shall include recommendations for improving the program, if any. The commissioner  
15 shall submit the report to each senate and house standing committee with jurisdiction over  
16 transportation and commerce.

17       6 Effective Date. This act shall take effect upon its passage.



**SB 156-FN-LOCAL - AS INTRODUCED**

**- Page 7 -**

LBAO  
11-0930  
02/10/11

**SB 156-FN-LOCAL - FISCAL NOTE**

**AN ACT** authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

**FISCAL IMPACT:**

The Office of Legislative Budget Assistant is unable to complete a fiscal note for this bill as it is awaiting information from the New Hampshire Municipal Association. When completed, the fiscal note will be forwarded to the Senate Clerk's Office.

SB 156-FN-LOCAL - AS AMENDED BY THE SENATE

03/16/11 0807s  
03/30/11 1220s

2011 SESSION

11-0930  
03/05

SENATE BILL ***156-FN-LOCAL***

AN ACT authorizing retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

SPONSORS: Sen. Sanborn, Dist 7; Sen. Lambert, Dist 13; Sen. Bragdon, Dist 11; Sen. Luther, Dist 12; Sen. Merrill, Dist 21; Sen. Gallus, Dist 1; Sen. White, Dist 9; Sen. Bradley, Dist 3; Sen. Rausch, Dist 19; Sen. Morse, Dist 22; Sen. Groen, Dist 6; Sen. Carson, Dist 14; Sen. De Blois, Dist 18; Sen. Forsythe, Dist 4; Rep. T. Keane, Merr 13; Rep. Cohn, Merr 6; Rep. Kreis, Merr 6; Rep. Jennifer Coffey, Merr 6; Rep. Bettencourt, Rock 4

COMMITTEE: Commerce

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AMENDED ANALYSIS

This bill authorizes retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

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Explanation: Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears [~~in brackets and struck through~~].  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

SB 156 – AS AMENDED BY THE SENATE

03/16/11 0807s  
03/30/11 1220s

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STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Eleven*

AN ACT authorizing retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

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

1 1 Statement of Purpose.

2 I. This act known as the Electronic Vehicle Registration (EVR) law will allow New  
3 Hampshire residents to choose the most convenient place for them to register their newly purchased  
4 vehicle: their town or city hall or the New Hampshire dealership where it was purchased.

5 II. Currently, New Hampshire residents and businesses can only register their vehicles at  
6 town or city halls. In nearly 30 other states, customers can choose to electronically register their  
7 vehicle at the dealership. These dealers through an electronic intermediary securely and quickly  
8 electronically transmit the official local and state fees and data to the appropriate entity. This act  
9 seeks to replicate the success in those states.

10 III. This act will:

11 (a) Allow customers to securely register their vehicles at authorized dealerships but only  
12 at time of sale of the vehicle.

13 (b) Improve customer service at the towns, cities, state, and dealerships.

14 (c) Allow law enforcement access to temporary plate information.

15 (d) Allow New Hampshire dealers to collect and electronically remit the official fees,  
16 securely and promptly, to the towns or cities and the state as they have successfully done in other  
17 states.

18 (e) Allow towns and cities and the state to collect their respective revenues more quickly  
19 and safely.

20 (f) Allow towns and cities and the state to quickly integrate moneys and data into their  
21 respective accounting or related software.

22 IV. All current town revenues are to stay with the towns. The fees collected by dealer agents  
23 will be transmitted to the same government entity where the fees are currently sent or collected.  
24 This includes the registration permits fees (RSA 261:153, I), town clerk fee (RSA 261:152), title  
25 application fee (RSA 261:4, IV), municipal agent fee (RSA 261:74-d), waste reclamation fee  
26 (RSA 261:153, V), municipal transportation improvement fee (RSA 261:153, VI), collection of permit  
27 fees in unorganized places (RSA 261:160), and the public parking facilities fee (RSA 261:154).

28 2 New Paragraph; Notification of Unpaid Fines. Amend RSA 231:130-a by inserting after

1 paragraph II the following new paragraph:

2 III. The town or city clerk may provide the notifications permitted by subparagraphs I(b)  
3 and I(c) to electronic vehicle registration integrators operating under an agreement with the  
4 department of safety pursuant to RSA 261:74-s.

5 3 New Sections; Definitions. Amend RSA 259 by inserting after section 29-a the following new  
6 sections:

7 259:29-b EVR Integrator. “EVR integrator” shall mean an electronic vehicle registration  
8 integrator who provides necessary hardware, software, software updates, or network connections  
9 between dealer agents, the department, and towns for the electronic transmittal and receipt of  
10 registration and title data and money.

11 259:29-c EVR Program. “EVR program” means the electronic vehicle registration program that  
12 allows dealer agents to process motor vehicle registrations, permits for registration, or registration  
13 transfers and title applications in conjunction with the sale of a new or used vehicle by said dealer  
14 pursuant to RSA 261:74-h through 261:74-s.

15 4 Bond Required. Amend RSA 261:98, I to read as follows:

16 I.(a) Every retail vehicle dealer as defined in RSA 259:89-a, every auto wholesale dealer as  
17 defined in RSA 259:5-a, every automotive recycling dealer as specified by RSA 261:123, and certain  
18 utility dealers as defined by RSA 259:121 if required by rule of the commissioner, shall obtain a bond  
19 or equivalent proof of financial responsibility as described in paragraph VI, and continue in effect a  
20 surety bond or other equivalent proof of financial responsibility satisfactory to the department in the  
21 amount of \$25,000 executed by a surety company authorized to transact business in the state by the  
22 insurance department.

23 (b) The bond or its equivalent shall only be for the benefit of:

24 (1) A natural person who purchases a vehicle from a dealer, an automotive recycling  
25 dealer, or a utility dealer, and who suffers loss on account of:

26 [~~(a)~~] (A) The dealer’s default or nonpayment of all valid bank drafts, including checks,  
27 drawn by the dealer for the purchase of motor vehicles;

28 [~~(b)~~] (B) The dealer’s failure to deliver in conjunction with the sale of a motor vehicle a  
29 valid motor vehicle title certificate free and clear of any prior owner’s interests and all liens except a  
30 lien created by or expressly assumed in writing by the buyer of the vehicle;

31 [~~(c)~~] (C) The motor vehicle purchased from the dealer was stolen; or

32 [~~(d)~~] (D) The dealer’s intentional or knowing failure to disclose the vehicle’s actual  
33 mileage at the time of sale.

34 (2) *A New Hampshire town or city or the state of New Hampshire which*  
35 *suffers loss on account of:*

36 (A) *The dealer’s failure to collect all official fees related to motor vehicle*  
37 *registration, permits for registration, registration transfer, and title applications required*

1 *and permitted under this chapter; or*

2 *(B) The dealer's nonpayment of all official fees collected to register a*  
3 *motor vehicle, issue a permit for registration, transfer a registration, or title a vehicle.*

4 *(c) Subparagraph (b)(2) shall apply to only those dealers who are dealer agents*  
5 *appointed pursuant to RSA 261:74-h. Subparagraph (b)(2), if applicable, shall not require*  
6 *the dealer to obtain a separate bond.*

7 5 New Subdivision; Registration by Dealer Agents. Amend RSA 261 by inserting after section  
8 74-g the following new subdivision:

9 Registration by Dealer Agents

10 261:74-h Appointment of Dealer Agents. Notwithstanding the provisions of RSA 261:148,  
11 subject to the direction and approval of the commissioner, the director may appoint retail vehicle  
12 dealers meeting the requirements of RSA 261:103-a as agents to process electronically through EVR  
13 integrators motor vehicle registrations, permits for registration, or registration transfers and title  
14 applications in conjunction with the sale of a new or used vehicle by said dealer. The director shall  
15 consult with the New Hampshire City and Town Clerks' Association and the New Hampshire  
16 Automobile Dealers Association prior to approving the appointment of any dealer agent. Any  
17 permits issued by a dealer agent shall indicate that it was processed by a dealer agent. No dealer  
18 shall be permitted to act as a dealer agent unless the department of safety has implemented an  
19 agreement with an EVR integrator.

20 261:74-i Duration of Appointment. The director shall appoint those dealers that meet the  
21 reasonable security requirements and other requirements as set forth in this chapter and in rule.  
22 The appointment of any dealer for the purposes of this subdivision shall continue only as long as the  
23 ownership of the dealer remains the same, except as provided in RSA 261:74-j and RSA 261:74-q. In  
24 case of a transfer of ownership, the new owner may apply to become a dealer agent.

25 261:74-j Qualifications and Training of Dealer Agents. No dealer shall be appointed as an agent  
26 unless the dealer principal or its staff meet the qualifications and successfully complete the training  
27 programs established under RSA 261:74-r. No dealer agent may perform the duties required under  
28 this subdivision unless the dealer principal or its staff continues to meet the reasonable qualification  
29 and training requirements.

30 261:74-k Duties of Dealer Agents. Each dealer agent or its staff shall perform all the duties  
31 necessary to register motor vehicles, issue a permit for registration, transfer motor vehicle  
32 registrations, and process title applications unless the director determines otherwise. Dealers shall  
33 be responsible to the division, or towns and cities where applicable, for any inventory of title  
34 applications, registration forms, and any other materials issued to them and for all moneys collected.  
35 The dealer agent through the EVR integrator shall electronically transmit to the appropriate town or  
36 city a copy of the newly issued registration permit and a signed affidavit of residency, and, where  
37 applicable, a copy of the registration transferred and a copy of either the resident tax affidavit or the

1 tax receipt as set forth in 261:74-n, III. Dealer agents shall be in compliance with the Red Flags  
2 Rule, 16 C.F.R part 681, and the Safeguards Rule, 16 C.F.R. part 314, as promulgated by the Federal  
3 Trade Commission.

4 261:74-l Security and Record-Keeping Requirements. Before receiving title applications,  
5 registration forms, and any materials related to electronic vehicle registration, dealer agents shall  
6 adopt and implement security and record-keeping requirements satisfactory to the director.

7 261:74-m Examination of Dealer Agent Records. Any dealer appointed as an agent pursuant to  
8 this subdivision shall be deemed to have given its consent for authorized agents of the department  
9 and any auditor employed or commissioned by the state of New Hampshire or the municipality to  
10 examine, during usual business hours and with reasonable notice, the records required to be  
11 preserved under this chapter; provided no such agent shall be subjected to unnecessary or  
12 unreasonable examinations or investigations.

13 261:74-n Collection of Fees.

14 I. Dealer agents shall collect the fees required to process motor vehicle registrations, permits  
15 for registration, transfers of registrations, and title applications as set forth in this chapter.

16 II. When a dealer agent processes motor vehicle registrations, permits for registration,  
17 transfers of registration, and title applications the applicable town or city or clerk shall receive the  
18 following fees through the dealer agent and the EVR integrator: the registration permit fee under  
19 RSA 261:153, I, the town clerk fee under RSA 261:152, the town clerk and dealer title application  
20 fees under RSA 261:4, IV, the municipal agent fee under RSA 261:74-d, and, when applicable, the  
21 waste reclamation fee under RSA 261:153, V, the municipal transportation improvement fee under  
22 RSA 261:153, VI, the collection of permit fees in unorganized places under RSA 261:160, and the  
23 public parking facilities fee under RSA 261:154. The town or city may use the fees received under  
24 this paragraph to offset the expenses of examination and auditing of the EVR program, if required.  
25 Towns, cities, and the state shall inform the EVR integrator annually as to the details of the fees  
26 listed in this paragraph and provide timely notice to the EVR integrator of any changes to fees.

27 III. When a registration permit applicant resides in a town that assesses, levies, or collects a  
28 resident tax pursuant to RSA 72:1, the applicant shall comply with the provisions of RSA 261:71  
29 either by showing or causing to be shown to the dealer agent a tax receipt or by executing the  
30 affidavit permitted under RSA 261:71 at the time of sale. If a resident tax town electronically shares  
31 resident tax data with the EVR integrator, neither the affidavit nor tax receipt is needed if such data  
32 reveals the resident tax has been paid. An applicant shall not be permitted to register a vehicle if  
33 such data reveals that the applicant is delinquent in paying the resident tax.

34 IV. If the applicant resides in a town or city which has adopted the provisions of  
35 RSA 231:130-a and the town or city has provided notification of unpaid fines to the electronic vehicle  
36 registration integrator pursuant to 231:130-a, III, a dealer agent shall not issue a registration permit  
37 to the applicant unless the town or city clerk's records reveal no outstanding parking violations in

1 this state.

2 V. No dealer agent shall assume or absorb any fee listed in paragraph II owed by a customer  
3 or advertise or assert that the dealer will assume or absorb such fee. Any violation of this paragraph  
4 shall subject the dealer agent to a fine of \$100 per violation.

5 261:74-o Optional Electronic Vehicle Registration Charge. Each dealer agent may collect a  
6 charge from the consumer to transmit electronically the registration and title data and the fees  
7 collected required to register a motor vehicle, issue a permit for registration, transfer a motor vehicle  
8 registration, or title a motor vehicle. This optional charge is in addition to other dealership fees or  
9 charges and the fees otherwise required to register a motor vehicle, issue a permit for registration,  
10 transfer a motor vehicle registration, or title a motor vehicle. The charge shall be separately stated  
11 and identified as “optional EVR charge” on the purchase agreement between the customer and the  
12 dealer agent. If a customer declines to pay the optional electronic vehicle registration charge, the  
13 dealer agent is not required to register the vehicle, issue a permit for registration, title the vehicle, or  
14 collect the required fees.

15 261:74-p Proof of Residency. A dealer agent shall not process any vehicle registration, permit  
16 for registration, or transfer of motor vehicle registrations of a natural person unless the applicant  
17 has provided to the dealer agent a current New Hampshire driver’s license or New Hampshire  
18 nondriver’s picture identification card with an address matching the application to be transmitted  
19 and the natural person has signed an affidavit of residency which specifies the town or city in which  
20 he or she currently resides. Dealer agents shall not process registrations for homeless residents  
21 without a permanent address eligible to register under RSA 261:52-c. A dealer agent may register  
22 the vehicles of a corporation or other legal entity with a place of business in this state if the  
23 applicant is a registered business in New Hampshire and is in good standing and an authorized  
24 representative of the corporation or entity has signed an affidavit specifying the New Hampshire  
25 town or city in which the corporation or entity resides, is headquartered, or operates.

26 261:74-q Revocation or Suspension of Agency Status.

27 I. The director may revoke or suspend a dealer’s agent status for any violation of law or rule  
28 governing electronic vehicle registration, any violation of the dealer agent’s security and record-  
29 keeping plan, revocation or suspension of the dealer license, or any other action that in the director’s  
30 opinion adversely affects the registration system. If the director determines that a dealer agent has  
31 not continued to fulfill the requirements of this subdivision or has violated any of the rules adopted  
32 pursuant to this subdivision, the director shall commence a process to suspend or revoke the agent  
33 status of the dealer. The director shall take into account concerns of towns, cities, and the EVR  
34 advisory group established under RSA 261:74-s, IV about dealer agents.

35 II. Any dealer agent whose appointment is sought to be suspended or revoked shall be  
36 afforded the opportunity for a hearing before the bureau of hearings prior to such suspension or  
37 revocation. Following the hearing, the director may suspend or revoke the appointment as dealer

1 agent upon satisfactory evidence of malfeasance, misfeasance, theft, financial instability, or violation  
2 of the rules adopted under this subdivision and that the revocation or suspension is in the best  
3 interest of the state.

4 III. Upon the revocation of such agent status, the dealer agent shall surrender to the  
5 department or its authorized agent all materials issued by the state under the provision of this  
6 subdivision and all records pertaining to all matters authorized by this subdivision.

7 IV. Whenever an authorized auditor of the state of New Hampshire or the department  
8 determines that the public interest requires immediate action, the director may issue a temporary  
9 order suspending the authority of a dealer agent to register or transfer registrations, pending a  
10 hearing.

11 261:74-r Rulemaking. The director, with input from the EVR advisory group established under  
12 RSA 261:74-s, IV, shall adopt rules pursuant to RSA 541-A relative to:

13 I. Minimum standards for the qualification of dealer agents and their staffs.

14 II. Minimum security standards for the dealer agent, staff, and dealer agent facility.

15 III. Training requirements and programs for dealer agents and their staffs.

16 IV. The collection, remittance, and auditing of state and local funds pursuant to this  
17 subdivision.

18 V. The completion of required reports and records and their submission to the department  
19 and towns or cities.

20 VI. Minimum standards of accuracy, legibility, and timeliness of submission for documents  
21 and reports.

22 VII. The indemnification and reimbursement of the state or town or city in case of loss.

23 VIII. The efficient and economical administration of this subdivision.

24 IX. Revocation and suspension of dealer agent status.

25 X. The ability to enter into agreements with dealer-agents and EVR integrators.

26 XI. The creation of an error resolution process to resolve registration errors resulting from  
27 the EVR Program.

28 261:74-s Agreements with Electronic Vehicle Registration Integrators.

29 I. Upon approval of the attorney general and governor and council, the department may  
30 enter into an agreement with an electronic vehicle registration integrator to provide, at no cost to the  
31 state, any necessary hardware, software, or network connections between dealer agents, the  
32 department, and towns for the electronic transmittal and receipt of registration and title data and  
33 money. The electronic vehicle registration integrator shall be authorized in the agreement to collect  
34 and transfer funds electronically from the dealers to the department, towns, cities, or town clerks,  
35 where appropriate. RSA 261:141-b and RSA 80:52-c shall not apply to electronic transfers to or from  
36 an electronic vehicle registration integrator or a dealer agent. Electronic vehicle registration  
37 integrators shall transmit funds within one business day of the completion of the registration to the



1 appropriate entity if the entity accepts electronic transfers of funds and within 20 days to any other  
2 entity. The transmittal of funds by an EVR integrator to a town or city or the state pursuant to this  
3 section shall not be considered a delegation of a town's, city's, or state's deposit function as set forth  
4 in RSA 41:29.

5 II. An agreement under this section shall provide for minimum standards established by the  
6 department and the department of information technology for transfers of data and funds, financial  
7 solvency of the electronic vehicle registration integrator, training of dealer-agents, and town clerks,  
8 if necessary, by the electronic vehicle registration integrator, implementation of an electronic vehicle  
9 registration integrator "help line" to assist dealer agents, automatic and accurate calculation of all  
10 fees required by this chapter, electronic transmittal of applicable documents to the towns, cities, and  
11 state, bonding to indemnify the state, municipalities, and dealer agents in the event of loss, security,  
12 and privacy of motor vehicle records, access by state-appointed auditors to the records and reports of  
13 the electronic vehicle registration integrator, minimum standards for the accuracy and timeliness of  
14 submission of data and funds, reporting to the state, towns, or cities, transmittal of fees required to  
15 register a motor vehicle, issue a permit for registration, transfer a motor vehicle registration, or title  
16 a vehicle provided said fees are transmitted to the appropriate entity in the manner set forth in this  
17 chapter, conditions for cancellation of the agreement, and the other requirements related to the  
18 efficient and economical administration of this subdivision. The reporting to the towns, cities, and  
19 state shall provide notice of registrations processed, allow proper and accurate collection and  
20 remittance of town or city moneys, allow integration of data and moneys into software used by towns  
21 and cities to transmit registration data to the state, allow towns and cities to clearly identify the  
22 particular fees collected and remitted, and provide vehicle specific data including the maker's list  
23 price, and vehicle make and model. The department shall solicit input from affected municipalities  
24 before entering into an agreement under this section.

25 III. To ensure the EVR integrator and dealer agents are accurately calculating the  
26 applicable fees and properly transmitting the fees and data, and that towns and cities may integrate  
27 the data and fees into the software used by towns and cities to transmit registration data to the  
28 state, the EVR program shall be implemented as follows:

29 (a) The first year of the EVR program shall involve a limited number of dealers and  
30 towns and cities as determined by the director and a single electronic vehicle registration (EVR)  
31 integrator to ensure that the EVR program is successfully implemented. The director shall select  
32 which towns, cities, and dealers shall participate during the first year from a list submitted to the  
33 director by the senate president and the speaker of the house of representatives within 60 days of  
34 the effective date of this section. The director shall select the participants after obtaining the input  
35 of the New Hampshire City and Town Clerks' Association and the New Hampshire Automobile  
36 Dealers Association. The director shall select both large and small municipalities to participate and  
37 towns and cities that use software to transmit registration data to the state, with at least 2 towns or

1 cities for each type of software.

2 (b) After the EVR program has operated for 270 days, the director shall seek formal  
3 input from the EVR advisory group established in paragraph IV and towns, cities, and dealer agents  
4 involved in the program as to whether or not the EVR integrator and dealer agents are properly  
5 calculating and assessing applicable fees, properly transmitting the fees and data, and properly  
6 integrating data and moneys into the software used by towns and cities to transmit registration data  
7 to the state.

8 (c) After the EVR program has operated for one year, the director shall incorporate the  
9 remaining towns and cities into the program and additional dealers may apply to become dealer  
10 agents unless the director, in consultation with the EVR advisory group established in paragraph IV  
11 determines that the EVR integrator has failed to materially comply with the program requirements.  
12 If such a determination is made, the director shall delay the addition of towns and cities and dealers  
13 for up to 180 days to permit the EVR integration to materially comply with the program  
14 requirements.

15 (d) One year after the incorporation of the remaining towns and cities into the EVR  
16 program, the department may enter into agreements with additional EVR integrators.

17 (e) After the incorporation of all towns and cities into the EVR program, the director  
18 shall evaluate on a periodic basis, no less than annually, whether the EVR integrators and dealer  
19 agents are properly calculating and assessing applicable fees, properly transmitting the fees and  
20 data, and properly integrating data and moneys into the software used by towns and cities to  
21 transmit registration data to the state.

22 IV. The director shall form an EVR advisory group consisting of representatives from the  
23 department of information technology, the division of motor vehicles, the department of safety, the  
24 New Hampshire City and Town Clerks' Association, the New Hampshire Government Finance  
25 Officers Association, organizations representing the interests of town managers and administrators,  
26 the New Hampshire Municipal Association, the New Hampshire Local Government Information  
27 Network, the New Hampshire Automobile Dealers Association, the EVR integrators, and other  
28 persons the director deems necessary. The primary purpose of the EVR advisory group is to ensure  
29 that the EVR program meets the requirements in rules and law. The EVR advisory group shall meet  
30 at least quarterly.

31 V. The director shall periodically evaluate whether the EVR program affects registration-  
32 related assistance provided to towns and cities by the department.

33 VI. The EVR integrator shall be responsible for all reasonable costs, as determined by the  
34 commissioner in consultation with the EVR integrator, of the state and towns for:

35 (a) The development, implementation, and integration of, and ongoing maintenance  
36 required to effectively operate, the EVR program; and

37 (b) Software modifications necessary to integrate EVR program moneys and data into

**SB 156 – AS AMENDED BY THE SENATE**

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- 1 software used by towns to transmit registration data to the state.
- 2 6 Effective Date. This act shall take effect upon its passage.

LBAO  
11-0930  
Revised 03/07/11

**SB 156-FN-LOCAL - FISCAL NOTE**

AN ACT authorizing retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

**FISCAL IMPACT:**

The Department of Safety and the New Hampshire Municipal Association state this bill will increase local expenditures by an indeterminable amount in FY 2012 and each year thereafter. The Department of Information Technology states this bill will increase state highway fund expenditures by \$190,764 in FY 2012, \$32,005 in FY 2013, \$33,702 in FY 2014, and \$34,425 in FY 2015. There will be no fiscal impact on state, county, or local revenue or county expenditures

**METHODOLOGY:**

This bill creates a voluntary Electronic Vehicle Registration (EVR) program authorizing retail vehicle dealers to act as agents of the division of motor vehicles (DMV) at the Department of Safety and municipalities in the issuance of motor vehicle titles and registrations at the time of vehicle sale, using a third party vendor to calculate fees, determine where the fees should go, and transmit those fees to either the DMV or the municipalities. The Department of Safety states this bill sets up a program that includes the necessary hardware, software and network connections between the dealer agents and the DMV at no cost to the state, however, before the program can be put in place there are program changes, certification of the vendor software and testing that will need to be performed to the state system to interface with the vendor software. In addition, there would be testing required by the various towns before implementing the program as well as yearly testing and supervision of the vendor software and the potential purchase of interface software or hardware, which the Department assumes may not be covered by the third party vendor and would result in increased local expenditures. The Department estimates that the cost for modifying state software, certifying vendor software, and for testing and supervision would be \$892,502 in FY 2012. For ongoing oversight and auditing, the Department estimates three part-time positions, one of which from the Department of Information Technology, would be needed at a cost of \$76,809 in FY 2013, \$80,211 in FY 2014 and \$83,736 in FY 2015. However, as stated in the proposed legislation, the Department expects that the chosen vendor will be responsible for all costs associated with program implementation, testing and continued monitoring.

The New Hampshire Municipal Association states this bill may increase local expenditures by an indeterminable amount if the EVR program requires the purchase of any software, hardware, or other system interface components that would not be subject to the bill's requirement that the outside vendor cover all related costs.

The Department of Information Technology assumed a cost structure for implementation and ongoing maintenance of the program similar to that assumed by the Department of Safety, with the bulk of the associated costs being paid by the third party vendor. However, the Department of Information Technology assumed it would be responsible for the cost of its part-time oversight and testing position, for an increase in state expenditures of \$190,764 in FY 2012, \$32,005 in FY 2013, \$33,702 in FY 2014, and \$34,425 in FY 2015.

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03/16/11 0807s  
03/30/11 1220s  
27Apr2011... 1534h  
06/01/11 2276eba

2011 SESSION

11-0930  
03/05

SENATE BILL ***156-FN-LOCAL***

AN ACT authorizing retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

SPONSORS: Sen. Sanborn, Dist 7; Sen. Lambert, Dist 13; Sen. Bragdon, Dist 11; Sen. Luther, Dist 12; Sen. Merrill, Dist 21; Sen. Gallus, Dist 1; Sen. White, Dist 9; Sen. Bradley, Dist 3; Sen. Rausch, Dist 19; Sen. Morse, Dist 22; Sen. Groen, Dist 6; Sen. Carson, Dist 14; Sen. De Blois, Dist 18; Sen. Forsythe, Dist 4; Rep. T. Keane, Merr 13; Rep. Cohn, Merr 6; Rep. Kreis, Merr 6; Rep. Jennifer Coffey, Merr 6; Rep. Bettencourt, Rock 4

COMMITTEE: Commerce

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AMENDED ANALYSIS

This bill authorizes retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

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Explanation: Matter added to current law appears in ***bold italics***.  
Matter removed from current law appears [~~in brackets and struck through~~].  
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

CHAPTER 198  
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03/30/11 1220s  
27Apr2011... 1534h  
06/01/11 2276eba

11-0930  
03/05

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Eleven*

AN ACT authorizing retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

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

1 198:1 Statement of Purpose.

2 I. This act known as the Electronic Vehicle Registration (EVR) law will allow New  
3 Hampshire residents to choose the most convenient place for them to register their newly purchased  
4 vehicle: their town or city hall or the New Hampshire dealership where it was purchased.

5 II. Currently, New Hampshire residents and businesses can only register their vehicles at  
6 town or city halls. In nearly 30 other states, customers can choose to electronically register their  
7 vehicle at the dealership. These dealers through an electronic intermediary securely and quickly  
8 electronically transmit the official local and state fees and data to the appropriate entity. This act  
9 seeks to replicate the success in those states.

10 III. This act will:

11 (a) Allow customers to securely register their vehicles at authorized dealerships but only  
12 at time of sale of the vehicle.

13 (b) Improve customer service at the towns, cities, state, and dealerships.

14 (c) Allow law enforcement access to temporary plate information.

15 (d) Allow New Hampshire dealers to collect and electronically remit the official fees,  
16 securely and promptly, to the towns or cities and the state as they have successfully done in other  
17 states.

18 (e) Allow towns and cities and the state to collect their respective revenues more quickly  
19 and safely.

20 (f) Allow towns and cities and the state to quickly integrate moneys and data into their  
21 respective accounting or related software.

22 IV. All current town revenues are to stay with the towns. The fees collected by dealer agents  
23 will be transmitted to the same government entity where the fees are currently sent or collected.  
24 This includes the registration permits fees (RSA 261:153, I), town clerk fee (RSA 261:152), title  
25 application fee (RSA 261:4, IV), municipal agent fee (RSA 261:74-d), waste reclamation fee  
26 (RSA 261:153, V), municipal transportation improvement fee (RSA 261:153, VI), collection of permit

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1 fees in unorganized places (RSA 261:160), and the public parking facilities fee (RSA 261:154).

2 198:2 New Paragraph; Notification of Unpaid Fines. Amend RSA 231:130-a by inserting after  
3 paragraph II the following new paragraph:

4 III. The town or city clerk may provide the notifications permitted by subparagraphs I(b)  
5 and I(c) to electronic vehicle registration integrators operating under an agreement with the  
6 department of safety pursuant to RSA 261:74-s.

7 198:3 New Sections; Definitions. Amend RSA 259 by inserting after section 29-a the following  
8 new sections:

9 198:259:29-b EVR Integrator. "EVR integrator" shall mean an electronic vehicle registration  
10 integrator who provides necessary hardware, software, software updates, or network connections  
11 between dealer agents, the department, and towns for the electronic transmittal and receipt of  
12 registration and title data and money.

13 259:29-c EVR Program. "EVR program" means the electronic vehicle registration program that  
14 allows dealer agents to process motor vehicle registrations, permits for registration, or registration  
15 transfers and title applications in conjunction with the sale of a new or used vehicle by said dealer  
16 pursuant to RSA 261:74-h through 261:74-s.

17 198:4 Bond Required. Amend RSA 261:98, I to read as follows:

18 I.(a) Every retail vehicle dealer as defined in RSA 259:89-a, every auto wholesale dealer as  
19 defined in RSA 259:5-a, every automotive recycling dealer as specified by RSA 261:123, and certain  
20 utility dealers as defined by RSA 259:121 if required by rule of the commissioner, shall obtain a bond  
21 or equivalent proof of financial responsibility as described in paragraph VI, and continue in effect a  
22 surety bond or other equivalent proof of financial responsibility satisfactory to the department in the  
23 amount of \$25,000 executed by a surety company authorized to transact business in the state by the  
24 insurance department.

25 (b) The bond or its equivalent shall only be for the benefit of:

26 (1) A natural person who purchases a vehicle from a dealer, an automotive recycling  
27 dealer, or a utility dealer, and who suffers loss on account of:

28 ~~[(a)]~~ (A) The dealer's default or nonpayment of all valid bank drafts, including checks,  
29 drawn by the dealer for the purchase of motor vehicles;

30 ~~[(b)]~~ (B) The dealer's failure to deliver in conjunction with the sale of a motor vehicle a  
31 valid motor vehicle title certificate free and clear of any prior owner's interests and all liens except a  
32 lien created by or expressly assumed in writing by the buyer of the vehicle;

33 ~~[(c)]~~ (C) The motor vehicle purchased from the dealer was stolen; or

34 ~~[(d)]~~ (D) The dealer's intentional or knowing failure to disclose the vehicle's actual  
35 mileage at the time of sale.

36 (2) *A New Hampshire town or city or the state of New Hampshire which*



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1 *suffers loss on account of:*

2 (A) *The dealer's failure to collect all official fees related to motor vehicle*  
3 *registration, permits for registration, registration transfer, and title applications required*  
4 *and permitted under this chapter; or*

5 (B) *The dealer's nonpayment of all official fees collected to register a*  
6 *motor vehicle, issue a permit for registration, transfer a registration, or title a vehicle.*

7 (c) *Subparagraph (b)(2) shall apply to only those dealers who are dealer agents*  
8 *appointed pursuant to RSA 261:74-h. Subparagraph (b)(2), if applicable, shall not require*  
9 *the dealer to obtain a separate bond.*

10 198:5 New Subdivision; Registration by Dealer Agents. Amend RSA 261 by inserting after  
11 section 74-g the following new subdivision:

12 Registration by Dealer Agents

13 261:74-h Appointment of Dealer Agents. Notwithstanding the provisions of RSA 261:148,  
14 subject to the direction and approval of the commissioner, the director may appoint retail vehicle  
15 dealers meeting the requirements of RSA 261:103-a as agents to process electronically through EVR  
16 integrators motor vehicle registrations, permits for registration, or registration transfers and title  
17 applications in conjunction with the sale of a new or used vehicle by said dealer. The director shall  
18 consult with the New Hampshire City and Town Clerks' Association and the New Hampshire  
19 Automobile Dealers Association prior to approving the appointment of any dealer agent. Any  
20 permits issued by a dealer agent shall indicate that it was processed by a dealer agent. No dealer  
21 shall be permitted to act as a dealer agent unless the department of safety has implemented an  
22 agreement with an EVR integrator.

23 261:74-i Duration of Appointment. The director shall appoint those dealers that meet the  
24 reasonable security requirements and other requirements as set forth in this chapter and in rule.  
25 The appointment of any dealer for the purposes of this subdivision shall continue only as long as the  
26 ownership of the dealer remains the same, except as provided in RSA 261:74-j and RSA 261:74-q. In  
27 case of a transfer of ownership, the new owner may apply to become a dealer agent.

28 261:74-j Qualifications and Training of Dealer Agents. No dealer shall be appointed as an agent  
29 unless the dealer principal or its staff meet the qualifications and successfully complete the training  
30 programs established under RSA 261:74-r. No dealer agent may perform the duties required under  
31 this subdivision unless the dealer principal or its staff continues to meet the reasonable qualification  
32 and training requirements.

33 261:74-k Duties of Dealer Agents. Each dealer agent or its staff shall perform all the duties  
34 necessary to register motor vehicles, issue a permit for registration, transfer motor vehicle  
35 registrations, and process title applications unless the director determines otherwise. Dealers shall  
36 be responsible to the division, or towns and cities where applicable, for any inventory of title

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1 applications, registration forms, and any other materials issued to them and for all moneys collected.  
2 The dealer agent through the EVR integrator shall electronically transmit to the appropriate town or  
3 city a copy of the newly issued registration permit and a signed affidavit of residency, and, where  
4 applicable, a copy of the registration transferred and a copy of either the resident tax affidavit or the  
5 tax receipt as set forth in 261:74-n, III. Dealer agents shall be in compliance with the Red Flags  
6 Rule, 16 C.F.R part 681, and the Safeguards Rule, 16 C.F.R. part 314, as promulgated by the Federal  
7 Trade Commission.

8       261:74-l Security and Record-Keeping Requirements. Before receiving title applications,  
9 registration forms, and any materials related to electronic vehicle registration, dealer agents shall  
10 adopt and implement security and record-keeping requirements satisfactory to the director.

11       261:74-m Examination of Dealer Agent Records. Any dealer appointed as an agent pursuant to  
12 this subdivision shall be deemed to have given its consent for authorized agents of the department  
13 and any auditor employed or commissioned by the state of New Hampshire or the municipality to  
14 examine, during usual business hours and with reasonable notice, the records required to be  
15 preserved under this chapter; provided no such agent shall be subjected to unnecessary or  
16 unreasonable examinations or investigations.

17       261:74-n Collection of Fees.

18           I. Dealer agents shall collect the fees required to process motor vehicle registrations, permits  
19 for registration, transfers of registrations, and title applications as set forth in this chapter.

20           II. When a dealer agent processes motor vehicle registrations, permits for registration,  
21 transfers of registration, and title applications the applicable town or city or clerk shall receive the  
22 following fees through the dealer agent and the EVR integrator: the registration permit fee under  
23 RSA 261:153, I, the town clerk fee under RSA 261:152, the town clerk and dealer title application  
24 fees under RSA 261:4, IV, the municipal agent fee under RSA 261:74-d, and, when applicable, the  
25 waste reclamation fee under RSA 261:153, V, the municipal transportation improvement fee under  
26 RSA 261:153, VI, the collection of permit fees in unorganized places under RSA 261:160, and the  
27 public parking facilities fee under RSA 261:154. The town or city may use the fees received under  
28 this paragraph to offset the expenses of examination and auditing of the EVR program, if required.  
29 Towns, cities, and the state shall inform the EVR integrator annually as to the details of the fees  
30 listed in this paragraph and provide timely notice to the EVR integrator of any changes to fees.

31           III. When a registration permit applicant resides in a town that assesses, levies, or collects a  
32 resident tax pursuant to RSA 72:1, the applicant shall comply with the provisions of RSA 261:71  
33 either by showing or causing to be shown to the dealer agent a tax receipt or by executing the  
34 affidavit permitted under RSA 261:71 at the time of sale. If a resident tax town electronically shares  
35 resident tax data with the EVR integrator, neither the affidavit nor tax receipt is needed if such data  
36 reveals the resident tax has been paid. An applicant shall not be permitted to register a vehicle if

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1 such data reveals that the applicant is delinquent in paying the resident tax.

2 IV. If the applicant resides in a town or city which has adopted the provisions of  
3 RSA 231:130-a and the town or city has provided notification of unpaid fines to the electronic vehicle  
4 registration integrator pursuant to 231:130-a, III, a dealer agent shall not issue a registration permit  
5 to the applicant unless the town or city clerk's records reveal no outstanding parking violations in  
6 this state.

7 V. No dealer agent shall assume or absorb any fee listed in paragraph II owed by a customer  
8 or advertise or assert that the dealer will assume or absorb such fee. Any violation of this paragraph  
9 shall subject the dealer agent to a fine of \$100 per violation.

10 261:74-o Optional Electronic Vehicle Registration Charge. Each dealer agent may collect a  
11 charge from the consumer to transmit electronically the registration and title data and the fees  
12 collected required to register a motor vehicle, issue a permit for registration, transfer a motor vehicle  
13 registration, or title a motor vehicle. This optional charge is in addition to other dealership fees or  
14 charges and the fees otherwise required to register a motor vehicle, issue a permit for registration,  
15 transfer a motor vehicle registration, or title a motor vehicle. The charge shall be separately stated  
16 and identified as "optional EVR charge" on the purchase agreement between the customer and the  
17 dealer agent and shall be disclosed on a separate document signed by the customer. If a customer  
18 declines to pay the optional electronic vehicle registration charge, the dealer agent is not required to  
19 register the vehicle, issue a permit for registration, title the vehicle, or collect the required fees.

20 261:74-p Proof of Residency. A dealer agent shall not process any vehicle registration, permit  
21 for registration, or transfer of motor vehicle registration of a natural person unless the applicant  
22 has provided to the dealer agent a current New Hampshire driver's license or New Hampshire  
23 nondriver's picture identification card with an address matching the application to be transmitted  
24 and the natural person has signed an affidavit of residency which specifies the town or city in which  
25 he or she currently resides. Dealer agents shall not process registrations for homeless residents  
26 without a permanent address eligible to register under RSA 261:52-c. A dealer agent may register  
27 the vehicles of a corporation or other legal entity with a place of business in this state if the  
28 applicant is a registered business in New Hampshire and is in good standing and an authorized  
29 representative of the corporation or entity has signed an affidavit specifying the New Hampshire  
30 town or city in which the corporation or entity resides, is headquartered, or operates.

31 261:74-q Revocation or Suspension of Agency Status.

32 I. The director may revoke or suspend a dealer's agent status for any violation of law or rule  
33 governing electronic vehicle registration, any violation of the dealer agent's security and record-  
34 keeping plan, revocation or suspension of the dealer license, or any other action that in the director's  
35 opinion adversely affects the registration system. If the director determines that a dealer agent has  
36 not continued to fulfill the requirements of this subdivision or has violated any of the rules adopted

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1 pursuant to this subdivision, the director shall commence a process to suspend or revoke the agent  
2 status of the dealer. The director shall take into account concerns of towns, cities, and the EVR  
3 advisory group established under RSA 261:74-s, IV about dealer agents.

4 II. Any dealer agent whose appointment is sought to be suspended or revoked shall be  
5 afforded the opportunity for a hearing before the bureau of hearings prior to such suspension or  
6 revocation. Following the hearing, the director may suspend or revoke the appointment as dealer  
7 agent upon satisfactory evidence of malfeasance, misfeasance, theft, financial instability, or violation  
8 of the rules adopted under this subdivision and that the revocation or suspension is in the best  
9 interest of the state.

10 III. Upon the revocation of such agent status, the dealer agent shall surrender to the  
11 department or its authorized agent all materials issued by the state under the provision of this  
12 subdivision and all records pertaining to all matters authorized by this subdivision.

13 IV. Whenever an authorized auditor of the state of New Hampshire or the department  
14 determines that the public interest requires immediate action, the director may issue a temporary  
15 order suspending the authority of a dealer agent to register or transfer registrations, pending a  
16 hearing.

17 261:74-r Rulemaking. The director, with input from the EVR advisory group established under  
18 RSA 261:74-s, IV, shall adopt rules pursuant to RSA 541-A relative to:

19 I. Minimum standards for the qualification of dealer agents and their staffs.

20 II. Minimum security standards for the dealer agent, staff, and dealer agent facility.

21 III. Training requirements and programs for dealer agents and their staffs.

22 IV. The collection, remittance, and auditing of state and local funds pursuant to this  
23 subdivision.

24 V. The completion of required reports and records and their submission to the department  
25 and towns or cities.

26 VI. Minimum standards of accuracy, legibility, and timeliness of submission for documents  
27 and reports.

28 VII. The indemnification and reimbursement of the state or town or city in case of loss.

29 VIII. The efficient and economical administration of this subdivision.

30 IX. Revocation and suspension of dealer agent status.

31 X. The ability to enter into agreements with dealer-agents and EVR integrators.

32 XI. The creation of an error resolution process to resolve registration errors resulting from  
33 the EVR program.

34 261:74-s Agreements with Electronic Vehicle Registration Integrators.

35 I. Upon approval of the attorney general and governor and council, the department may  
36 enter into an agreement with an electronic vehicle registration integrator to provide, at no cost to the

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1 state, any necessary hardware, software, or network connections between dealer agents, the  
2 department, and towns for the electronic transmittal and receipt of registration and title data and  
3 money. The electronic vehicle registration integrator shall be authorized in the agreement to collect  
4 and transfer funds electronically from the dealers to the department, towns, cities, or town clerks,  
5 where appropriate. RSA 261:141-b and RSA 80:52-c shall not apply to electronic transfers to or from  
6 an electronic vehicle registration integrator or a dealer agent. Electronic vehicle registration  
7 integrators shall transmit funds within one business day of the completion of the registration to the  
8 appropriate entity if the entity accepts electronic transfers of funds and within 20 days to any other  
9 entity. The transmittal of funds by an EVR integrator to a town or city or the state pursuant to this  
10 section shall not be considered a delegation of a town's, city's, or state's deposit function as set forth  
11 in RSA 41:29.

12           II. An agreement under this section shall provide for minimum standards established by the  
13 department and the department of information technology for transfers of data and funds, financial  
14 solvency of the electronic vehicle registration integrator, training of dealer-agents, and town clerks,  
15 if necessary, by the electronic vehicle registration integrator, implementation of an electronic vehicle  
16 registration integrator "help line" to assist dealer agents, automatic and accurate calculation of all  
17 fees required by this chapter, electronic transmittal of applicable documents to the towns, cities, and  
18 state, bonding to indemnify the state, municipalities, and dealer agents in the event of loss, security,  
19 and privacy of motor vehicle records, access by state-appointed auditors to the records and reports of  
20 the electronic vehicle registration integrator, minimum standards for the accuracy and timeliness of  
21 submission of data and funds, reporting to the state, towns, or cities, transmittal of fees required to  
22 register a motor vehicle, issue a permit for registration, transfer a motor vehicle registration, or title  
23 a vehicle provided said fees are transmitted to the appropriate entity in the manner set forth in this  
24 chapter, conditions for cancellation of the agreement, and the other requirements related to the  
25 efficient and economical administration of this subdivision. The reporting to the towns, cities, and  
26 state shall provide notice of registrations processed, allow proper and accurate collection and  
27 remittance of town or city moneys, allow integration of data and moneys into software used by towns  
28 and cities to transmit registration data to the state, allow towns and cities to clearly identify the  
29 particular fees collected and remitted, and provide vehicle specific data including the maker's list  
30 price, and vehicle make and model. The department shall solicit input from affected municipalities  
31 before entering into an agreement under this section.

32           III. To ensure the EVR integrator and dealer agents are accurately calculating the  
33 applicable fees and properly transmitting the fees and data, and that towns and cities may integrate  
34 the data and fees into the software used by towns and cities to transmit registration data to the  
35 state, the EVR program shall be implemented as follows:

36           (a) The first year of the EVR program shall involve a limited number of dealers and

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1 towns and cities as determined by the director and a single EVR integrator to ensure that the EVR  
2 program is successfully implemented. The director shall select which towns, cities, and dealers shall  
3 participate during the first year from a list of desiring volunteers submitted to the director by the  
4 senate president and the speaker of the house of representatives within 60 days of the effective date  
5 of this section. The director shall select the participants after obtaining the input of the New  
6 Hampshire City and Town Clerks' Association and the New Hampshire Automobile Dealers  
7 Association. The director shall ensure that a combination of large and small municipalities and  
8 large and small dealers are included in the initial group.

9 (b) After the EVR program has operated for 270 days, the director shall seek formal  
10 input from the EVR advisory group established in paragraph IV and towns, cities, and dealer agents  
11 involved in the program as to whether or not the EVR integrator and dealer agents are properly  
12 calculating and assessing applicable fees, properly transmitting the fees and data, and properly  
13 integrating data and moneys into the software used by towns and cities to transmit registration data  
14 to the state.

15 (c) After no more than 365 days of operation, the director, with consultation from the  
16 EVR advisory group established in paragraph IV, shall determine if the EVR program has achieved  
17 material compliance with the requirements set forth in RSA 261:74-h through RSA 261:74-s.

18 (d) The director, upon determining under subparagraph (c) that the EVR program has  
19 either achieved material compliance or has not achieved material compliance, shall report the basis  
20 for the determination to the president of the senate, the speaker of the house of representatives, and  
21 the senate and house standing committees with jurisdiction over commerce, and shall include any  
22 recommendations for statutory changes that may be necessary, in his or her opinion, to facilitate  
23 material compliance.

24 (e) If the director determines that there is a failure of the EVR program to materially  
25 comply with the requirements, he or she may, upon consultation with the EVR advisory group  
26 established in paragraph IV, authorize an additional 180 days of operation of the program to allow  
27 the achievement of material compliance with the requirements. No later than the one hundred  
28 eightieth day of the extension, the director shall, with consultation with the EVR advisory group,  
29 determine if material compliance with the requirements has been achieved. If material compliance  
30 has not been achieved by the end of the extension, the program shall end.

31 (f) Upon achievement of material compliance with the requirements of the EVR  
32 program, the director, upon consultation with the EVR advisory group established in paragraph IV,  
33 shall develop a plan to bring all remaining towns and cities who are municipal agents under  
34 RSA 261:74-a into the EVR program and allow additional dealer agents to apply for inclusion in the  
35 program. Any municipality that is not a municipal agent shall not be required to participate in the  
36 EVR program.

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1           (g) One year after the incorporation of the remaining municipal agents into the EVR  
2 program, the department may enter into agreements with additional EVR integrators.

3           (h) After the incorporation of all municipal agents into the EVR program, the director  
4 shall evaluate on a periodic basis, no less than annually, whether the EVR integrators and dealer  
5 agents are properly calculating and assessing applicable fees, properly transmitting the fees and  
6 data, and properly integrating data and moneys into the software used by towns and cities to  
7 transmit registration data to the state.

8           IV. The director shall form an EVR advisory group consisting of representatives from the  
9 department of information technology, the division of motor vehicles, the department of safety, the  
10 New Hampshire City and Town Clerks' Association, the New Hampshire Government Finance  
11 Officers Association, organizations representing the interests of town managers and administrators,  
12 the New Hampshire Municipal Association, the New Hampshire Local Government Information  
13 Network, the New Hampshire Automobile Dealers Association, the EVR integrators, and other  
14 persons the director deems necessary. The primary purpose of the EVR advisory group is to ensure  
15 that the EVR program meets the requirements in rules and law. The EVR advisory group shall meet  
16 at least quarterly.

17           V. The director shall periodically evaluate whether the EVR program affects registration-  
18 related assistance provided to towns and cities by the department.

19           VI. The EVR integrator shall be responsible for all reasonable costs, as determined by the  
20 commissioner in consultation with the EVR integrator, of the state and towns for:

21           (a) The development, implementation, and integration of, and ongoing maintenance  
22 required to effectively operate, the EVR program; and

23           (b) Software modifications necessary to integrate EVR program moneys and data into  
24 software used by towns to transmit registration data to the state.

25           198:6 Effective Date. This act shall take effect upon its passage.

26  
27 Approved: June 15, 2011  
28 Effective Date: June 15, 2011

# Amendments



Amendment to SB 156-FN-LOCAL

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT authorizing retail vehicle dealers to act as agents of the division of motor vehicles  
4 for vehicle registrations and title applications.

5

6 Amend the bill by replacing all after the enacting clause with the following:

7

8 1 Statement of Purpose.

9 I. This act known as the Electronic Vehicle Registration (EVR) law will allow New  
10 Hampshire residents to choose the most convenient place for them to register their newly purchased  
11 vehicle: their town or city hall or the New Hampshire dealership where it was purchased.

12 II. Currently, New Hampshire residents and businesses can only register their vehicles at  
13 town or city halls. In nearly 30 other states, customers can choose to electronically register their  
14 vehicle at the dealership. These dealers through an electronic intermediary securely and quickly  
15 electronically transmit the official local and state fees and data to the appropriate entity. This act  
16 seeks to replicate the success in those states.

17 III. This act will:

18 (a) Allow customers to securely register their vehicles at authorized dealerships but only  
19 at time of sale of the vehicle.

20 (b) Improve customer service at the towns, cities, state, and dealerships.

21 (c) Allow law enforcement access to temporary plate information.

22 (d) Allow New Hampshire dealers to collect and electronically remit the official fees,  
23 securely and promptly, to the towns or cities and the state as they have successfully done in other  
24 states.

25 (e) Allow towns and cities and the state to collect their respective revenues more quickly  
26 and safely.

27 (f) Allow towns and cities and the state to quickly integrate moneys and data into their  
28 respective accounting or related software.

29 IV. All current town revenues are to stay with the towns. The fees collected by dealer agents  
30 will be transmitted to the same government entity where the fees are currently sent or collected.  
31 This includes the registration permits fees (RSA 261:153, I), town clerk fee (RSA 261:152), title  
32 application fee (RSA 261:4, IV), municipal agent fee (RSA 261:74-d), waste reclamation fee

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1 (RSA 261:153, V), municipal transportation improvement fee (RSA 261:153, VI), collection of permit  
2 fees in unorganized places (RSA 261:160), and the public parking facilities fee (RSA 261:154).

3 2 New Paragraph; Notification of Unpaid Fines. Amend RSA 231:130-a by inserting after  
4 paragraph II the following new paragraph:

5 III. The town or city clerk may provide the notifications permitted by subparagraphs I(b)  
6 and I(c) to electronic vehicle registration integrators operating under an agreement with the  
7 department of safety pursuant to RSA 261:74-s.

8 3 New Sections; Definitions. Amend RSA 259 by inserting after section 29-a the following new  
9 sections:

10 259:29-b EVR Integrator. "EVR integrator" shall mean an electronic vehicle registration  
11 integrator who provides any necessary hardware, software, or network connections between dealer  
12 agents, the department, and towns for the electronic transmittal and receipt of registration and title  
13 data and money.

14 259:29-c EVR Program. "EVR program" means the electronic vehicle registration program that  
15 allows dealer agents to process motor vehicle registrations, permits for registration, or registration  
16 transfers and title applications in conjunction with the sale of a new or used vehicle by said dealer  
17 pursuant to RSA 261:74-h through 261:74-s.

18 4 Bond Required. Amend RSA 261:98, I to read as follows:

19 I.(a) Every retail vehicle dealer as defined in RSA 259:89-a, every auto wholesale dealer as  
20 defined in RSA 259:5-a, every automotive recycling dealer as specified by RSA 261:123, and certain  
21 utility dealers as defined by RSA 259:121 if required by rule of the commissioner, shall obtain a bond  
22 or equivalent proof of financial responsibility as described in paragraph VI, and continue in effect a  
23 surety bond or other equivalent proof of financial responsibility satisfactory to the department in the  
24 amount of \$25,000 executed by a surety company authorized to transact business in the state by the  
25 insurance department.

26 (b) The bond or its equivalent shall only be for the benefit of:

27 (1) A natural person who purchases a vehicle from a dealer, an automotive recycling  
28 dealer, or a utility dealer, and who suffers loss on account of:

29 [(a)] (A) The dealer's default or nonpayment of all valid bank drafts, including checks,  
30 drawn by the dealer for the purchase of motor vehicles;

31 [(b)] (B) The dealer's failure to deliver in conjunction with the sale of a motor vehicle a  
32 valid motor vehicle title certificate free and clear of any prior owner's interests and all liens except a  
33 lien created by or expressly assumed in writing by the buyer of the vehicle;

34 [(c)] (C) The motor vehicle purchased from the dealer was stolen; or

35 [(d)] (D) The dealer's intentional or knowing failure to disclose the vehicle's actual  
36 mileage at the time of sale.

37 (2) *A New Hampshire town or city or the state of New Hampshire which*

1 *suffers loss on account of:*

2 (A) *The dealer's failure to collect all official fees related to motor vehicle*  
3 *registration, permits for registration, registration transfer, and title applications required*  
4 *and permitted under this chapter; or*

5 (B) *The dealer's nonpayment of all official fees collected to register a*  
6 *motor vehicle, issue a permit for registration, transfer a registration, or title a vehicle.*

7 (c) *Subparagraph (b)(2) shall apply to only those dealers who are dealer agents*  
8 *appointed pursuant to RSA 261:74-h. Subparagraph (b)(2), if applicable, shall not require*  
9 *the dealer to obtain a separate bond.*

10 5 New Subdivision; Registration by Dealer Agents. Amend RSA 261 by inserting after section  
11 74-g the following new subdivision:

12 Registration by Dealer Agents

13 261:74-h Appointment of Dealer Agents. Subject to the direction and approval of the  
14 commissioner, the director may appoint retail vehicle dealers meeting the requirements of  
15 RSA 261:103-a as agents to process electronically through EVR integrators motor vehicle  
16 registrations, permits for registration, or registration transfers and title applications in conjunction  
17 with the sale of a new or used vehicle by said dealer. The director shall consult with the New  
18 Hampshire City and Town Clerks' Association and the New Hampshire Automobile Dealers  
19 Association prior to approving the appointment of any dealer agent. Any permits issued by a dealer  
20 agent shall indicate that it was processed by a dealer agent. No dealer shall be permitted to act as a  
21 dealer agent unless the department of safety has implemented an agreement with an EVR  
22 integrator.

23 261:74-i Duration of Appointment. The director shall appoint those dealers that meet the  
24 reasonable security requirements and other requirements as set forth in this chapter and in rule.  
25 The appointment of any dealer for the purposes of this subdivision shall continue only as long as the  
26 ownership of the dealer remains the same, except as provided in RSA 261:74-j and RSA 261:74-q. In  
27 case of a transfer of ownership, the new owner may apply to become a dealer agent.

28 261:74-j Qualifications and Training of Dealer Agents. No dealer shall be appointed as an agent  
29 unless the dealer principal or its staff meet the qualifications and successfully complete the training  
30 programs established under RSA 261:74-r. No dealer agent may perform the duties required under  
31 this subdivision unless the dealer principal or its staff continues to meet the reasonable qualification  
32 and training requirements.

33 261:74-k Duties of Dealer Agents. Each dealer agent or its staff shall perform all the duties  
34 necessary to register motor vehicles, issue a permit for registration, transfer motor vehicle  
35 registrations, and process title applications unless the director determines otherwise. Dealers shall  
36 be responsible to the division, or towns and cities where applicable, for any inventory of title  
37 applications, registration forms, and any other materials issued to them and for all moneys collected.

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1 The dealer agent through the EVR integrator shall electronically transmit to the appropriate town or  
2 city a copy of the newly issued registration permit and a signed affidavit of residency, and, where  
3 applicable, a copy of the registration transferred and a copy of either the resident tax affidavit or the  
4 tax receipt as set forth in 261:74-n, III. Dealer agents shall be in compliance with the Red Flags  
5 Rule, 16 C.F.R part 681, and the Safeguards Rule, 16 C.F.R. part 314, as promulgated by the Federal  
6 Trade Commission.

7 261:74-l Security and Record-Keeping Requirements. Before receiving title applications,  
8 registration forms, and any materials related to electronic vehicle registration, dealer agents shall  
9 adopt and implement security and record-keeping requirements satisfactory to the director.

10 261:74-m Examination of Dealer Agent Records. Any dealer appointed as an agent pursuant to  
11 this subdivision shall be deemed to have given its consent for authorized agents of the department  
12 and any auditor employed or commissioned by the state of New Hampshire or the municipality to  
13 examine, during usual business hours and with reasonable notice, the records required to be  
14 preserved under this chapter; provided no such agent shall be subjected to unnecessary or  
15 unreasonable examinations or investigations.

16 261:74-n Collection of Fees.

17 I. Dealer agents shall collect the fees required to process motor vehicle registrations, permits  
18 for registration, transfers of registrations, and title applications as set forth in this chapter.

19 II. When a dealer agent processes motor vehicle registrations, permits for registration,  
20 transfers of registration, and title applications the applicable town or city or clerk shall receive the  
21 following fees through the dealer agent and the EVR integrator: the registration permit fee under  
22 RSA 261:153, I, the town clerk fee under RSA 261:152, the title application fee under RSA 261:4, IV,  
23 the municipal agent fee under RSA 261:74-d, and, when applicable, the waste reclamation fee under  
24 RSA 261:153, V, the municipal transportation improvement fee under RSA 261:153, VI, the  
25 collection of permit fees in unorganized places under RSA 261:160, and the public parking facilities  
26 fee under RSA 261:154. The town or city may use the fees received by the town or city to offset the  
27 expenses of examination and auditing of dealer agents. Towns, cities, and the state shall inform the  
28 EVR integrator annually as to the details of the fees listed in this paragraph and provide timely  
29 notice to the EVR integrator of any changes to fees.

30 III. When a registration permit applicant resides in a town that assesses, levies, or collects a  
31 resident tax pursuant to RSA 72:1, the applicant shall comply with the provisions of RSA 261:71  
32 either by showing or causing to be shown to the dealer agent a tax receipt or by executing the  
33 affidavit permitted under RSA 261:71 at the time of sale. If a resident tax town electronically shares  
34 resident tax data with the EVR integrator, neither the affidavit nor tax receipt is needed if such data  
35 reveals the resident tax has been paid. An applicant shall not be permitted to register a vehicle if  
36 such data reveals that the applicant is delinquent in paying the resident tax.

37 IV. If the applicant resides in a town or city which has adopted the provisions of

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1 RSA 231:130-a and the town or city has provided notification of unpaid fines to the electronic vehicle  
2 registration integrator pursuant to 231:130-a, III, a dealer agent shall not issue a registration permit  
3 to the applicant unless the town or city clerk's records reveal no outstanding parking violations in  
4 this state.

5 V. No dealer agent shall assume or absorb any fee listed in paragraph II owed by a customer  
6 or advertise or assert that the dealer will assume or absorb such fee. Any violation of this paragraph  
7 shall subject the dealer agent to a fine of \$100 per violation.

8 261:74-o Optional Electronic Vehicle Registration Charge. Each dealer agent may collect a  
9 charge from the consumer to transmit electronically the registration and title data and the fees  
10 collected required to register a motor vehicle, issue a permit for registration, transfer a motor vehicle  
11 registration, or title a motor vehicle. This optional charge is in addition to other dealership fees or  
12 charges and the fees otherwise required to register a motor vehicle, issue a permit for registration,  
13 transfer a motor vehicle registration, or title a motor vehicle. The charge shall be separately stated  
14 and identified as "optional EVR charge" on the purchase agreement between the customer and the  
15 dealer agent. If a customer declines to pay the optional electronic vehicle registration charge, the  
16 dealer agent is not required to register the vehicle, issue a permit for registration, title the vehicle, or  
17 collect the required fees.

18 261:74-p Proof of Residency. A dealer agent shall not process any vehicle registration, permit  
19 for registration, or transfer of motor vehicle registrations of a natural person unless the applicant  
20 has provided to the dealer agent a current New Hampshire driver's license or New Hampshire  
21 nondriver's picture identification card with an address matching the application to be transmitted  
22 and the natural person has signed an affidavit of residency which specifies the town or city in which  
23 he or she currently resides. Dealer agents shall not process registrations for homeless residents  
24 without a permanent address eligible to register under RSA 261:52-c. A dealer agent may register  
25 the vehicles of a corporation or other legal entity with a place of business in this state if the  
26 applicant is a registered business in New Hampshire and is in good standing and an authorized  
27 representative of the corporation or entity has signed an affidavit specifying the New Hampshire  
28 town or city in which the corporation or entity resides, is headquartered, or operates.

29 261:74-q Revocation or Suspension of Agency Status.

30 I. The director may revoke or suspend a dealer's agent status for any violation of law or rule  
31 governing electronic vehicle registration, any violation of the dealer agent's security and record-  
32 keeping plan, revocation or suspension of the dealer license, or any other action that in the director's  
33 opinion adversely affects the registration system. If the director determines that a dealer agent has  
34 not continued to fulfill the requirements of this subdivision or has violated any of the rules adopted  
35 pursuant to this subdivision, the director shall commence a process to suspend or revoke the agent  
36 status of the dealer. The director shall take into account concerns of towns, cities; and the EVR  
37 advisory group established under RSA 261:74-s, IV about dealer agents.

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1           II. Any dealer agent whose appointment is sought to be suspended or revoked shall be  
2 afforded the opportunity for a hearing before the bureau of hearings prior to such suspension or  
3 revocation. Following the hearing, the director may suspend or revoke the appointment as dealer  
4 agent upon satisfactory evidence of malfeasance, misfeasance, theft, financial instability, or violation  
5 of the rules adopted under this subdivision and that the revocation or suspension is in the best  
6 interest of the state.

7           III. Upon the revocation of such agent status, the dealer agent shall surrender to the  
8 department or its authorized agent all materials issued by the state under the provision of this  
9 subdivision and all records pertaining to all matters authorized by this subdivision.

10           IV. Whenever an authorized auditor of the state of New Hampshire or the department  
11 determines that the public interest requires immediate action, the director may issue a temporary  
12 order suspending the authority of a dealer agent to register or transfer registrations, pending a  
13 hearing.

14           261:74-r Rulemaking. The director, with input from the EVR advisory group established under  
15 RSA 261:74-s, IV, shall adopt rules pursuant to RSA 541-A relative to:

16           I. Minimum standards for the qualification of dealer agents and their staffs.

17           II. Minimum security standards for the dealer agent, staff, and dealer agent facility.

18           III. Training requirements and programs for dealer agents and their staffs.

19           IV. The collection, remittance, and auditing of state and local funds pursuant to this  
20 subdivision.

21           V. The completion of required reports and records and their submission to the department  
22 and towns or cities.

23           VI. Minimum standards of accuracy, legibility, and timeliness of submission for documents  
24 and reports.

25           VII. The indemnification and reimbursement of the state or town or city in case of loss.

26           VIII. The efficient and economical administration of this subdivision.

27           IX. Revocation and suspension of dealer agent status.

28           X. The ability to enter into agreements with dealer-agents and EVR integrators.

29           XI. The creation of an error resolution process to resolve registration errors resulting from  
30 the EVR Program.

31           261:74-s Agreements with Electronic Vehicle Registration Integrators.

32           I. Upon approval of the attorney general and governor and council, the department may  
33 enter into an agreement with an electronic vehicle registration integrator to provide, at no cost to the  
34 state, any necessary hardware, software, or network connections between dealer agents, the  
35 department, and towns for the electronic transmittal and receipt of registration and title data and  
36 money. The electronic vehicle registration integrator shall be authorized in the agreement to collect  
37 and transfer funds electronically from the dealers to the department, towns, cities, or town clerks,

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1 where appropriate. RSA 261:141-b shall not apply to electronic transfers to or from an electronic  
2 vehicle registration integrator or a dealer agent. Electronic vehicle registration integrators shall  
3 transmit funds within one business day of the completion of the registration to the appropriate  
4 entity if the entity accepts electronic transfers of funds and within 20 days to any other entity. The  
5 transmittal of funds by an EVR integrator to a town or city or the state pursuant to this section shall  
6 not be considered a delegation of a town's, city's, or state's deposit function as set forth in RSA 41:29.

7 II. An agreement under this section shall provide for minimum standards established by the  
8 department and the department of information technology for transfers of data and funds, financial  
9 solvency of the electronic vehicle registration integrator, training of dealer-agents, and town clerks,  
10 if necessary, by the electronic vehicle registration integrator, implementation of an electronic vehicle  
11 registration integrator "help line" to assist dealer agents, automatic and accurate calculation of all  
12 fees required by this chapter, electronic transmittal of applicable documents to the towns, cities, and  
13 state, bonding to indemnify the state, municipalities, and dealer agents in the event of loss, security,  
14 and privacy of motor vehicle records, access by state-appointed auditors to the records and reports of  
15 the electronic vehicle registration integrator, minimum standards for the accuracy and timeliness of  
16 submission of data and funds, reporting to the state, towns, or cities, transmittal of fees required to  
17 register a motor vehicle, issue a permit for registration, transfer a motor vehicle registration, or title  
18 a vehicle provided said fees are transmitted to the appropriate entity in the manner set forth in this  
19 chapter, conditions for cancellation of the agreement, and the other requirements related to the  
20 efficient and economical administration of this subdivision. The reporting to the towns, cities, and  
21 state shall provide notice of registrations processed, allow proper and accurate collection and  
22 remittance of town or city moneys, allow integration of data and moneys into software used by towns  
23 and cities to transmit registration data to the state, allow towns and cities to clearly identify the  
24 particular fees collected and remitted, and provide vehicle specific data including the maker's list  
25 price, and vehicle make and model. The department shall solicit input from affected municipalities  
26 before entering into an agreement under this section.

27 III. To ensure the EVR integrator and dealer agents are accurately calculating the  
28 applicable fees and properly transmitting the fees and data, and that towns and cities may integrate  
29 the data and fees into the software used by towns and cities to transmit registration data to the  
30 state, the EVR program shall be implemented as follows:

31 (a) The first year of the EVR program shall involve a limited number of dealers and  
32 towns and cities as determined by the director and a single electronic vehicle registration (EVR)  
33 integrator to ensure that the EVR program is successfully implemented. The director shall select  
34 which towns, cities, and dealers shall participate during the first year from a list submitted to the  
35 director by the senate president and the speaker of the house of representatives within 60 days of  
36 the effective date of this section. The director shall select the participants after obtaining the input  
37 of the New Hampshire City and Town Clerks' Association and the New Hampshire Automobile

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1 Dealers Association. The director shall select both large and small municipalities to participate and  
2 towns and cities that use software to transmit registration data to the state, with at least 2 towns or  
3 cities for each type of software.

4 (b) After the EVR program has operated for 270 days, the director shall seek formal  
5 input from the EVR advisory group established in paragraph IV and towns, cities, and dealer agents  
6 involved in the program as to whether or not the EVR integrator and dealer agents are properly  
7 calculating and assessing applicable fees, properly transmitting the fees and data, and properly  
8 integrating data and moneys into the software used by towns and cities to transmit registration data  
9 to the state.

10 (c) After the EVR program has operated for one year, the director shall incorporate the  
11 remaining towns and cities into the program and additional dealers may apply to become dealer  
12 agents unless the director, in consultation with the EVR advisory group established in paragraph IV  
13 determines that the EVR integrator has failed to materially comply with the program requirements.  
14 If such a determination is made, the director shall delay the addition of towns and cities and dealers  
15 for up to 180 days to permit the EVR integration to materially comply with the program  
16 requirements.

17 (d) One year after the incorporation of the remaining towns and cities into the EVR  
18 program, the department may enter into agreements with additional EVR integrators.

19 (e) After the incorporation of all towns and cities into the EVR program, the director  
20 shall evaluate on a periodic basis, no less than annually, whether the EVR integrators and dealer  
21 agents are properly calculating and assessing applicable fees, properly transmitting the fees and  
22 data, and properly integrating data and moneys into the software used by towns and cities to  
23 transmit registration data to the state.

24 IV. The director shall form an EVR advisory group consisting of representatives from the  
25 department of information technology, the division of motor vehicles, the department of safety, the  
26 New Hampshire City and Town Clerks' Association, the New Hampshire Government Finance  
27 Officers Association, organizations representing the interests of town managers and administrators,  
28 the New Hampshire Municipal Association, the New Hampshire Local Government Information  
29 Network, the New Hampshire Automobile Dealers Association, the EVR integrators, and other  
30 persons the director deems necessary. The primary purpose of the EVR advisory group is to ensure  
31 that the EVR program meets the requirements in rules and law. The EVR advisory group shall meet  
32 at least quarterly.

33 V. The director shall periodically evaluate whether the EVR program affects registration-  
34 related assistance provided to towns and cities by the department.

35 6 Effective Date. This act shall take effect upon its passage.



2011-0796s

AMENDED ANALYSIS

This bill authorizes retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

Amendment to SB 156-FN-LOCAL

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT authorizing retail vehicle dealers to act as agents of the division of motor vehicles  
4 for vehicle registrations and title applications.  
5

6 Amend the bill by replacing all after the enacting clause with the following:

7

8 1 Statement of Purpose.

9 I. This act known as the Electronic Vehicle Registration (EVR) law will allow New  
10 Hampshire residents to choose the most convenient place for them to register their newly purchased  
11 vehicle: their town or city hall or the New Hampshire dealership where it was purchased.

12 II. Currently, New Hampshire residents and businesses can only register their vehicles at  
13 town or city halls. In nearly 30 other states, customers can choose to electronically register their  
14 vehicle at the dealership. These dealers through an electronic intermediary securely and quickly  
15 electronically transmit the official local and state fees and data to the appropriate entity. This act  
16 seeks to replicate the success in those states.

17 III. This act will:

18 (a) Allow customers to securely register their vehicles at authorized dealerships but only  
19 at time of sale of the vehicle.

20 (b) Improve customer service at the towns, cities, state, and dealerships.

21 (c) Allow law enforcement access to temporary plate information.

22 (d) Allow New Hampshire dealers to collect and electronically remit the official fees,  
23 securely and promptly, to the towns or cities and the state as they have successfully done in other  
24 states.

25 (e) Allow towns and cities and the state to collect their respective revenues more quickly  
26 and safely.

27 (f) Allow towns and cities and the state to quickly integrate moneys and data into their  
28 respective accounting or related software.

29 IV. All current town revenues are to stay with the towns. The fees collected by dealer agents  
30 will be transmitted to the same government entity where the fees are currently sent or collected.  
31 This includes the registration permits fees (RSA 261:153, I), town clerk fee (RSA 261:152), title  
32 application fee (RSA 261:4, IV), municipal agent fee (RSA 261:74-d), waste reclamation fee

1 (RSA 261:153, V), municipal transportation improvement fee (RSA 261:153, VI), collection of permit  
2 fees in unorganized places (RSA 261:160), and the public parking facilities fee (RSA 261:154).

3 2 New Paragraph; Notification of Unpaid Fines. Amend RSA 231:130-a by inserting after  
4 paragraph II the following new paragraph:

5 III. The town or city clerk may provide the notifications permitted by subparagraphs I(b)  
6 and I(c) to electronic vehicle registration integrators operating under an agreement with the  
7 department of safety pursuant to RSA 261:74-s.

8 3 New Sections; Definitions. Amend RSA 259 by inserting after section 29-a the following new  
9 sections:

10 259:29-b EVR Integrator. "EVR integrator" shall mean an electronic vehicle registration  
11 integrator who provides any necessary hardware, software, or network connections between dealer  
12 agents, the department, and towns for the electronic transmittal and receipt of registration and title  
13 data and money.

14 259:29-c EVR Program. "EVR program" means the electronic vehicle registration program that  
15 allows dealer agents to process motor vehicle registrations, permits for registration, or registration  
16 transfers and title applications in conjunction with the sale of a new or used vehicle by said dealer  
17 pursuant to RSA 261:74-h through 261:74-s.

18 4 Bond Required. Amend RSA 261:98, I to read as follows:

19 I.(a) Every retail vehicle dealer as defined in RSA 259:89-a, every auto wholesale dealer as  
20 defined in RSA 259:5-a, every automotive recycling dealer as specified by RSA 261:123, and certain  
21 utility dealers as defined by RSA 259:121 if required by rule of the commissioner, shall obtain a bond  
22 or equivalent proof of financial responsibility as described in paragraph VI, and continue in effect a  
23 surety bond or other equivalent proof of financial responsibility satisfactory to the department in the  
24 amount of \$25,000 executed by a surety company authorized to transact business in the state by the  
25 insurance department.

26 (b) The bond or its equivalent shall only be for the benefit of:

27 (1) A natural person who purchases a vehicle from a dealer, an automotive recycling  
28 dealer, or a utility dealer, and who suffers loss on account of:

29 [(a)] (A) The dealer's default or nonpayment of all valid bank drafts, including checks,  
30 drawn by the dealer for the purchase of motor vehicles;

31 [(b)] (B) The dealer's failure to deliver in conjunction with the sale of a motor vehicle a  
32 valid motor vehicle title certificate free and clear of any prior owner's interests and all liens except a  
33 lien created by or expressly assumed in writing by the buyer of the vehicle;

34 [(c)] (C) The motor vehicle purchased from the dealer was stolen; or

35 [(d)] (D) The dealer's intentional or knowing failure to disclose the vehicle's actual  
36 mileage at the time of sale.

37 (2) A New Hampshire town or city or the state of New Hampshire which

1 *suffers loss on account of:*

2 *(A) The dealer's failure to collect all official fees related to motor vehicle*  
3 *registration, permits for registration, registration transfer, and title applications required*  
4 *and permitted under this chapter; or*

5 *(B) The dealer's nonpayment of all official fees collected to register a*  
6 *motor vehicle, issue a permit for registration, transfer a registration, or title a vehicle.*

7 *(c) Subparagraph (b)(2) shall apply to only those dealers who are dealer agents*  
8 *appointed pursuant to RSA 261:74-h. Subparagraph (b)(2), if applicable, shall not require*  
9 *the dealer to obtain a separate bond.*

10 5 New Subdivision; Registration by Dealer Agents. Amend RSA 261 by inserting after section  
11 74-g the following new subdivision:

12 Registration by Dealer Agents

13 261:74-h Appointment of Dealer Agents. Subject to the direction and approval of the  
14 commissioner, the director may appoint retail vehicle dealers meeting the requirements of  
15 RSA 261:103-a as agents to process electronically through EVR integrators motor vehicle  
16 registrations, permits for registration, or registration transfers and title applications in conjunction  
17 with the sale of a new or used vehicle by said dealer. The director shall consult with the New  
18 Hampshire City and Town Clerks' Association and the New Hampshire Automobile Dealers  
19 Association prior to approving the appointment of any dealer agent. Any permits issued by a dealer  
20 agent shall indicate that it was processed by a dealer agent. No dealer shall be permitted to act as a  
21 dealer agent unless the department of safety has implemented an agreement with an EVR  
22 integrator.

23 261:74-i Duration of Appointment. The director shall appoint those dealers that meet the  
24 reasonable security requirements and other requirements as set forth in this chapter and in rule.  
25 The appointment of any dealer for the purposes of this subdivision shall continue only as long as the  
26 ownership of the dealer remains the same, except as provided in RSA 261:74-j and RSA 261:74-q. In  
27 case of a transfer of ownership, the new owner may apply to become a dealer agent.

28 261:74-j Qualifications and Training of Dealer Agents. No dealer shall be appointed as an agent  
29 unless the dealer principal or its staff meet the qualifications and successfully complete the training  
30 programs established under RSA 261:74-r. No dealer agent may perform the duties required under  
31 this subdivision unless the dealer principal or its staff continues to meet the reasonable qualification  
32 and training requirements.

33 261:74-k Duties of Dealer Agents. Each dealer agent or its staff shall perform all the duties  
34 necessary to register motor vehicles, issue a permit for registration, transfer motor vehicle  
35 registrations, and process title applications unless the director determines otherwise. Dealers shall  
36 be responsible to the division, or towns and cities where applicable, for any inventory of title  
37 applications, registration forms, and any other materials issued to them and for all moneys collected.

1 The dealer agent through the EVR integrator shall electronically transmit to the appropriate town or  
2 city a copy of the newly issued registration permit and a signed affidavit of residency, and, where  
3 applicable, a copy of the registration transferred and a copy of either the resident tax affidavit or the  
4 tax receipt as set forth in 261:74-n, III. Dealer agents shall be in compliance with the Red Flags  
5 Rule, 16 C.F.R part 681, and the Safeguards Rule, 16 C.F.R. part 314, as promulgated by the Federal  
6 Trade Commission.

7 261:74-l Security and Record-Keeping Requirements. Before receiving title applications,  
8 registration forms, and any materials related to electronic vehicle registration, dealer agents shall  
9 adopt and implement security and record-keeping requirements satisfactory to the director.

10 261:74-m Examination of Dealer Agent Records. Any dealer appointed as an agent pursuant to  
11 this subdivision shall be deemed to have given its consent for authorized agents of the department  
12 and any auditor employed or commissioned by the state of New Hampshire or the municipality to  
13 examine, during usual business hours and with reasonable notice, the records required to be  
14 preserved under this chapter; provided no such agent shall be subjected to unnecessary or  
15 unreasonable examinations or investigations.

16 261:74-n Collection of Fees.

17 I. Dealer agents shall collect the fees required to process motor vehicle registrations, permits  
18 for registration, transfers of registrations, and title applications as set forth in this chapter.

19 II. When a dealer agent processes motor vehicle registrations, permits for registration,  
20 transfers of registration, and title applications the applicable town or city or clerk shall receive the  
21 following fees through the dealer agent and the EVR integrator: the registration permit fee under  
22 RSA 261:153, I, the town clerk fee under RSA 261:152, the title application fee under RSA 261:4, IV,  
23 the municipal agent fee under RSA 261:74-d, and, when applicable, the waste reclamation fee under  
24 RSA 261:153, V, the municipal transportation improvement fee under RSA 261:153, VI, the  
25 collection of permit fees in unorganized places under RSA 261:160, and the public parking facilities  
26 fee under RSA 261:154. The town or city may use the fees received by the town or city to offset the  
27 expenses of examination and auditing of dealer agents. Towns, cities, and the state shall inform the  
28 EVR integrator annually as to the details of the fees listed in this paragraph and provide timely  
29 notice to the EVR integrator of any changes to fees.

30 III. When a registration permit applicant resides in a town that assesses, levies, or collects a  
31 resident tax pursuant to RSA 72:1, the applicant shall comply with the provisions of RSA 261:71  
32 either by showing or causing to be shown to the dealer agent a tax receipt or by executing the  
33 affidavit permitted under RSA 261:71 at the time of sale. If a resident tax town electronically shares  
34 resident tax data with the EVR integrator, neither the affidavit nor tax receipt is needed if such data  
35 reveals the resident tax has been paid. An applicant shall not be permitted to register a vehicle if  
36 such data reveals that the applicant is delinquent in paying the resident tax.

37 IV. If the applicant resides in a town or city which has adopted the provisions of

1 RSA 231:130-a and the town or city has provided notification of unpaid fines to the electronic vehicle  
2 registration integrator pursuant to 231:130-a, III, a dealer agent shall not issue a registration permit  
3 to the applicant unless the town or city clerk's records reveal no outstanding parking violations in  
4 this state.

5 V. No dealer agent shall assume or absorb any fee listed in paragraph II owed by a customer  
6 or advertise or assert that the dealer will assume or absorb such fee. Any violation of this paragraph  
7 shall subject the dealer agent to a fine of \$100 per violation.

8 261:74-o Optional Electronic Vehicle Registration Charge. Each dealer agent may collect a  
9 charge from the consumer to transmit electronically the registration and title data and the fees  
10 collected required to register a motor vehicle, issue a permit for registration, transfer a motor vehicle  
11 registration, or title a motor vehicle. This optional charge is in addition to other dealership fees or  
12 charges and the fees otherwise required to register a motor vehicle, issue a permit for registration,  
13 transfer a motor vehicle registration, or title a motor vehicle. The charge shall be separately stated  
14 and identified as "optional EVR charge" on the purchase agreement between the customer and the  
15 dealer agent. If a customer declines to pay the optional electronic vehicle registration charge, the  
16 dealer agent is not required to register the vehicle, issue a permit for registration, title the vehicle, or  
17 collect the required fees.

18 261:74-p Proof of Residency. A dealer agent shall not process any vehicle registration, permit  
19 for registration, or transfer of motor vehicle registrations of a natural person unless the applicant  
20 has provided to the dealer agent a current New Hampshire driver's license or New Hampshire  
21 nondriver's picture identification card with an address matching the application to be transmitted  
22 and the natural person has signed an affidavit of residency which specifies the town or city in which  
23 he or she currently resides. Dealer agents shall not process registrations for homeless residents  
24 without a permanent address eligible to register under RSA 261:52-c. A dealer agent may register  
25 the vehicles of a corporation or other legal entity with a place of business in this state if the  
26 applicant is a registered business in New Hampshire and is in good standing and an authorized  
27 representative of the corporation or entity has signed an affidavit specifying the New Hampshire  
28 town or city in which the corporation or entity resides, is headquartered, or operates.

29 261:74-q Revocation or Suspension of Agency Status.

30 I. The director may revoke or suspend a dealer's agent status for any violation of law or rule  
31 governing electronic vehicle registration, any violation of the dealer agent's security and record-  
32 keeping plan, revocation or suspension of the dealer license, or any other action that in the director's  
33 opinion adversely affects the registration system. If the director determines that a dealer agent has  
34 not continued to fulfill the requirements of this subdivision or has violated any of the rules adopted  
35 pursuant to this subdivision, the director shall commence a process to suspend or revoke the agent  
36 status of the dealer. The director shall take into account concerns of towns, cities, and the EVR  
37 advisory group established under RSA 261:74-s, IV about dealer agents.

1           II. Any dealer agent whose appointment is sought to be suspended or revoked shall be  
2 afforded the opportunity for a hearing before the bureau of hearings prior to such suspension or  
3 revocation. Following the hearing, the director may suspend or revoke the appointment as dealer  
4 agent upon satisfactory evidence of malfeasance, misfeasance, theft, financial instability, or violation  
5 of the rules adopted under this subdivision and that the revocation or suspension is in the best  
6 interest of the state.

7           III. Upon the revocation of such agent status, the dealer agent shall surrender to the  
8 department or its authorized agent all materials issued by the state under the provision of this  
9 subdivision and all records pertaining to all matters authorized by this subdivision.

10           IV. Whenever an authorized auditor of the state of New Hampshire or the department  
11 determines that the public interest requires immediate action, the director may issue a temporary  
12 order suspending the authority of a dealer agent to register or transfer registrations, pending a  
13 hearing.

14           261:74-r Rulemaking. The director, with input from the EVR advisory group established under  
15 RSA 261:74-s, IV, shall adopt rules pursuant to RSA 541-A relative to:

16           I. Minimum standards for the qualification of dealer agents and their staffs.

17           II. Minimum security standards for the dealer agent, staff, and dealer agent facility.

18           III. Training requirements and programs for dealer agents and their staffs.

19           IV. The collection, remittance, and auditing of state and local funds pursuant to this  
20 subdivision.

21           V. The completion of required reports and records and their submission to the department  
22 and towns or cities.

23           VI. Minimum standards of accuracy, legibility, and timeliness of submission for documents  
24 and reports.

25           VII. The indemnification and reimbursement of the state or town or city in case of loss.

26           VIII. The efficient and economical administration of this subdivision.

27           IX. Revocation and suspension of dealer agent status.

28           X. The ability to enter into agreements with dealer-agents and EVR integrators.

29           XI. The creation of an error resolution process to resolve registration errors resulting from  
30 the EVR Program.

31           261:74-s Agreements with Electronic Vehicle Registration Integrators.

32           I. Upon approval of the attorney general and governor and council, the department may  
33 enter into an agreement with an electronic vehicle registration integrator to provide, at no cost to the  
34 state, any necessary hardware, software, or network connections between dealer agents, the  
35 department, and towns for the electronic transmittal and receipt of registration and title data and  
36 money. The electronic vehicle registration integrator shall be authorized in the agreement to collect  
37 and transfer funds electronically from the dealers to the department, towns, cities, or town clerks,

1 where appropriate. RSA 261:141-b shall not apply to electronic transfers to or from an electronic  
2 vehicle registration integrator or a dealer agent. Electronic vehicle registration integrators shall  
3 transmit funds within one business day of the completion of the registration to the appropriate  
4 entity if the entity accepts electronic transfers of funds and within 20 days to any other entity. The  
5 transmittal of funds by an EVR integrator to a town or city or the state pursuant to this section shall  
6 not be considered a delegation of a town's, city's, or state's deposit function as set forth in RSA 41:29.

7 II. An agreement under this section shall provide for minimum standards established by the  
8 department and the department of information technology for transfers of data and funds, financial  
9 solvency of the electronic vehicle registration integrator, training of dealer-agents, and town clerks,  
10 if necessary, by the electronic vehicle registration integrator, implementation of an electronic vehicle  
11 registration integrator "help line" to assist dealer agents, automatic and accurate calculation of all  
12 fees required by this chapter, electronic transmittal of applicable documents to the towns, cities, and  
13 state, bonding to indemnify the state, municipalities, and dealer agents in the event of loss, security,  
14 and privacy of motor vehicle records, access by state-appointed auditors to the records and reports of  
15 the electronic vehicle registration integrator, minimum standards for the accuracy and timeliness of  
16 submission of data and funds, reporting to the state, towns, or cities, transmittal of fees required to  
17 register a motor vehicle, issue a permit for registration, transfer a motor vehicle registration, or title  
18 a vehicle provided said fees are transmitted to the appropriate entity in the manner set forth in this  
19 chapter, conditions for cancellation of the agreement, and the other requirements related to the  
20 efficient and economical administration of this subdivision. The reporting to the towns, cities, and  
21 state shall provide notice of registrations processed, allow proper and accurate collection and  
22 remittance of town or city moneys, allow integration of data and moneys into software used by towns  
23 and cities to transmit registration data to the state, allow towns and cities to clearly identify the  
24 particular fees collected and remitted, and provide vehicle specific data including the maker's list  
25 price, and vehicle make and model. The department shall solicit input from affected municipalities  
26 before entering into an agreement under this section.

27 III. To ensure the EVR integrator and dealer agents are accurately calculating the  
28 applicable fees and properly transmitting the fees and data, and that towns and cities may integrate  
29 the data and fees into the software used by towns and cities to transmit registration data to the  
30 state, the EVR program shall be implemented as follows:

31 (a) The first year of the EVR program shall involve a limited number of dealers and  
32 towns and cities as determined by the director and a single electronic vehicle registration (EVR)  
33 integrator to ensure that the EVR program is successfully implemented. The director shall select  
34 which towns, cities, and dealers shall participate during the first year from a list submitted to the  
35 director by the senate president and the speaker of the house of representatives within 60 days of  
36 the effective date of this section. The director shall select the participants after obtaining the input  
37 of the New Hampshire City and Town Clerks' Association and the New Hampshire Automobile



1 Dealers Association. The director shall select both large and small municipalities to participate and  
2 towns and cities that use software to transmit registration data to the state, with at least 2 towns or  
3 cities for each type of software.

4 (b) After the EVR program has operated for 270 days, the director shall seek formal  
5 input from the EVR advisory group established in paragraph IV and towns, cities, and dealer agents  
6 involved in the program as to whether or not the EVR integrator and dealer agents are properly  
7 calculating and assessing applicable fees, properly transmitting the fees and data, and properly  
8 integrating data and moneys into the software used by towns and cities to transmit registration data  
9 to the state.

10 (c) After the EVR program has operated for one year, the director shall incorporate the  
11 remaining towns and cities into the program and additional dealers may apply to become dealer  
12 agents unless the director, in consultation with the EVR advisory group established in paragraph IV  
13 determines that the EVR integrator has failed to materially comply with the program requirements.  
14 If such a determination is made, the director shall delay the addition of towns and cities and dealers  
15 for up to 180 days to permit the EVR integration to materially comply with the program  
16 requirements.

17 (d) One year after the incorporation of the remaining towns and cities into the EVR  
18 program, the department may enter into agreements with additional EVR integrators.

19 (e) After the incorporation of all towns and cities into the EVR program, the director  
20 shall evaluate on a periodic basis, no less than annually, whether the EVR integrators and dealer  
21 agents are properly calculating and assessing applicable fees, properly transmitting the fees and  
22 data, and properly integrating data and moneys into the software used by towns and cities to  
23 transmit registration data to the state.

24 IV. The director shall form an EVR advisory group consisting of representatives from the  
25 department of information technology, the division of motor vehicles, the department of safety, the  
26 New Hampshire City and Town Clerks' Association, the New Hampshire Government Finance  
27 Officers Association, organizations representing the interests of town managers and administrators,  
28 the New Hampshire Municipal Association, the New Hampshire Local Government Information  
29 Network, the New Hampshire Automobile Dealers Association, the EVR integrators, and other  
30 persons the director deems necessary. The primary purpose of the EVR advisory group is to ensure  
31 that the EVR program meets the requirements in rules and law. The EVR advisory group shall meet  
32 at least quarterly.

33 V. The director shall periodically evaluate whether the EVR program affects registration-  
34 related assistance provided to towns and cities by the department.

35 6 Effective Date. This act shall take effect upon its passage.

2011-0807s

AMENDED ANALYSIS

This bill authorizes retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

# Committee Minutes

**AMENDED**  
**SENATE CALENDAR NOTICE**  
**COMMERCE**

Printed: 03/03/2011 at 9:52 am

Senator Russell Prescott Chairman  
Senator Raymond White V Chairman  
Senator Tom De Blois  
Senator Matthew Houde  
Senator Andy Sanborn

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

**Date: March 3, 2011**

**HEARINGS**

**Friday**

**3/11/2011**

**COMMERCE**

**SH 100**

**9:00 AM**

(Name of Committee)

(Place)

(Time)

**EXECUTIVE SESSION MAY FOLLOW**

**Comments:** Please note the room change. The Committee will meet in State House Room 100.

9:00 AM SB156-FN-L authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

**Sponsors:**

**SB156-FN-L**

Sen. Andy Sanborn  
Sen. Amanda Merrill  
Sen. Jim Rausch  
Sen. Tom De Blois  
Rep. Jennifer Coffey

Sen. Gary Lambert  
Sen. John Gallus  
Sen. Chuck Morse  
Rep. Thomas Keane  
Sen. James Forsythe

Sen. Peter Bragdon  
Sen. Raymond White  
Sen. Fenton Groen  
Rep. Seth Cohn  
Rep. David Bettencourt

Sen. Jim Luther  
Sen. Jeb Bradley  
Sen. Sharon Carson  
Rep. Kenneth Kreis

Patrick Murphy 271-3067

Sen. Russell Prescott

Chairman

# Commerce Committee Hearing Report

**To:** Member of the Senate

**From:** Patrick Murphy, *Legislative Aide*

**Re:** Hearing Report on SENATE BILL 156-FN-LOCAL authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

**Hearing Date:** March 11, 2011

**Members of the Committee Present:**

Senator White, Senator De Blois, Senator Sanborn, Senator Houde

**Members of the Committee Absent:**

Senator Prescott

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**Sponsor(s):**

Sen. Sanborn, Dist 7; Sen. Lambert, Dist 13; Sen. Bragdon, Dist 11; Sen. Luther, Dist 12; Sen. Merrill, Dist 21; Sen. Gallus, Dist 1; Sen. White, Dist 9; Sen. Bradley, Dist 3; Sen. Rausch, Dist 19; Sen. Morse, Dist 22; Sen. Groen, Dist 6; Sen. Carson, Dist 14; Sen. De Blois, Dist 18; Sen. Forsythe, Dist 4; Rep. T. Keane, Merr 13; Rep. Cohn, Merr 6; Rep. Kreis, Merr 6; Rep. Jennifer Coffey, Merr 6; Rep. Bettencourt, Rock 4

**What the bill does:**

This bill authorizes retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

**Supporters of the bill:**

Sen. Sanborn, Dist 7; Sen. Bragdon, Dist 11; Sen. Bradley, Dist 3; Sen. Morse, Dist 22; Sen. Lambert, Dist 13; Sen. Groen, Dist 6; Sen. Luther, Dist 12; Sen. Carson, Dist 14; Sen. Gallus, Dist 1; Rep. Sanborn, Merr 5; Rep. Keane, Merr 17; Earl Sweeney, Department of Safety; Ken Mehall, CVR; Pete McNamara and Roger Groux, NH Auto Dealers Association; Edward Dupont, Alliance of Automobile Manufacturers; Russ Marcoux, Bedford Town Manager; David Fredette, City of Nashua; Andy Crews, AutoFair/NHADA;

**Those in opposition to the bill:**

Rep. Fields, Belknap 2; Robert Steenson, Chairman – Canterbury Board of Selectmen; Katherine Dawson, Tilton; Sandra Plessner, Tilton; Denise Gonyer, Gilford; Pat Wymen, Town Clerk of Wolfeboro;

### **Speaking to the bill/Neutral:**

Cordell Johnston, NH Municipal Association; Barbara Reid, NHMA/NH GFOA; Becky Benvenut, NH City & Town Clerks Association; Kathleen Valliere Town clerk of Greenville

**See Committee File for a complete list of those who attended the hearing but did not testify.**

### **Summary of testimony received:**

Sen. Sanborn, Dist 7

- Introduced amendment 0796s.
- SB 156 will allow residents to register their car at the time of purchase of a new or new to you car, saving resident's time. SB 156 allows car purchasers to finance the registration fees as part of their car loans. SB 156 will close a safety exposure hole with our police department. Today our 20 day plates are not actually entered into any manageable data base. This system will provide instant inclusion into our State data base to provide police better, more accurate information to keep our communities safe.
- With financial pressures on local communities, many town clerk hours have been reduced to no more than 3 days a week, no nights and no weekends. Auto dealers are open 7 days a week. With reductions at the local level, town clerks are presently operating at full capacity and this program will provide some minimal relief of their overburdened workload.
- This bill will provide for an accelerated financial remittance of money to both the state and local communities.
- This program will be at no cost to the state or the cities and towns. CVR has committed to fund the development costs to implement this legislation.
- Read a letter from the Governor in support of the legislation: "This legislation will improve customer service by allowing auto dealers to offer their customers the option of registering their vehicles at the time of purchase, as opposed to making a separate trip. It will also reduce the errors that come from moving paper documents between dealers and the state. These improvements will come at no cost to the state and assist in our efforts to provide continued quality customer service at a time of reduced resources."
- In response to questions from the Committee, Senator Sanborn responded that if a check is used and does not clear it would be up to the auto dealer to follow up. The communities will be paid in the same timely manner as if the check had cleared. Once the pilot period has passed and the program is shown to be working as planned and the advisory group agrees, the program would roll out across the state.

Earl Sweeney, Department of Safety

- We have spent the last 4 years trying to retool the DMV to provide better customer support. Believes this legislation will provide better customer support. We believe this bill includes appropriate oversight to ensure this program is run smoothly.

- This will do away with the current temporary license plate problem. We strongly support the pilot program provision.
- In response to questions from the Department, Assistant Commissioner Sweeney responded that he believes the Department has the necessary tools to address any problems that may occur with this program. They will work closely with CVR.

Ken Mehall, CVR

- CVR is jointly owned by ADP and Reynolds & Reynolds Co.
- Has met with a number of town clerks in NH. This program is working in a number of states today. This program provides an opportunity to get the key work done at the time of sale. Each stakeholder in this process must have some sort of tangible benefit and this program provides speed, accuracy, and dependability in the registration process.
- Parent company ADP moves \$800 billion annually.
- There will be no upfront costs to the state or municipalities. CVR will take on all upfront costs to get this program up and running.
- In response to question from the committee the witness responded that there are always differences in the way states collect fees and even in a state there are municipalities that collect fees differently. CVR is familiar with this and has experience they can use to address this in NH. There are too many variables to now exactly how much a consumer will pay for this service at a dealership. Would estimate the fee at between \$20 and \$30. CVR typically has access to dealer bank accounts to transfer funds to the state and municipality. Many of these details will be worked out in rulemaking.

Rep. Fields, Belknap 2

- The system isn't broken so we don't need to fix it. Has never heard from a constituent about how we need to do this. Safety has enough to do without taking on this additional responsibility. This should be continued to be handled by the clerks as it is done now.
- Suggests a study committee to look at this issue.

Robert Steenson, Chairman – Canterbury Board of Selectmen

- This bill takes away local control over this important revenue source. Who would pay for the additional auditing? Small towns don't have the staff to handle this. The current system is not broken. This simply benefits the auto dealers. No benefit to the community for doing this?

Cordell Johnston, NH Municipal Association

- The NH Municipal Association has no position on this bill. We have opposed this issue in the past when this has been proposed in different ways. This clearly sends the money back to the municipality. We don't see major problems with this bill. We will work with the legislature to ensure this can be done the best way possible.
- Our concern is that the towns don't lose revenue and that there are no errors in implementation. Wants to make sure this program can be clearly audited.

Pete McNamara and Roger Groux, NH Auto Dealers Association

- The current system is antiquated. Can see no reason to not pass this bill it is way overdue.

- It's critical to note that the town clerks are the experts and it will be critical to make sure they are involved in the process of rolling out this program.
- The use of the system is optional for both the dealer and the consumer. The process isn't broken now but this will make the process much more consumer friendly.
- The error rate in other states before EVR was about 6% and after the program in fell to under 1%.

Katherine Dawson, Tilton

- When town and city clerks register vehicles they must scrutinize each transaction to be certain the applicant is a resident of the community. Allowing NH dealerships to register vehicles would eliminate this very important step in the registration process. Without proper proof of residency, such as landlord affidavit, lease agreement, property tax receipt or electric bill, transient individuals could fraudulently file for town assistance and other resident benefits.
- Currently, almost all title applications filled out by the dealerships that come into town hall are incorrect and take extra time for the clerk's to process as they must call into the DMV and the dealerships to correct and substantiate information.
- It is extremely important to have the exact model information for the vehicle being registered as accurate, such as LX, ES, LS unfortunately this is one of the most common errors the dealership's employees make. This essential information is part of the calculation which determines the cost of the town's portion of the registration and if incorrect this results in lost revenue to the town or overcharge to the resident.
- Town Clerks and City Clerks by virtue of their office have a greater responsibility to the people they serve than employees of auto dealerships. Within town government there are checks and balances put in place by our NH State Constitution and Laws that assures the town's people their moneys are secure. The Clerks collect and deposit, with the Treasure's permission, these municipal funds and file a daily financial report to the Selectmen who by statute, RSA 41:8, are responsible for the financial affairs of the town. RSA 41:16-c states that a Town Clerk can be removed from office if the town accounts are found to contain an irregularity or material error, or show evidence that the timely deposit of funds has not been made in accordance with RSA 261:165. This accountability is lacking in an auto dealership where employees often come and go and are not bound by an oath of office or the laws governing municipal moneys.

Sandra Plessner, Tilton

- There is a lot more detail that goes into vehicle registration than dealers know about. There would be a whole new learning curve for dealers to learn everything necessary to process registrations. If dealer managers aren't paid enough to incentivize them they will not catch all the mistakes that can be made.
- The implementation of this service will be costly in time and money. This will lead to less customer satisfaction.



Edward Dupont, Alliance of Automobile Manufacturers

- Representing the Alliance of Automobile Manufacturers which is a trade association composed of the majority of the domestic and global manufacturers of automobiles. Our companies represent almost 80% of the total new vehicle sales in the U.S.
- SB 156 will be a significant enhancement to the customer experience. Today consumers expect the use of technology to improve their customer experience, no matter what is being sold. They use it to locate dealers, check prices, and research vehicles. Consumers in NH will view this as a positive move forward for dealers and the state.
- This will make the flow of documents between our dealers, DMV, and our financing resources more efficient.
- This adds another important service that our dealers can provide to customers.
- At a time when we are all using technology to increase fuel efficiency and reduce the impact on the environment, SB 156 will help to reduce consumer energy by replacing the drive to the town or city hall to register new vehicles with technology that is readily available.
- We are familiar and comfortable with the effectiveness of this model in use by the many states and dealers who have teamed up to provide this important customer service.

Russ Marcoux, Bedford Town Manager

- In all his years of public service he hasn't seen a bill go through all the work that this one has.
- 23,500 cars are registered in Bedford each year.
- This is good for customer service and all the concerns are being addressed. It is worth moving this forward to continue to work on the bill.
- In response to questions from the Committee, the witness responded that some communities use the town finance office to process registrations. This is the case in Bedford. Bedford didn't see any statutory conflicts when moving this responsibility from the town clerk to the finance office.

Barbara Reid, NH Municipal Association/NH Government Finance Officers Association

- The GFOA has no position on this legislation, other than to request to part of the advisory group which is done in the proposed amendment.

Becky Benvenut, NH City & Town Clerks Association

- Can't support this bill as currently drafted. This bill is very complex and, without question, it represents a very dramatic change to NH's local process and collection of municipal revenue. We remain committed to continuing to be at the table to work with the sponsors and to offer solutions to address our concerns.
- We hope to fulfill our fiduciary obligation by ensuring this bill, which also seeks to improve dealership revenues, does not unintentionally result in consequences that further erode local control, increase local expenses, or open the door to loss of future town and city revenues.

- Motor vehicle revenue is the second largest source of town and city revenues, second only to property tax. State law is written to protect municipalities' collection and control of this revenue. Allowing outside entities to participate in the process represents unknown risk. Any potential ability to lessen or direct this revenue to other entities could be devastating to our local budgets and property taxes.
- In order to assure that rulemaking will sufficiently address the local city and town processes, we are requesting the following amendment to the bill:
  - The director shall provide opportunities for stakeholders, including representatives from the NH City and Town Clerks Association, to provide input into the development of the rules, including opportunities prior to the commencement of the formal rulemaking process.
- Major concerns with this legislation include:
- Dealers as Agents of Municipalities – this bill states that retail vehicle dealers will act as agents of the DMV in the issuance of titles and registrations. Dealer agents will be performing 2 separate functions under this bill: the state title and registration process, and the municipal motor vehicle permit process. We believe this legislation directly conflict with RSA 261:148.
- Fees for agents – statute set forth the fee amount that the town clerk or city official can charge for processing both the municipal permit and the registration, as \$1 and \$3 respectively. We are concerned this bill does not establish any maximum fee amount that would be charged by dealer agents.
- Loss of local control/municipal mandate – this bill is a mandate upon municipalities to give up their local control to private business – local control that has existed for nearly 100 years.
- Benefit to state and dealerships – not to municipalities – this bill clearly has benefits for the dealerships, the EVR vendor, and the state. On the other had, municipalities stand to suffer as stated in the bill's fiscal note.
- NH will be the first “municipal” EVR state – no other state in the country allows Retail Dealerships to collect and remit directly on behalf of individual towns and cities.
- Risk of future revenue loss – this bill opens the door to the risk of the unknown, which as been described as the classic slippery slope. There is concern about long-term goals and the risks of someday competing with business entities or the state for the same revenue.
- Use of municipal money – loss of investment – the ability of the EVR to use the municipalities' monies for a period of time before the monies are transferred is concerning. The 2-3 banking days for an electronic ACH transfer and the 20 days before a paper check is issued allows municipal revenue to be used for private business gain and also reflects potential loss of interest for the town or city.
- Compliance with other municipal state statutes – we expect final legislation will be in full compliance with the applicable state statutes. This bill and the associated rulemaking process will form the foundation for a number of completely new processes, of which there are overlapping issues with other municipal statutes.

Denise Gonyer, Gilford

- Concerned about the residency issue. We need to be able to make sure the applicant for registration is actually a resident of NH.
- Lives in a community with 50% out of state registrations. Not confident that a dealer has the ability to monitor this as closely as town clerks.
- Concerned with the level of customer service. The clerks provide a high level of customer service. Believes the dealers could provide better customer service.
- Addressed boat registrations.

David Fredette, City of Nashua

- We perform nearly 90,000 registration transactions per year collecting approximately \$11 million in revenue for the city. As a Municipal Agent for the State, we collect approximately \$5 million in revenue for them and electronically transfer on a daily basis.
- SB 156 represents a new way of providing services to our customers and yours, allowing them the added convenience of registering their vehicles at a NH dealership and saving them time in their busy schedule. It is my understanding that Nashua, along with the state, will receive all local fees as we receive today within a reasonable time. We also understand the bill has two major phases for proper implementation and the city of Nashua would like to participate in the initial phase if possible.

Andy Crews, AutoFair/NHADA

- Distributed a letter from the Mayor of Manchester.
- Has done business in other states that use the EVR system for registration. Spoke about the 20 day plate issue and how law enforcement has no idea who owns vehicles with 20 day plates.
- The system we use today is antiquated. Spoke about his experience working as an auto dealer in Florida and the process he went through making sure all fees and taxes were collected. All of these fees were collected and distributed electronically with absolutely no problems. Technology has come a long way. The EVR system works.
- We need to move forward with this legislation and make sure it is implemented properly. We report to multiple agencies and departments at the local, state, and federal levels. Audits are conducted regularly. More technology will give us more control. This is a great tool for local control and for public safety.
- In response to questions from the Committee, the witness responded that all personal data that is currently gathered is kept under lock and key and we are subject to significant fines if this type of information is left unsecured.

Pat Wymen, Town Clerk of Wolfeboro

- Wanted to go on record that the town of Wolfeboro is opposed to the bill.

Kathleen Valliere Town clerk of Greenville

- Selectman and Treasurer are opposed and she is remaining neutral to see how things go.

**Funding:****FISCAL IMPACT:**

The Department of Safety and the New Hampshire Municipal Association state this bill will increase local expenditures by an indeterminable amount in FY 2012 and each year thereafter. The Department of Information Technology states this bill will increase state highway fund expenditures by \$190,764 in FY 2012, \$32,005 in FY 2013, \$33,702 in FY 2014, and \$34,425 in FY 2015. There will be no fiscal impact on state, county, or local revenue or county expenditures

**METHODOLOGY:**

This bill creates a voluntary Electronic Vehicle Registration (EVR) program authorizing retail vehicle dealers to act as agents of the division of motor vehicles (DMV) at the Department of Safety and municipalities in the issuance of motor vehicle titles and registrations at the time of vehicle sale, using a third party vendor to calculate fees, determine where the fees should go, and transmit those fees to either the DMV or the municipalities. The Department of Safety states this bill sets up a program that includes the necessary hardware, software and network connections between the dealer agents and the DMV at no cost to the state, however, before the program can be put in place there are program changes, certification of the vendor software and testing that will need to be performed to the state system to interface with the vendor software. In addition, there would be testing required by the various towns before implementing the program as well as yearly testing and supervision of the vendor software and the potential purchase of interface software or hardware, which the Department assumes may not be covered by the third party vendor and would result in increased local expenditures. The Department estimates that the cost for modifying state software, certifying vendor software, and for testing and supervision would be \$892,502 in FY 2012. For ongoing oversight and auditing, the Department estimates three part-time positions, one of which from the Department of Information Technology, would be needed at a cost of \$76,809 in FY 2013, \$80,211 in FY 2014 and \$83,736 in FY 2015. However, as stated in the proposed legislation, the Department expects that the chosen vendor will be responsible for all costs associated with program implementation, testing and continued monitoring.

The New Hampshire Municipal Association states this bill may increase local expenditures by an indeterminable amount if the EVR program requires the purchase of any software, hardware, or other system interface components that would not be subject to the bill's requirement that the outside vendor cover all related costs.

The Department of Information Technology assumed a cost structure for implementation and ongoing maintenance of the program similar to that assumed by the Department of Safety, with the bulk of the associated costs being paid by the third party vendor.

However, the Department of Information Technology assumed it would be responsible for the cost of its part-time oversight and testing position, for an increase in state expenditures of \$190,764 in FY 2012, \$32,005 in FY 2013, \$33,702 in FY 2014, and \$34,425 in FY 2015.

**Action:**

The Committee voted 4-0 in support of the motion of ought to pass with amendment; Senator Sanborn will report this bill to the floor.

# Speakers



# Senate Commerce Committee: Sign-In Sheet

Date: March 11, 2011

Time: 9:00 a.m.

Public Hearing on SB 156-FN-L

SB 156-FN-L Authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

Name	Representing	Support	Oppose	Speaking?	Yes	No
Sandra Weston	Nottingham	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Marjorie Roy	Andover / NHCTCA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Dan Bennett	NH Auto Dealers Assoc.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Michael Jacke	City of Concord	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SANDRA ROWE	Enterware Development Co	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Cordell Johnston	NH Municipal Ass'n	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Glen Walker	Robt Yon P. Smith	<input type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input type="checkbox"/>
Edward Dupont	Alliance of Automobile Manufacturers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
- Sen. Bragdon	District 11	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
- Sen. Bradley	District 3	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Kathleen Vallone	Town of Greenfield <i>Neutral</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Robert Steenson	Charing Cantabury Board of Selectmen	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
- Rep Debra DeSimone	ATKINSON	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Debra Cornett	Gilmanton - NHCTCA	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

*no position*

## Senate Commerce Committee: Sign-In Sheet

Date: March 11, 2011

Time: 9:00 a.m.

Public Hearing on SB 156-FN-L

SB 156-FN-L Authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

Name	Representing	Support	Oppose	Speaking?	Yes	No
Mike Cooney	Concord Motorsport	<input type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Rep. David Russell	Belknap Co Gilmanston	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Pat Tuelu	Ashland	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
* Becky Benvenuto	NH City & Town Clerks Assn.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Susan Buchanan	Ni Hampton	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Jane Marzulli	Hampton	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Denise M. Gonyer	Gilford	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Katherine Dawson	Tilton	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sandra Plessner	Tilton	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Linda Goyette	Peterborough	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Robert Lambert	Peterborough	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Cindy Caveney	Northfield Town Clerk	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Raymah Simpson	Bristol Town Clerk	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Hannah Joyce	Campton Town Clerk	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>



# Senate Commerce Committee: Sign-In Sheet

Date: March 11, 2011

Time: 9:00 a.m.

Public Hearing on SB 156-FN-L

SB 156-FN-L

Authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

Name	Representing	Support	Oppose	Speaking?	Yes	No
<i>Joan M. Casale</i>	<i>TOWN CLERK'S ASSOCIATION</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Seanette Vinton</i>	<i>Mont Vernon Town Clerk</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Sen. H. Pambour</i>	<i>Dist 13</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Sen. L. Kroen</i>	<i>Dist 6</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Mrs. Malcom</i>	<i>Bedford Town manager</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Sen. <sup>WIM</sup> Luther</i>	<i>Dist. 12</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Kathy Seaver</i>		<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Laurie Sanborn</i>	<i>Representative Merr 5</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>SENATOR SHARON CARSON</i>	<i>SD # 14</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Bobson</i>	<i>OH GFOA</i>	<input 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"/>
<i>Dr. M. J. Ed</i>	<i>Bethel # 2 Representative SHARON VINTON-TILTON</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input type="checkbox"/>
<i>Jon Lane</i>	<i>Merrimack 17</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

# Senate Commerce Committee: Sign-In Sheet

Date: March 11, 2011

Time: 9:00 a.m.

Public Hearing on SB 156-FN-L

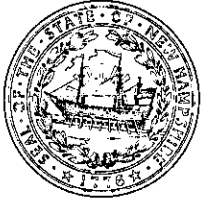
SB 156-FN-L

Authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

Name	Representing	Support	Oppose	Speaking?	Yes	No
SENATOR JOHN GALLOS	SENATE DISTRICT #1	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
H. Andy Cross	AutoFair / NHADA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Laurie Churchill	NHADA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Melissa LeBlanc	NHADA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Rita Auprey	NHADA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Peter Sheffer	NHADA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Jonathan Girard	NHADA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Michael Rosenblum	NHADA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Peggy PROKO	PERSON OF NASHUA / NHADA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
KEN METACE	(CV?)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Pete McNameara	NHADA	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Roger Groux	Monda Barn / NHADA chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Speaking?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
David Fredette	CITY OF NASHUA	<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"/>

page 4 of 4

# Testimony



**JOHN H. LYNCH**  
Governor

# State of New Hampshire

## OFFICE OF THE GOVERNOR

107 North Main Street, State House - Rm 208  
Concord, New Hampshire 03301  
Telephone (603) 271-2121  
[www.nh.gov/governor](http://www.nh.gov/governor)  
[governorlynch@nh.gov](mailto:governorlynch@nh.gov)

March 11, 2011

The Honorable Russell Prescott  
Chairman  
Senate Commerce Committee  
102 Legislative Office Building  
Concord, New Hampshire 03301

Dear Chairman Prescott and Members of the Committee:

I write today in support of Senate Bill 156, authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.

This legislation will improve customer service by allowing auto dealers to offer their customers the option of registering their vehicles at the time of purchase, as opposed to making a separate trip. It will also reduce the errors that come from moving paper documents between dealers and the state.

These improvements will come at no cost to the state and assist in our efforts to provide continued quality customer service at a time of reduced resources.

I urge you to give serious consideration to Senate Bill 156.

Sincerely,

A handwritten signature in black ink that reads "John H. Lynch".

John H. Lynch  
Governor

**Town of Tilton**  
257 Main Street  
Tilton, NH 03276  
603.286.4521 Town Hall  
603.286.3519 Fax  
www.tiltonnh.org



**Board of Selectmen**  
Normand Boudreau  
Patricia Consentino  
Katherine Dawson  
Sandra Plessner  
David Wadleigh, Sr.

March 11, 2011

SB 156

Dear Committee Members;

We are not in support of SB 156 which is known as Electronic Vehicle Registration law.

When town and city clerks register vehicles they must scrutinize each transaction to be certain the applicant is a resident of the community. A driver's license is not acceptable as proof of residency as typically only the mailing address is shown. Allowing New Hampshire dealerships to register vehicles would eliminate this very important step in the registration process. Without proper proof of residency, such as landlord affidavit, lease agreement, property tax receipt or electric bill, transient individuals could fraudulently file for town assistance and other resident benefits.

Unfortunately, asking someone to sign an affidavit stating they are a resident is not always reliable, we have experienced fraudulent attempts to claim residency. Many transient people come to town hall to attempt to establish residency in the town of Tilton and do not return once they learn they must prove residency. Many Residency Rental Verification and Landlord Forms are handed out by the town clerk in Tilton and very few are returned. An employee of a dealership is not going to give due diligence to determine residency as an elected town clerk would and does.

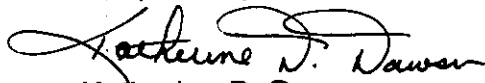
Currently, almost all title applications filled out by the dealerships that come into town hall are incorrect and take extra time for the clerk's to process as they must call into the DMV and the dealerships to correct and substantiate information. It is extremely important to have the exact model information for the vehicle being registered accurate, such as LX, ES, LS unfortunately this is one of the most common errors the dealership's employees make. This essential information is part of the calculation which determines the cost of the town's portion of the registration and if incorrect this results in lost revenue to the town or overcharge to the resident.

I know this to be true as I am certified by the New Hampshire Department of Motor Vehicles as a Municipal Registration Agent and often assist the Tilton Town Clerk when necessary and have experienced all of these errors first hand. As an elected official, Tilton Selectman, I take an oath of office and am bound by New Hampshire RSA 41:9 to properly account for all the town's moneys.

Town Clerks and City Clerks by virtue of their office have a greater responsibility to the people they serve than employees of auto dealerships. Within town government there are checks and balances put in place by our New Hampshire State Constitution and Laws that assures the town's people their moneys are secure. The Clerks collect and deposit, with the Treasure's permission, these municipal funds and file a daily financial report to the Selectmen who by statute, New Hampshire RSA 41:8, are responsible for the financial affairs of the town. New Hampshire RSA 41:16-c states that a Town Clerk can be removed from office if the town accounts are found to contain an irregularity or material error, or show evidence that the timely deposit of funds has not been made in accordance with RSA 261:165. This accountability is lacking in an auto dealership where employees often come and go and are not bound by an oath of office or the laws governing municipal moneys.

As the country's financial crisis continues to grow and municipalities are finding it difficult to balance budgets, we as responsible elected officials should not be creating more financial burdens for the municipalities that directly serve our people.

Respectfully submitted,

  
Katherine D. Dawson  
Tilton Selectman

## MEMORANDUM

TO: Senate Commerce Committee  
FROM: Edward C. Dupont  
RE: SB 156 - authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations  
DATE: March 11, 2011

Good morning, Chairman Prescott and members of the Senate Commerce Committee. My name is Edward Dupont and I am a resident of Durham.

I am here today representing the Alliance of Automobile Manufacturers which is a trade association composed of the majority of the domestic and global manufacturers of automobiles. Our companies represent almost 80% of the total new vehicle sales in the USA.

I have been asked by the Alliance to offer our strong support for SB156. That support is based on the following:

- It will be a significant enhancement to the customer experience. Today consumers expect the use of technology to improve their customer experience, no matter what is being sold. They use it to locate dealers, check prices, research vehicles, etc. Consumers in NH will view this as a positive move forward for dealers and the state.
- It will make the flow of documents between our dealers, DMV, and our financing resources more efficient.
- It adds another important service that our dealers can provide to customers.
- Finally, at a time when we are all using technology to increase fuel efficiency and reduce the impact on the environment, SB 156 will help to reduce consumer energy use by replacing the drive to the town or city hall to register new vehicles with technology that is readily available.

Finally, we are familiar and comfortable with the effectiveness of this model in use by the many states and dealers who have teamed up to provide this important customer service.

Thank you for your consideration and I am glad to answer any questions you may have.

Town of Atkinson  
Town Clerk's Office

I would like to see bill SB156 go in to a study or become a pilot program. I have heard so many different things from both sides about this bill that I am very confused as to what it is exactly.

I am all for making life easier for my resident, but I am an elected official that has taken oath to protect the resident and the Town's revenue.

I received a title from a dealership for a resident of my town that told them she had a business in town and when she came in to see me with the title application I asked her if her business was registered with the Secretary of States office and she said she just told the dealership that because she was thinking of starting a business but now she had changed her mind. We had to redo the title for her. I'm not placing blame or pointing fingers because everyone makes mistakes but this is just an example of what needs to be worked out within this bill.

I have attached a letter from our Town Bookkeeper who also would like more details.

I would like to strongly suggest that this bill go to be studied.

Sincerely,



Rose M. Cavalear  
Town Clerk



2/8/2011

Rose Cavalear  
Town Clerk

Just wanted to thank you for sending me a copy of the proposed legislation to allow dealerships to process motor vehicle registrations.

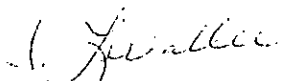
I, for one, do not agree to this, although it is with limited details.

We do not let anyone use the town;s bank account for any reason, it is our policy, so direct payments are out of the question.

Until we hear of further information or details, we oppose this procedure.

Thank you for your time.

Sincerely,

  
Sandra LeVallee  
Town Bookkeeper



## DEALER ERRORS

DATE	DEALER	DESCRIPTION OF ERROR
1-10-11	The Auto Outlet 2 Rebel Rd Hudson, NH 03051	MISSING App. completed by, Powered by, Body type, GVW, TITLE NO, STATE, Dealer's Signature
1-19-11	Auto Fair Honda 200 Keller St. Manchester NH	MISSING title No. + State
1-20-11	NE. PERFORMANCE CARS LLC 170 MAIN ST NASHUA, NH	Spelled owners LAST NAME WRONG - NO cylinders, GVW, AXLES, title NO - checked off WRONG App. completed by
1-20-11	BJT Holding LLC DBA NASHUA Hyundai 5 ROCKEF DR. NASHUA, N.H. 03060	NO GVW, AXLES
1-31-11	Singer Subaru LLC 77 PLAINSTOW RD. PLAINSTOW, NH 03565	MISSING title #, lines off - HARD to READ, MISSING STATE
2-07-11	Auto Fair Honda 200 Keller St. Manchester, NH 03103	Missing title # + State
2-08-11	IRA TOYOTA OF MANCHESTER 33 Auto Center Rd MANCHESTER, NH 03103	MISSING GVW, AXLES, title # + State



## CITY OF MANCHESTER

*Theodore L. Gatsas*  
*Mayor*

March 7, 2011

The Honorable Russell Prescott, Chairman  
Senate Committee on Commerce  
NH State Senate  
107 No. Main Street  
Concord, NH 03301

**RE: SB 156: Authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.**

Dear Chairman Prescott & Honorable Members of the Senate Commerce Committee,

As Mayor I am pleased to support **SB 156: Authorizing retail vehicle dealers to act as agents of the division of motor vehicles in the issuance of vehicle titles and registrations.** In Manchester we are extremely fortunate that the Auto-Dealers are a committed community partner. Time and time again they go above and beyond the call. I am confident that based on their ongoing commitment to the City of Manchester that the proposed Electronic Vehicle Registration (EVR) program will be a total success.

Since assuming the role as Mayor we have done our very best to provide increased options for Manchester residents to do business with the City. Currently the Office of the Tax Collector and the City Clerk are open for extended business hours on Tuesday evenings and the Building Department opens early to meet the needs of contractors. The proposed EVR program will provide a one-stop shopping option for Manchester residents and provide them with a new level of convenience that I believe they are seeking.

After reviewing the legislation it is my understanding that SB 156 provides for a pilot period to ensure the total success of the EVR program. Manchester is the largest community in the State of New Hampshire and the proud home of several large auto dealers. Based on that assertion, and after discussions with Pat Harte the Tax Collector of the City of Manchester, we feel making ourselves available as a pilot community for the EVR program would be in the best interests of the city. This will allow us the flexibility to adapt during the implementation process and work hand-in-hand with the auto dealers to develop the best possible product for communities across the State of New Hampshire.

(more)

As the Chief Officer of the City of Manchester I would be remiss if I did not admit that upon first blush I had questions and concerns about the proposed legislation. As Mayor I am tasked with developing a budget on behalf of the taxpayers and thus I am hyper-sensitive when there are discussions regarding revenue. Based on the stated commitment of the Auto Dealers and their willingness to work with the City of Manchester I am not fearful that the City will be loosing revenue or forgoing revenue opportunity. In fact, I believe the opposite to be true. If done correctly there is real potential for increased revenue opportunity for the City of Manchester and in these tough economic times this should be pleasing to communities across the State.

Finally, the EVR program will allow the Tax Collector's Office to operate more efficiently and effectively. While I truly believe that Pat Harte and her team do an outstanding job they are tasked with providing many different functions to the taxpayers. The EVR program will free up staff time and allow them to perform tasks they currently have difficulty finding time for.

Senator Prescott and honorable Committee Members thank you in advance for your positive consideration of SB 156. Should you have any questions please feel free to contact myself or inquire with Pat Harte, Tax Collector for the City of Manchester.

Regards,



Theodore L. Gatsas  
Mayor

cc: Senator David Boutin, District 16  
Senator Tom DeBlois, District 18  
Senator Lou D'Allesandro, District 20  
Board of Aldermen  
Patricia Harte ~ Tax Collector, City of Manchester



# City of Nashua

Office of The Treasurer  
229 Main Street - Nashua, NH 03060

(603) 589-3185  
Fax (603) 589-3228

## Senate Bill 156

My name is Dave Fredette, I am the Treasurer/Tax Collector for the City of Nashua. I am here today representing the City of Nashua and wish to express our support of Senate Bill 156. One of my responsibilities for the city includes the department of Motor Vehicle Registration. We perform nearly 90,000 registration transactions per year collecting approximately \$11 million in revenue for the city. As with many communities Nashua is also a Municipal Agent for the State, which allows us to perform many state functions related to vehicle registrations. As a Municipal Agent for the State, we collect approximately \$5 million in revenue for them and electronically transfer on a daily basis.

Senate Bill 156 represents a new way of providing services to our customers and yours - allowing them the added convenience of registering their vehicles at a New Hampshire dealership and saving them time in their busy schedule. It is my understanding that the city of Nashua, along with the state, will receive all local fees as we receive today within a reasonable time. We also understand the bill has two major phases for proper implementation and the City of Nashua would like to participate in the initial phase if possible.

We recognize there is still a tremendous amount of effort and work that needs to be completed to make the program successful and we also understand a lot has been accomplished on this bill since January of this year. We have been assured that the Director of DMV will be working closely with everyone involved especially the New Hampshire Town Clerks and Tax Collectors and I feel confident that everyone involved will do their best to ensure a successful program for our customers.

Thank you for your time on this matter.

David G. Fredette  
Treasurer/Tax Collector  
City of Nashua



NEW HAMPSHIRE CITY AND TOWN CLERKS' ASSOCIATION  
(ORGANIZED OCTOBER 19, 1926)

RE: Senate Bill 156-FN-L - An Act authorizing retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

**SUMMARY**

Support customer service and convenience; we have statutory and fiduciary responsibility to do so.

Appreciate Senator Sanborn's willingness to work with us and address some concerns w/amendments.

Cannot support bill as currently drafted. Needs consideration and study--a complex, dramatic change

Have fiduciary responsibilities to our cities and towns.

Awareness of high level of support for the bill, "it's going to pass" -- We remain committed to being a participant at the table and working with sponsors to offer solutions.

**Request for Bill Amendment:** Add a new paragraph to 261:74-r Rulemaking:

*The director shall provide opportunities for stakeholders, including representatives from the New Hampshire City and Town Clerks Association, to provide input into the development of the rules, including opportunities prior to the commencement of the formal rulemaking process.*

Support business commerce -- however, need to ensure unintentional harm is not done to municipalities control, expenses or revenue

Motor vehicle revenue is the 2nd largest source of local revenue -- important not to jeopardize this.

Dealers as Agents of Municipalities - Bill states Dealers will act as agents of the (State) Division of Motor Vehicles. **NOTE:** Bill requires Dealers to act as agents of the 234 municipalities.

Dealer agents will be performing 2 separate functions: 1) the state title and registration process, and 2) municipal motor vehicle permit process.

RSA 261: 148 - Underlying statute governing fundamental motor vehicle permit process, enacted in 1919: Requires vehicle owners to go to their town/city the Town Clerk/city official to issue municipal permit/collect municipal fees. This bill conflicts with this statute.

Fees in Statue for Clerks as Agents ? Fees for Dealers as Agents- State statute sets forth fees town clerk can charge for processing municipal permit and registration, as \$1.00 and \$3.00 respectively.

Does not establish any maximum fee charged by dealer agents; 2009 legislation (SB99) established the proposed dealer agent fee as \$24.

Loss of Local Control/Municipal Mandate – ‘mandate’ (unfunded) for municipalities to give up their local control to private business. Believe municipalities should be afforded the option of whether to give up their local control to participate in this program.

Benefit to State and Dealerships – Not to Municipalities – Clear benefits for Dealerships, EVR vendor, and State. Municipalities stand to suffer as stated in the bill’s Fiscal Note.

NH will be the First “Municipal” EVR State - No other state allows Retail Dealerships to collect and remit directly on behalf of individual towns and cities. Of the 15 states where Dealers are allowed to process title and state registration, 6 also have municipal fees a/k/a personal property tax, similar to NH’s municipal permit fees. However, these states require the owner to provide proof of payment of their municipal fee/tax before the Dealer can process their state registration.

Risk of Future Revenue Loss – Bill ‘opens the door’ to risk. Concern about “long-term goals” and the risks of someday competing with business entities or the State for the same revenue.

Use of Municipal Money – Loss of Investment –EVR/Dealerships benefit from state & municipality monies before the monies are transferred. 2-3 banking days for an electronic ACH transfer and 20 days before a paper check is issued allows municipal revenue (the “float”) to be used for private business gain and reflects potential loss of interest for the town or city.

Compliance with Other Municipal State Statutes - We expect final legislation will be in full compliance with the applicable state statutes. This bill and the associated rulemaking process will form the foundation for a number of completely new processes, of which there are overlapping issues with other municipal statutes. New processes include:

- New Hampshire residents obtaining their local motor vehicle municipal permit (RSA 261:148),
- Towns and cities accepting payment of motor vehicle fees by electronic transfer (RSA 80:52-c),
- Town and City treasurers to receive and report their (electronic) deposits (RSA 41:29),
- Municipal auditors to conduct their annual financial audits,
- Town or city officials to receive and reconcile paperwork/transactions of dealer agents,
- Town or city officials to integrate local electronic motor vehicle data with that of the EVR data.

Continued cooperation to serve all parties best interests- We hope Senator Sanborn and other entities, including the Department of Motor Vehicles and the NHADA, will continue to work with the NH City and Town Clerk’s Association in order that a final outcome will be in the best interest of all parties, but most importantly our New Hampshire residents.

Association’s participation would ensure a positive and proactive approach that could generate constructive input from the perspective that only the local official currently solely responsible for issuing municipal motor vehicle permits can offer.





## NEW HAMPSHIRE CITY AND TOWN CLERKS' ASSOCIATION

(ORGANIZED OCTOBER 19, 1926)

March 11, 2011

The Honorable Russell E. Prescott, Chairman  
Senate Commerce Committee  
State House  
Concord, NH 03301

RE: Senate Bill 156-FN-L

An Act authorizing retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

My name is Becky Benvenuti, and I am the Town Clerk-Tax Collector for Newmarket. As a member of the Legislative Committee of the New Hampshire City and Town Clerk's Association, I have been asked to represent the Association by speaking about SB 156. Other Town Clerks who are here will be speaking to you on behalf of their municipality.

First and foremost, as an Association we promote and encourage opportunities to improve customer service and convenience, which is a stated purpose of this bill. Providing the highest level of customer service, seeking to improve efficiency in our professional performance and practices-- including issuing municipal permits for motor vehicles--are all statutory and fiduciary responsibilities of New Hampshire City and Town Clerks.

We would like to publicly express our appreciation for Senator Sanborn's willingness to meet with us early last month while the bill was still in LSR format. He expressed an understanding and concurrence with a number of our concerns and offered to draft amendments to address those. He was clear this would be a 'work-in-progress' and that our continued participation and suggestions would be welcome as changes and improvements would be incorporated throughout the entire legislative and rulemaking process. On February 18, 2011, after a few other versions of the bill were released, we received a new draft which did address a number of the Association's concerns.

Unfortunately, we still cannot support this bill as it is currently drafted. This bill is very complex and, without question, it represents a very dramatic change to New Hampshire's local process and collection of municipal revenue. As the organization which represents the local officials who are singularly responsible, under NH law, for the motor vehicle permit registration process, we hope you can understand why this has been both a delicate and difficult issue to effectively address in a very short period of time. While the bill's stated purpose may be positive in nature, 'change' is never easy. I think we would all agree that change of this magnitude should not be undertaken without a sufficient amount of thoughtful consideration and study by all affected parties.

We are very much aware this bill has a great deal of support. The phrase "it is going to pass" has been repeatedly expressed to us and heard around the state. We remain committed to continuing to be at the table to work with the sponsors and to offer solutions to address our concerns. As Senator Sanborn stated, the unresolved issues which exist today are unlikely to be fully addressed in the actual legislation, but perhaps could be addressed through the rulemaking process, the development of business rules and scope of requirements for the software development, and the development and implementation of the pilot program. We believe it is important that we be a participant in the process.

Increased business commerce in our communities and our State is something we all hope for; and, of course, we support and appreciate our business community. By continuing to participate with the sponsors, we hope to fulfill our fiduciary obligation by ensuring this bill, which also seeks to improve dealership revenues, does not unintentionally result in consequences that further erode local control, increase local expenses, or open the door to loss of future town and city revenues.

Motor vehicle revenue is the 2nd largest source of town and city revenues--second only to property tax. Our State law is written to protect municipalities' collection and control of this revenue. Allowing outside entities to participate in the process represents unknown risk. Any potential ability to lessen or direct this revenue to other entities could be devastating to our local budgets and property taxes.

There are many complex issues and scenarios that affect the local municipal permitting process that we have here in New Hampshire, including calculation of fees, collection, reconciliation, accounting, deposit, and auditing requirements, all of which are based on a variety of state laws, local ordinances and internal control procedures. Again, given our fiduciary responsibility to our municipalities as our first priority, we still have a number of valid concerns that need to be addressed in order to protect the best interest of the cities and towns, thus its residents.

To that end, in order to assure that rulemaking will sufficiently address the local city and town processes, we are requesting the following amendment to the bill:

Add a new paragraph to 261:74-r Rulemaking:

**The director shall provide opportunities for stakeholders, including representatives from the New Hampshire City and Town Clerks Association, to provide input into the development of the rules, including opportunities prior to the commencement of the formal rulemaking process.**

Some of our major concerns about the legislation itself are as follows:

Dealers as Agents of Municipalities - This bill states that Retail Vehicle Dealers will act as agents of the (State) Division of Motor Vehicles in the issuance of titles and registrations. It is not stated anywhere but it is important to point out and recognize that this bill also requires Retail Vehicle Dealers to act as agents of the 234 municipalities in the issuance of motor vehicle permits and the collection and remittance of municipal motor vehicle revenues. Dealer agents will be performing 2 separate functions under this bill: 1) the State title and registration process, and 2) the municipal motor vehicle permit process.

RSA 261: 148 - One of the basic underlying statutes governing the fundamental motor vehicle registration process in the State of New Hampshire is found in RSA 261:148, enacted in 1919, which sets forth the 2-part (local and state) motor vehicle permit and registration process. We believe this legislation directly conflicts with this statute.

- First, permits for registration are issued in the city or town wherein the owner resides by the town clerk (or other designated municipal official) after the vehicle owner proves residency in the municipality, among other statutory and Administrative Regulation requirements, and after the town clerk or other designated municipal official collects permit fees, the \$1 local clerk fee, and other local option municipal fees or taxes, including (among others) road improvement, reclamation, and Resident Tax in some cases. The permit fees, also known as millage fees, are based upon the manufacturer's suggested retail price and the year of manufacture. The permit fee declines over a six year period in increments of three mills, starting at 18 mills per thousand and ending at 3 mills per thousand.
- Second, registration certificates are issued by the State DMV or a municipal agent acting on behalf of the State, pursuant to RSA 261:74, after the owner presents a "permit for registration" received by the municipality and after the State or State's municipal agent collects the registration fee and the \$2.50 or \$3.00 municipal agent fee. The State registration fee is based upon the gross vehicle weight, which remains static.

Most people, including those closest to me, do not realize that "registering your vehicle" means completing 2 (two) entirely separate processes. This is because New Hampshire municipalities adopted RSA 261:74 (designating a local official as a State agent), which became effective nearly 30 years ago. Therefore, town clerks or city officials now seamlessly perform these two completely different and separate functions when registering motor vehicles.

Fees for Agents - State statute sets forth the fee amount that the town clerk or city official can charge for processing both the municipal permit and the registration, as \$1.00 and \$3.00 respectively. We are also concerned this bill does not establish any maximum fee amount that would be charged by dealer agents, while their 2009 legislation (SB99) established the proposed fee as \$24.

Loss of Local Control/Municipal Mandate – The bill is a 'mandate' upon municipalities to give up their local control to private business—local control that has existed for nearly 100 years. Yet, under this legislation as drafted, dealerships are simultaneously provided the 'option' of participating. We don't support the loss of local control and believe municipalities should also be afforded the option of whether to give up their local control to participate in this program.

Benefit to State and Dealerships – Not to Municipalities – This bill clearly has benefits for the Dealerships, the EVR vendor, and the State. On the other hand, municipalities stand to suffer as stated in the bill's Fiscal Note.

NH will be the First "Municipal" EVR State - No other state in the country allows Retail Dealerships to collect and remit directly on behalf of individual towns and cities. Of the 15 states where Dealers are allowed to process title and state registration, six of those states also have municipal fees a/k/a personal property tax, similar to NH's municipal permit fees. However, these states require the owner to provide proof of payment of their municipal fee/tax before the Dealer can process their state registration.

Risk of Future Revenue Loss – This bill opens the door to the risk of the ‘unknown’, which has been described as the ‘classic slippery slope’. There is concern about “long-term goals” and the risks of someday competing with business entities or the State for the same revenue.

Use of Municipal Money – Loss of Investment – The ability of the EVR to use the municipalities’ (and state) monies for a period of time (i.e., the ‘float’ ) before the monies are transferred is concerning. The 2-3 banking days for an electronic ACH transfer and the 20 days before a paper check is issued allows municipal revenue (the “float”) to be used for private business gain and also reflects potential loss of interest for the town or city.

Compliance with Other Municipal State Statutes - We expect final legislation will be in full compliance with the applicable state statutes. This bill and the associated rulemaking process will form the foundation for a number of completely new processes, of which there are overlapping issues with other municipal statutes. New processes include:

- New Hampshire residents obtaining their local motor vehicle municipal permit (RSA 261:148),
- Towns and cities accepting payment of motor vehicle fees by electronic transfer (RSA 80:52-c),
- Town and City treasurers to receive and report their (electronic) deposits (RSA 41:29),
- Municipal auditors to conduct their annual financial audits,
- Town or city officials to receive and reconcile paperwork/transactions of dealer agents,
- Town or city officials to integrate local electronic motor vehicle data with that of the EVR data.

We hope Senator Sanborn and other entities, including the Department of Motor Vehicles and the NHADA, will continue to work with the NH City and Town Clerk’s Association in order that a final outcome will be in the best interest of all parties, but most importantly our New Hampshire residents. We truly believe our Association’s participation would go a long way in ensuring a positive and proactive approach that could generate constructive input from the perspective that only the local official currently solely responsible for issuing municipal motor vehicle permits can offer.

Thank you for your time and consideration of our concerns.

Sincerely,



NH City and Town Clerks’ Association

Sue McKinnon, President

# MOVING

VEHICLE REGISTRATION INTO THE FUTURE

## Development

Georgia  
Missouri  
Utah

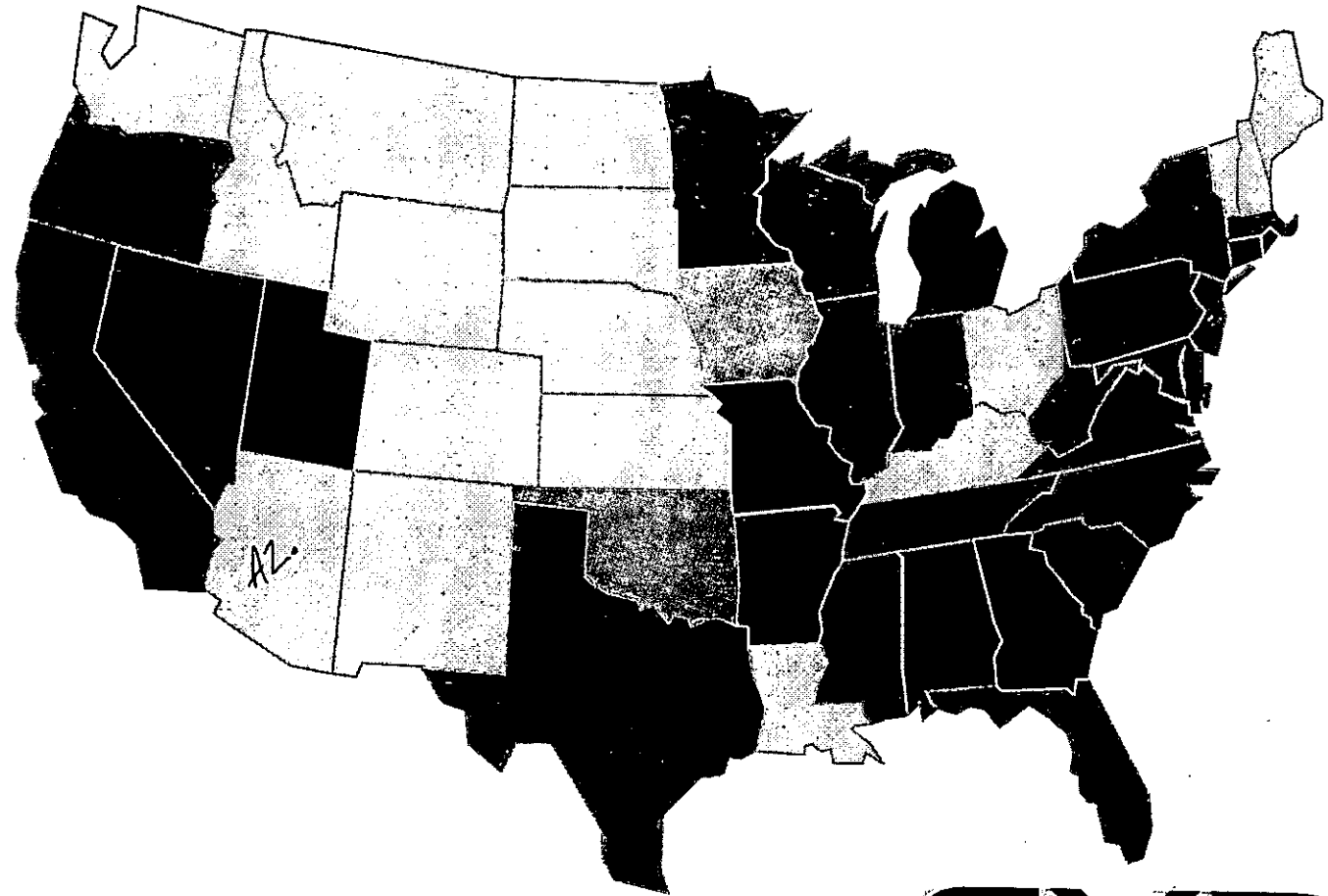
## Legislation Pending

Iowa  
Oklahoma

## Current Coverage

Virginia  
Maryland  
Massachusetts  
Mississippi  
Florida  
Wisconsin  
Texas  
California  
Tennessee  
New Jersey  
Arkansas  
North Carolina  
Oregon  
South Carolina  
Nevada  
Connecticut  
West Virginia  
Illinois  
Michigan  
Pennsylvania  
Indiana  
Alabama  
Minnesota  
New York

# CVR Footprint



# CVR

COMPUTERIZED VEHICLE REGISTRATION

CVR/7000 Village Drive/ Buena Park, CA 90621/ [www.cvrreg.com](http://www.cvrreg.com)

**Senate Bill 156 (amendment 796 Side-by-side Analysis)**

The following is a side-by-side analysis of SB156 as amended by 0796s which replaces the bill in its entirety. This amendment was the result of numerous meetings held by Senator Sanborn and the NH City and Town Clerks Association and a culmination of previous draft amendments shared and discussed with the Clerks Association. The Clerks Association requested nearly two dozen different changes to SB156. Nearly all of those requests have been included in this amendment. The Clerks Association's primary concerns were to (1) ensure that the money and data is transmitted properly and timely and provided in such a manner that can be integrated into the software they currently use to communicate with the State and (2) ensure the clerks had input into the different development stages of the EVR program.

Actual Language from SB156 Amendment 796	Analysis of all provisions of SB156 as amended by 796s
<p>Section I Statement of Purpose.</p> <p>I. This act known as the Electronic Vehicle Registration (EVR) law will allow New Hampshire residents to choose the most convenient place for them to register their newly purchased vehicle: their town or city hall or the New Hampshire dealership where it was purchased.</p> <p>II. Currently, New Hampshire residents and businesses can only register their vehicles at town or city halls. In nearly 30 other states, customers can choose to electronically register their vehicle at the dealership. These dealers through an electronic intermediary securely and quickly electronically transmit the official local and state fees and data to the appropriate entity. This act seeks to replicate the success in those states.</p> <p>III. This act will:</p> <p>(a) Allow customers to securely register their vehicles at authorized dealerships but only at time of sale of the vehicle.</p> <p>(b) Improve customer service at the towns, cities, state, and dealerships.</p> <p>(c) Allow law enforcement access to temporary plate information.</p> <p>(d) Allow New Hampshire dealers to collect and electronically remit the official fees, securely and promptly, to the towns or cities and the state as they have successfully done in</p>	<p>The information that is <b><i>bolded, underlined, and italicized</i></b> discusses language added to address the concerns of the Town Clerks Association.</p> <p>The "<b><u>Statement of Purpose</u></b>" explains that many other states already use electronic vehicle registration in their states allowing dealers to collect and transmit registration monies; that law enforcement will be able access temporary plate information; that dealer registration only applies at the time of sale; that all fees tied to registration will still be collected to ensure towns won't lose revenue.</p> <p><b><u><i>Spells out that towns must be able to quickly integrate moneys and data into their respective accounting or related software.</i></u></b></p>

other states.

(e) Allow towns and cities and the state to collect their respective revenues more quickly and safely.

(f) Allow towns and cities and the state to quickly integrate moneys and data into their respective accounting or related software.

IV. All current town revenues are to stay with the towns. The fees collected by dealer agents will be transmitted to the same government entity where the fees are currently sent or collected. This includes the registration permits fees (RSA 261:153, I), town clerk fee (RSA 261:152), title application fee (RSA 261:4, IV), municipal agent fee (RSA 261:74-d), waste reclamation fee (RSA 261:153, V), municipal transportation improvement fee (RSA 261:153, VI), collection of permit fees in unorganized places (RSA 261:160), and the public parking facilities fee (RSA 261:154).

Section 2

2 New Paragraph; Notification of Unpaid Fines. Amend RSA 231:130-a by inserting after paragraph II the following new paragraph:

III. The town or city clerk may provide the notifications permitted by subparagraphs I(b) and I(c) to electronic vehicle registration integrators operating under an agreement with the department of safety pursuant to RSA 261:74-s.

Blocks registrations by dealers if consumer has outstanding parking tickets.

Currently, towns may block a registration or renewal of a vehicle if the resident has outstanding parking violations if three conditions are met: (1) the town formally adopts an ordinance; (2) the town keeps a list of all residents with outstanding parking tickets in their town and shares the data with the other towns that have adopted this provision; (3) notify those other towns of changes to the towns outstanding parking ticket list.

To ensure registrations are still blocked if there are outstanding parking tickets, Section 2 provides that any towns that already provide this information, shall simply provide this same information electronically to the EVR vendor. Since the towns are already legally required to keep and share these lists, this does not provide any additional burden.

Section 3

3 New Sections; Definitions. Amend RSA 259 by inserting after section 29-a the following new sections:

Defines EVR Integrator and the EVR program.

<p>259:29-b EVR Integrator. "EVR integrator" shall mean an electronic vehicle registration integrator who provides any necessary hardware, software, or network connections between dealer agents, the department, and towns for the electronic transmittal and receipt of registration and title data and money.</p> <p>259:29-c EVR Program. "EVR program" means the electronic vehicle registration program that allows dealer agents to process motor vehicle registrations, permits for registration, or registration transfers and title applications in conjunction with the sale of a new or used vehicle by said dealer pursuant to RSA 261:74-h through 261:74-s.</p>	
<p>Section 4</p> <p>3 New Sections; Definitions. Amend RSA 259 by inserting after section 29-a the following new sections:</p> <p>259:29-b EVR Integrator. "EVR integrator" shall mean an electronic vehicle registration integrator who provides any necessary hardware, software, or network connections between dealer agents, the department, and towns for the electronic transmittal and receipt of registration and title data and money.</p> <p>259:29-c EVR Program. "EVR program" means the electronic vehicle registration program that allows dealer agents to process motor vehicle registrations, permits for registration, or registration transfers and title applications in conjunction with the sale of a new or used vehicle by said dealer pursuant to RSA 261:74-h through 261:74-s.</p>	<p><u>Dealer Performance Bond to protect towns and state.</u> Currently dealers are required to have a bond to protect customers. SB156 amends the current bond section to provide a bond that protects the towns and the state if a dealer fails to collect all official fees related to registration or title applications or fails to remit those fees. Regardless of the bond, dealer agents will still be held liable for all such fees.</p>
<p>261:74-h Appointment of Dealer Agents. Subject to the direction and approval of the commissioner, the director may appoint retail vehicle dealers meeting the requirements of RSA 261:103-a as agents to process electronically through EVR integrators motor vehicle registrations, permits for registration, or registration transfers and title applications in conjunction with the sale of a new or used vehicle by said dealer. The director shall consult with the New Hampshire City and Town Clerks' Association and the New Hampshire Automobile Dealers Association prior to approving the appointment of any dealer agent. Any permits issued by a dealer agent shall indicate that it was processed by a dealer agent. No dealer shall be permitted to act as a dealer agent unless the department of safety has implemented an agreement with an EVR integrator.</p>	<p>The Dept. of Safety Commissioner and DMV director will appoint dealers as agents to process registrations and title applications in conjunction with the sale of a new or used vehicle by that dealer. <u><i>The director must consult with the NH City and Town Clerks Association and the NH Automobile Dealers Association prior to appointment. Any permits issued by a dealer must indicate the same.</i></u> <u><i>The amendment strikes all mention of registration renewals.</i></u></p>
<p>261:74-i Duration of Appointment. The director shall appoint those dealers that meet</p>	<p>Dealers must meet reasonable security and other requirements,</p>



<p>the reasonable security requirements and other requirements as set forth in this chapter and in rule. The appointment of any dealer for the purposes of this subdivision shall continue only as long as the ownership of the dealer remains the same, except as provided in RSA 261:74-j and RSA 261:74-q. In case of a transfer of ownership, the new owner may apply to become a dealer agent.</p>	<p>continue to meet the qualifications and training requirements, and keep the same ownership.</p>
<p>261:74-j Qualifications and Training of Dealer Agents. No dealer shall be appointed as an agent unless the dealer principal or its staff meet the qualifications and successfully complete the training programs established under RSA 261:74-r. No dealer agent may perform the duties required under this subdivision unless the dealer principal or its staff continues to meet the reasonable qualification and training requirements.</p>	<p>Dealers and their employees cannot become dealer agents (nor remain as dealer agents) unless they meet the qualifications and training standards set out in the rulemaking.</p>
<p>261:74-k Duties of Dealer Agents. Each dealer agent or its staff shall perform all the duties necessary to register motor vehicles, issue a permit for registration, transfer motor vehicle registrations, and process title applications unless the director determines otherwise. Dealers shall be responsible to the division, or towns and cities where applicable, for any inventory of title applications, registration forms, and any other materials issued to them and for all moneys collected. The dealer agent through the EVR integrator shall electronically transmit to the appropriate town or city a copy of the newly issued registration permit and a signed affidavit of residency, and, where applicable, a copy of the registration transferred and a copy of either the resident tax affidavit or the tax receipt as set forth in 261:74-n, III. Dealer agents shall be in compliance with the Red Flags Rule, 16 C.F.R part 681, and the Safeguards Rule, 16 C.F.R. part 314, as promulgated by the Federal Trade Commission.</p>	<p>Dealer-agents are to take all necessary steps to register the vehicles they sold unless the director determines otherwise. Dealers are responsible for all monies collected and inventory they have been assigned. <b><u>Dealer is to electronically transmit a copy of the newly issued permit, signed affidavit of residency, the transferred registration and the resident tax affidavit or tax receipt.</u></b> <b><u>Dealers must be in compliance with two federal identity theft rules.</u></b></p>
<p>261:74-l Security and Record-Keeping Requirements. Before receiving title applications, registration forms, and any materials related to electronic vehicle registration, dealer agents shall adopt and implement security and record-keeping requirements satisfactory to the director.</p>	<p>Dealer must have security and record keeping requirements that are satisfactory to the director before receiving any of the necessary forms for registering or titling vehicles.</p>
<p>261:74-m Examination of Dealer Agent Records. Any dealer appointed as an agent pursuant to this subdivision shall be deemed to have given its consent for authorized agents of the department and any auditor employed or commissioned by the state of New Hampshire or the municipality to examine, during usual business hours and with reasonable notice, the records required to be preserved under this chapter; provided no such agent shall be subjected to unnecessary or unreasonable examinations or investigations.</p>	<p>Auditors from the DMV, the State or municipalities may examine during normal business hours and with reasonable notice the records required to be preserved; provided there are no unnecessary or unreasonable examinations or investigations.</p>

261:74-n Collection of Fees.

I. Dealer agents shall collect the fees required to process motor vehicle registrations, permits for registration, transfers of registrations, and title applications as set forth in this chapter.

II. When a dealer agent processes motor vehicle registrations, permits for registration, transfers of registration, and title applications the applicable town or city or clerk shall receive the following fees through the dealer agent and the EVR integrator: the registration permit fee under RSA 261:153, I, the town clerk fee under RSA 261:152, the title application fee under RSA 261:4, IV, the municipal agent fee under RSA 261:74-d, and, when applicable, the waste reclamation fee under RSA 261:153, V, the municipal transportation improvement fee under RSA 261:153, VI, the collection of permit fees in unorganized places under RSA 261:160, and the public parking facilities fee under RSA 261:154. The town or city may use the fees received by the town or city to offset the expenses of examination and auditing of dealer agents. Towns, cities, and the state shall inform the EVR integrator annually as to the details of the fees listed in this paragraph and provide timely notice to the EVR integrator of any changes to fees.

III. When a registration permit applicant resides in a town that assesses, levies, or collects a resident tax pursuant to RSA 72:1, the applicant shall comply with the provisions of RSA 261:71 either by showing or causing to be shown to the dealer agent a tax receipt or by executing the affidavit permitted under RSA 261:71 at the time of sale. If a resident tax town electronically shares resident tax data with the EVR integrator, neither the affidavit nor tax receipt is needed if such data reveals the resident tax has been paid. An applicant shall not be permitted to register a vehicle if such data reveals that the applicant is delinquent in paying the resident tax.

IV. If the applicant resides in a town or city which has adopted the provisions of RSA 231:130-a and the town or city has provided notification of unpaid fines to the electronic vehicle registration integrator pursuant to 231:130-a, III, a dealer agent shall not issue a registration permit to the applicant unless the town or city clerk's records reveal no outstanding parking violations in this state.

V. No dealer agent shall assume or absorb any fee listed in paragraph II owed by a customer or advertise or assert that the dealer will assume or absorb such fee. Any violation of this paragraph shall subject the dealer agent to a fine of \$100 per violation.

Dealers are to collect and the towns and cities are receive all the fees tied to registration:

- the registration permit fee under 20 RSA 261:153, I
- the town clerk fee under RSA 261:15
- the title application fee under RSA 261:4, IV
- the municipal agent fee under RSA 261:74-d
- when applicable, the waste reclamation fee under 22 RSA 261:153, V
- the municipal transportation improvement fee under RSA 261:153, VI,
- the collection of permit fees in unorganized places under RSA 261:160, and
- the public parking facilities fee under RSA 261:154.

**To offset any auditing expenses, the towns will still receive the title application fee, the town clerk fee and the municipal agent fee even though the dealer is calculating and collecting all the other fees and is filling out the forms.**

**Towns, cities, and the state must inform the EVR Vendor about changes to the fees.**

**Resident Tax:** For the ten towns that collect a resident tax, this section permits the towns to share with the EVR vendor the list of those residents who are delinquent. This section allows residents to follow existing law at the dealerships: they must either show proof that they are current with the resident tax or they must sign an affidavit stating then same.

**Outstanding parking tickets.** Also provides that if a resident has outstanding parking violations and the town has shared such data with the EVR vendor, the resident shall be blocked from registering the vehicle at the dealership. This is limited to certain towns that are mandated to share such data under state law.

**Section V prohibits a dealer from absorbing or attempting to absorb any of the above fees.**

<p>261:74-o Optional Electronic Vehicle Registration Charge. Each dealer agent may collect a charge from the consumer to transmit electronically the registration and title data and the fees collected required to register a motor vehicle, issue a permit for registration, transfer a motor vehicle registration, or title a motor vehicle. This optional charge is in addition to other dealership fees or charges and the fees otherwise required to register a motor vehicle, issue a permit for registration, transfer a motor vehicle registration, or title a motor vehicle. The charge shall be separately stated and identified as “optional EVR charge” on the purchase agreement between the customer and the dealer agent. If a customer declines to pay the optional electronic vehicle registration charge, the dealer agent is not required to register the vehicle, issue a permit for registration, title the vehicle, or collect the required fees.</p>	<p>Allows a dealer to charge a consumer who voluntarily agrees to electronically register their vehicle through the EVR system. Written notice must be given to the consumer including the statement “Optional EVR charge”.</p>
<p>261:74-p Proof of Residency. A dealer agent shall not process any vehicle registration, permit for registration, or transfer of motor vehicle registrations of a natural person unless the applicant has provided to the dealer agent a current New Hampshire driver’s license or New Hampshire nondriver’s picture identification card with an address matching the application to be transmitted and the natural person has signed an affidavit of residency which specifies the town or city in which he or she currently resides. Dealer agents shall not process registrations for homeless residents without a permanent address eligible to register under RSA 261:52-c. A dealer agent may register the vehicles of a corporation or other legal entity with a place of business in this state if the applicant is a registered business in New Hampshire and is in good standing and an authorized representative of the corporation or entity has signed an affidavit specifying the New Hampshire town or city in which the corporation or entity resides, is headquartered, or operates.</p>	<p>To address town clerk concerns about non-residents registering vehicles, this section mandates that (1) a natural person must show a NH driver’s license or NH non-driver picture ID; (2) a business must have a place of business in this state, be registered in NH, and be in good standing; and (3) <u><b>both a natural person and a business must fill out an affidavit of residency.</b></u></p>
<p>261:74-q Revocation or Suspension of Agency Status.</p> <p>I. The director may revoke or suspend a dealer’s agent status for any violation of law or rule governing electronic vehicle registration, any violation of the dealer agent’s security and record-keeping plan, revocation or suspension of the dealer license, or any other action that in the director’s opinion adversely affects the registration system. If the director determines that a dealer agent has not continued to fulfill the requirements of this subdivision or has violated any of the rules adopted pursuant to this subdivision, the director shall commence a process to suspend or revoke the agent status of the dealer. The director shall take into account concerns of towns, cities, and the EVR advisory group established under RSA 261:74-s, IV about dealer agents.</p> <p>II. Any dealer agent whose appointment is sought to be suspended or revoked</p>	<p>Sets forth the numerous ways the DMV director can revoke or suspend a dealer agent’s status. A hearing is provided for before a suspension or revocation can be issued. Does allow for temporary suspension orders.</p> <p>The DMV director is to take into account concerns by towns or cities <u><b>and the EVR Advisory Group</b></u> about dealers.</p>

<p>shall be afforded the opportunity for a hearing before the bureau of hearings prior to such suspension or revocation. Following the hearing, the director may suspend or revoke the appointment as dealer agent upon satisfactory evidence of malfeasance, misfeasance, theft, financial instability, or violation of the rules adopted under this subdivision and that the revocation or suspension is in the best interest of the state.</p> <p>III. Upon the revocation of such agent status, the dealer agent shall surrender to the department or its authorized agent all materials issued by the state under the provision of this subdivision and all records pertaining to all matters authorized by this subdivision.</p> <p>IV. Whenever an authorized auditor of the state of New Hampshire or the department determines that the public interest requires immediate action, the director may issue a temporary order suspending the authority of a dealer agent to register or transfer registrations, pending a hearing.</p>	
<p>261:74-r Rulemaking. The director, with input from the EVR advisory group established under RSA 261:74-s, IV, shall adopt rules pursuant to RSA 541-A relative to:</p> <ul style="list-style-type: none"> <li>I. Minimum standards for the qualification of dealer agents and their staffs.</li> <li>II. Minimum security standards for the dealer agent, staff, and dealer agent facility.</li> <li>III. Training requirements and programs for dealer agents and their staffs.</li> <li>IV. The collection, remittance, and auditing of state and local funds pursuant to this subdivision.</li> <li>V. The completion of required reports and records and their submission to the department and towns or cities.</li> <li>VI. Minimum standards of accuracy, legibility, and timeliness of submission for documents and reports.</li> <li>VII. The indemnification and reimbursement of the state or town or city in case of loss.</li> <li>VIII. The efficient and economical administration of this subdivision.</li> <li>IX. Revocation and suspension of dealer agent status.</li> <li>X. The ability to enter into agreements with dealer-agents and EVR integrators.</li> <li>XI. The creation of an error resolution process to resolve registration errors resulting from the EVR Program.</li> </ul>	<p>Gives DMV director authority to create rules <u>with input from the EVR Advisory Group</u> relative to: <u>an error resolution process</u>, qualifications of dealer agents and staff, security standards, training of dealers &amp; staff, collection, deposits, remittance and <u>auditing</u> of state and local funds, completion of required reports and records and their submission to the department <u>and towns</u>, indemnification and <u>reimbursement</u> of state or towns for losses, revocation and suspension of dealer agents, and ability to enter into agreements with dealers and EVR vendors.</p>
<p>261:74-s Agreements with Electronic Vehicle Registration Integrators.</p> <p>I. Upon approval of the attorney general and governor and council, the department may enter into an agreement with an electronic vehicle registration integrator to provide, at no cost to the state, any necessary hardware, software, or network connections</p>	<p>The agreement with EVR vendors is to be at no cost to the State. This section allows state (with approval of Attorney General, Governor and Council) to enter into an agreement with an EVR vendor to provide for the electronic transmittal and receipt of registration and title data, and the collection of funds from dealers to be transmitted to the department, towns</p>

between dealer agents, the department, and towns for the electronic transmittal and receipt of registration and title data and money. The electronic vehicle registration integrator shall be authorized in the agreement to collect and transfer funds electronically from the dealers to the department, towns, cities, or town clerks, where appropriate. RSA 261:141-b shall not apply to electronic transfers to or from an electronic vehicle registration integrator or a dealer agent. Electronic vehicle registration integrators shall transmit funds within one business day of the completion of the registration to the appropriate entity if the entity accepts electronic transfers of funds and within 20 days to any other entity. The transmittal of funds by an EVR integrator to a town or city or the state pursuant to this section shall not be considered a delegation of a town's, city's, or state's deposit function as set forth in RSA 41:29.

II. An agreement under this section shall provide for minimum standards established by the department and the department of information technology for transfers of data and funds, financial solvency of the electronic vehicle registration integrator, training of dealer-agents, and town clerks, if necessary, by the electronic vehicle registration integrator, implementation of an electronic vehicle registration integrator "help line" to assist dealer agents, automatic and accurate calculation of all fees required by this chapter, electronic transmittal of applicable documents to the towns, cities, and state, bonding to indemnify the state, municipalities, and dealer agents in the event of loss, security, and privacy of motor vehicle records, access by state-appointed auditors to the records and reports of the electronic vehicle registration integrator, minimum standards for the accuracy and timeliness of submission of data and funds, reporting to the state, towns, or cities, transmittal of fees required to register a motor vehicle, issue a permit for registration, transfer a motor vehicle registration, or title a vehicle provided said fees are transmitted to the appropriate entity in the manner set forth in this chapter, conditions for cancellation of the agreement, and the other requirements related to the efficient and economical administration of this subdivision. The reporting to the towns, cities, and state shall provide notice of registrations processed, allow proper and accurate collection and remittance of town or city moneys, allow integration of data and moneys into software used by towns and cities to transmit registration data to the state, allow towns and cities to clearly identify the particular fees collected and remitted, and provide vehicle specific data including the maker's list price, and vehicle make and model. The department shall solicit input from affected municipalities before entering into an agreement under this section.

or town clerks where appropriate. EVR vendors must transmit funds received within one business day or 20 days (was 30) if the entity does not accept electronic transfers.

*Provides the transmitting of the funds is not a delegation of a town's or the state's deposit functions in RSA 41:29.*

The EVR vendor agreement is to provide:

- Help line and training to assist dealer agents and towns if necessary
- Automatic and accurate calculations of all required registration fees
- Reporting to the towns and state
- Transmittal of registration and titling fees and documents and data
- Bonding to state, municipalities, and dealers
- Access by auditors
- Accuracy and timeliness of submission of data and funds standards
- Electronic transmittal of applicable documents to the towns and state

*The vendor reporting to the towns, cities, and state shall:*

- provide notice of registrations processed,
- allow proper and accurate collection and remittance of town or city moneys,
- allow integration of data and moneys into software used by towns and cities to transmit registration data to the state,
- allow towns and cities to clearly identify the particular fees collected and remitted,
- and provide vehicle data including MSRP and vehicle make and model.

261:74-s, III. To ensure the EVR integrator and dealer agents are accurately calculating the applicable fees and properly transmitting the fees and data, and that towns and cities may integrate the data and fees into the software used by towns and cities to transmit registration data to the state, the EVR program shall be implemented as follows:

(a) The first year of the EVR program shall involve a limited number of dealers and towns and cities as determined by the director and a single electronic vehicle registration (EVR) integrator to ensure that the EVR program is successfully implemented. The director shall select which towns, cities, and dealers shall participate during the first year from a list submitted to the director by the senate president and the speaker of the house of representatives within 60 days of the effective date of this section. The director shall select the participants after obtaining the input of the New Hampshire City and Town Clerks' Association and the New Hampshire Automobile Dealers Association. The director shall select both large and small municipalities to participate and towns and cities that use software to transmit registration data to the state, with at least 2 towns or cities for each type of software.

(b) After the EVR program has operated for 270 days, the director shall seek formal input from the EVR advisory group established in paragraph IV and towns, cities, and dealer agents involved in the program as to whether or not the EVR integrator and dealer agents are properly calculating and assessing applicable fees, properly transmitting the fees and data, and properly integrating data and moneys into the software used by towns and cities to transmit registration data to the state.

(c) After the EVR program has operated for one year, the director shall incorporate the remaining towns and cities into the program and additional dealers may apply to become dealer agents unless the director, in consultation with the EVR advisory group established in paragraph IV determines that the EVR integrator has failed to materially comply with the program requirements. If such a determination is made, the director shall delay the addition of towns and cities and dealers for up to 180 days to permit the EVR integration to materially comply with the program requirements.

(d) One year after the incorporation of the remaining towns and cities into the EVR program, the department may enter into agreements with additional EVR

**The department shall solicit input from affected municipalities before entering into an agreement under this section.**

III, This entire section was created to address concerns of towns that the program would be implemented too quickly and without proper testing and to ensure the fees and data are calculated, transmitted properly, and integrated into state certified vendor software used by the towns.

**EVR advisory group created (includes the NH City and Town Clerks Association representatives and others) to ensure the EVR program meets the requirements in rules and law.**

**The EVR program is rolled out in the following steps:**

**Step 1: EVR pilot program. The first year of the EVR program will involve a limited number of dealers and towns and a single EVR vendor. The director shall select towns from a list provided by the Senate President and House Speaker and obtain input from the NH City and Town Clerks Association and NH Automobile Dealers Association as to which towns and dealers to pick.**

**The towns selected shall be large and small and include a sampling of those towns that use the different state certified software to communicate with the state.**

**Step 2. After 270 days, the director shall seek input from the EVR Advisory Group and the dealers and towns involved in the pilot program to ensure the EVR program is working correctly.**

**Step 3. After one year, the pilot ends and all remaining towns are brought into the program unless the EVR vendor has materially failed to comply with the program requirements.**

**Step 4. One year after the remaining towns are added, additional EVR vendors may enter into agreements.**

integrators.

(e) After the incorporation of all towns and cities into the EVR program, the director shall evaluate on a periodic basis, no less than annually, whether the EVR integrators and dealer agents are properly calculating and assessing applicable fees, properly transmitting the fees and data, and properly integrating data and moneys into the software used by towns and cities to transmit registration data to the state.

IV. The director shall form an EVR advisory group consisting of representatives from the department of information technology, the division of motor vehicles, the department of safety, the New Hampshire City and Town Clerks' Association, the New Hampshire Government Finance Officers Association, organizations representing the interests of town managers and administrators, the New Hampshire Municipal Association, the New Hampshire Local Government Information Network, the New Hampshire Automobile Dealers Association, the EVR integrators, and other persons the director deems necessary. The primary purpose of the EVR advisory group is to ensure that the EVR program meets the requirements in rules and law. The EVR advisory group shall meet at least quarterly.

V. The director shall periodically evaluate whether the EVR program affects registration-related assistance provided to towns and cities by the department.

**Step 5. Continuous Evaluation of EVR program by Director and the EVR Advisory Group on at least an annual basis.**  
**The director shall also evaluate as to whether the EVR program affects registration related assisted the DMV provides to towns.**

2616 Effective Date. This act shall take effect upon its passage.

### NH Vehicle Registration Fees are similar to other states

Here are a few examples of other state fees/taxes that are similar to New Hampshire's fees and which are calculated, collected and remitted by dealers in other states:

**Arizona EVR State:** There is a \$4.00 title fee; an \$8.00 registration fee; plus an air quality research fee of \$1.50; and a vehicle license tax (VLT) assessed in place of a personal property tax charged by other states. There may also be a weight fee and commercial registration fee, if the vehicle is registered as commercial.

The VLT is based on an assessed value of 60% of the manufacturer's base retail price reduced by 16.25% for each year since the vehicle was first registered in Arizona (15% before 8/1/98). Then, as of the Dec 1, 2000 reduction, the rate is calculated as \$2.80 (new vehicles)/\$2.89 (used vehicles) for each \$100 of the assessed value. For example, for a new vehicle that costs \$25,000, the first year assessed value would be \$15,000 and the VLT would be \$420.00. The second year the assessed value would be \$12,562.50 and the VLT would be \$363.06.

For a mobile home the title fee is \$7.00 per section or unit. No other mobile home fees are payable to MVD.

### **Florida (EVR State):**

In addition to the six (6) percent sales tax, most Florida counties levy a discretionary sales surtax on transactions subject to sales and use tax. The discretionary sales surtax is a county-imposed tax (ranges from 0%-1.5%). Dealers must collect discretionary sales surtax along with the 6 percent state sales tax. Most of the fees are sent to the County Tax collector who then forwards the funds to the state. The surtax only applies to the first \$5,000 (cap) of the selling price of each motor vehicle and does not apply to the amount over \$5,000.

Tax Collectors are elected for a four-year term in the Presidential election year. Tax Collectors are county based, so there are 67 official elected Tax Collectors as there are 67 Florida counties. Each county's Tax collector has a main office, with the amount of additional locations varying by county.

Other Florida Fees tied to registration:

\$19.50 - vehicle under 2,500 lbs.

\$30.50 - vehicle between 2,500 lbs. - 3,499 lbs.

\$44.00 - vehicle over 3,500 lbs. Plus

\* \$70 - Original Title

\* \$1 - "Security fee" charged for an original or duplicate certificate of title to cover the cost of materials used for security purposes

\* \$2 - "Lemon Law (Motor Vehicle Warranty) Fee" (New Vehicles only)

\* \$2 - "Lien fee" charged for services of noting lien and to cover subsequent issuance when satisfied

\* \$4.25 "Service fee" charged for the issuance, duplication, or transfer of any certificate of title

\* \$225 - Initial Registration

\* \$19.50- Base Registration

\* \$2.80 - Advanced Replacement Fee/Annual Charge

\* \$1.00 - Air Pollution Control Fee

\* \$3.00 - Decal on Demand

\* \$0.10 - Emergency Medical Services Trust Fund Fee

\* \$1.25 - Florida Real Time Vehicle Information System

\* \$5.50 - Juvenile Justice Fee



- \* \$1.00 - Law Enforcement Radio System Trust Fund Fee
- \* \$1.50 - Retroreflection Fee
- \* \$5.00 - Service Fee
- \* \$4.00 - Surcharge for State Transportation
- \* \$1.50 - Transportation Disadvantaged Trust Fund Fee

**Michigan EVR State:**

The fee depends on the MSRP price of the vehicle. Fees vary from \$38 to \$148 and the fee increases \$5 for every \$1000. The fees decline by 10% each year until the fifth renewal. The fee is prorated depending upon when during the year the vehicle was purchased, and the birthday of the owner. Also, an online fee calculator that offers an estimate of the total motor vehicle registration cost based on these variables is provided by the state.

**North Dakota (Online Fee Calculator):**

Annual fees range from \$5 to \$274, depending on weight of vehicle and first year registered. The state provides an online fee calculator. As a service to their customers, ND dealers collect title, registration, and license fees and remit them to the state on behalf of the customer. To calculate registration fees online, ND dealers must have the following information for the vehicle:

- North Dakota Title Number or the following vehicle information:
  1. Year model
  2. Year first registered of the vehicle (this will be within one year of the model)
  3. Shipping or gross weight of the new vehicle (required, depending on the type of vehicle selected)
  4. Purchase price of the vehicle
  5. Date vehicle acquired
  6. Make, year model identification number, and allowance of trade-in vehicle

**REGISTRATION FEES ARE BASED ON YEAR FIRST REGISTERED, NOT YEAR MODEL**

**Year First Registered 2006 and Newer**

Annual Fee	12 MONTHS	11 MONTHS	10 MONTHS	9 MONTHS	8 MONTHS	7 MONTHS	6 MONTHS	5 MONTHS	4 MONTHS	3 MONTHS	2 MONTHS	1 MONTH
3,199 or less	73.00	67.00	61.00	55.00	49.00	43.00	37.00	31.00	25.00	19.00	13.00	7.00
3,200 - 4,499	93.00	86.00	78.00	70.00	62.00	55.00	47.00	39.00	31.00	24.00	16.00	8.00
4,500 - 4,999	111.00	102.00	93.00	84.00	74.00	65.00	56.00	47.00	37.00	28.00	19.00	10.00
5,000 - 5,999	142.00	131.00	119.00	107.00	95.00	83.00	71.00	60.00	48.00	36.00	24.00	12.00
6,000 - 6,999	175.00	161.00	146.00	132.00	117.00	103.00	88.00	73.00	59.00	44.00	30.00	15.00
7,000 - 7,999	208.00	191.00	174.00	156.00	139.00	122.00	104.00	87.00	70.00	52.00	35.00	18.00
8,000 - 8,999	241.00	221.00	201.00	181.00	161.00	141.00	121.00	101.00	81.00	61.00	41.00	21.00
9,000 & OVER	274.00	252.00	229.00	206.00	183.00	160.00	137.00	115.00	92.00	69.00	46.00	23.00



# The Senate of the State of New Hampshire

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

February 24, 2011

Senator Andy Sanborn

## **SB 156 Motor Vehicle Registrations of New Vehicle Purchases**

In an effort to provide ongoing updates on this Bill and to clear up some confusion surrounding this exciting opportunity to our citizens, I thought it might be best to provide a brief overview of the legislation and answer some questions.

### **What the Bill Does:**

Today, nearly every State provides for the registration of cars (at time of purchase); at the Dealership and of those, 27 provide the ability of on the spot electronic car registrations at the time of purchase. This legislation will put into place a 1 year test period, combining several cities, towns, dealerships, department of Safety and outside service companies to come together and create a program that tests the feasibility of offering this service in New Hampshire. Throughout this 1 year exercise, we will be creating the administrative rules, processes and oversight committees to effectively manage all aspects of the process.

### **Benefits include:**

- SB156 will provide many significant opportunities and benefits for the residents of our communities, including:
- Allowing residents to register their car at the time of purchase of a new (or new to you) car, saving our citizens time.
- Allowing car purchasers to finance the registrations fees as part of their car loans. As most know, car registration fees can cost hundreds of dollars. Most other States with sales tax provide a similar service.
- It will close a safety exposure hole with our police departments. Today our 20 day plates are not actually entered into any manageable data base. This system will provide instant inclusion into our State data base to provide our police better, more accurate information to keep our communities safe.

- With financial pressures on local communities, many town clerk hours have been reduced to no more than 3 days a week, no nights and no weekends. Automotive Dealers are open 7 days a week.
- With reductions at the local level, town clerks are presently operating at full capacity (or more) and this program will provide some minimal relief of their overburdened workload.
- An acceleration of financial remittance of money to both the State and Local communities.

### **One Year Initial Test Period**

Creation of an operational team will include:

New Hampshire City and Town Clerks Association

Several Cities – many already signed on

Several towns – many already signed on

Several towns currently utilizing outside vendors to interact with State software

Department of Safety

Select NH Auto Dealers

NH Automotive Dealers Association

Selected Reps and Senate members

Initially one outside EVR Company

**There will be little to cost to either the State or any of the communities, as CVR has agreed to bear all development costs.**

This team will work collaboratively to create an interactive software communication system to interact with both the State's MAAP motor vehicle system and local communities, to insure compliance and accuracy of each local fee as well as registration requirements.

Upon completion of the supporting data processing, the system will be slowly rolled out with the participating towns and dealers for a period of one year, with regular ongoing review and analysis.

### **How Does It Work?**

For the purchase of New Cars, or New to you cars, at dealerships specifically approved by the Department of Safety, residents will be provided the option to register their car on the spot, through an outside service company, called an EVR (Electronic Vehicle Registration Company), who will be responsible for the transaction, electronically. It is these EVR companies who provide this service nation wide.



# The Senate of the State of New Hampshire

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To confirm residency and accuracy, this electronic registration process will only be allowed, provided the purchaser has been verified through a comprehensive residency check, via, license, credit bureau, Bank verification (if financed) and the Department of Safety.

The EVR company (similar to most online applications from Hertz, FedEx to Amazon), will also be responsible for accuracy and like dealerships, will also be required to post a performance Bond.

Revenue from the title/registration process will be remitted to each city, town and the state separately every within 1 business day (or every 20 days, if towns require a paper check), to avoid any potential for co-mingling of funds. Today 90 of our State's towns operate an online car renewal process and this system will operate in a similar manner. Revenue submissions to each town will incorporate local financial schedules provided and certified by each town clerk/treasure to ensure accuracy. Additionally of those towns in NH where the local Town Clerk is paid a piece meal bonus for each car registered, this compensation to the individual clerks is maintained through converting the statute from a "pay for work" as is presently crafted, to a "compensation for audit", under the new legislation.

With successful registration, hard plates will be sent from the Department of Safety, to ensure security of plates. The system will also provide for the transfer of existing plates.

## **Oversight during test period and beyond:**

Although there is significant operational historical data to rely on, including New Hampshire's process of remittance of Rooms and Meals Tax, Cigarette Tax, Gas Tax, snowmobile and ATV registration at the Dealership and more, not to mention with the 27 states presently utilizing this system, we have ample baseline processes by which to initiate a system. Through this legislation I have established several advisory boards, compliance checks, resolution processes and ongoing oversight into both the initial test process, as well as, if the system is implemented. (Again, at no cost to either the State or local communities). Oversight boards include:

- The initial Testing group to establish the system.
- Inclusion of test town clerks and Department of Safety with the administrative rule process.
- An ongoing oversight board to ensure compliance and auditing procedures.

- An ongoing oversight board to review dealer/EVR compliance
- An ongoing oversight board to review and assess problem resolution (although the EVR companies will maintain an outside, self funded resolution desk).

### **Commonly Asked Questions:**

#### **Who supports this Bill?**

Leadership of both houses and the Governor has all publicly given this program support. Additionally, the Department of Safety, NH Auto dealers and many cities and towns who have agreed to support the program

#### **Is This Program New?**

No, this program is in place in 27 State around America, of which many different financial models come from many different States, as it relates to local specific taxes and fees.

#### **Will Dealers Have Access To State or Towns Accounts?**

Absolutely not. The EVR companies will be the ones actually interacting with the State and local communities and their financial remittances will operate similar to our residents who presently renew online, our local restaurant and hotels that remit rooms and meals tax, gas stations with gas tax and more.

#### **Can the State or Towns Lose money?**

No, in addition to instituting more controls than an other tax collection service New Hampshire has, both the dealer and the EVR will be required to maintain performance Bonds.

#### **Will the Towns or State receive less money?**

Actually many towns will receive more money than they actually do today, as this legislation actually preserves the "bonus pay for piece" benefit many town clerks get today, even though they are actually no longer performing the task. However, we are maintaining the fee, through a compensation arrangement to perform their audit checks

#### **Will This Make New Hampshire Safer?**

Yes. Presently our Department of Safety does not maintain a data base of new cars operating under the 20 day paper plate. This legislation will create an immediate interchange with our State's computers, so each vehicle will be in the data base when they leave the dealership.

# Committee Report

STATE OF NEW HAMPSHIRE  
SENATE  
REPORT OF THE COMMITTEE

Date: March 11, 2011

THE COMMITTEE ON Commerce

to which was referred Senate Bill 156-FN-L

AN ACT                      authorizing retail vehicle dealers to act as agents of the  
division of motor vehicles in the issuance of vehicle titles  
and registrations.

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

**OUGHT TO PASS WITH AMENDMENT**

BY A VOTE OF:    4-0

AMENDMENT # 0807s

Senator Andy Sanborn  
For the Committee

Patrick Murphy 271-3067

## New Hampshire General Court - Bill Status System

**Docket of SB156**

Docket Abbreviations

**Bill Title:** authorizing retail vehicle dealers to act as agents of the division of motor vehicles for vehicle registrations and title applications.

*Official Docket of SB156:*

<b>Date</b>	<b>Body</b>	<b>Description</b>
2/3/2011	S	Introduced and Referred to Commerce, <b>SJ 5</b> , Pg.46
2/17/2011	S	Hearing: 3/8/11, Room 102, LOB, 9:30 a.m.; <b>SC12</b>
2/24/2011	S	Hearing: === CANCELLED === 3/8/11, Room 102, LOB, 9:30 a.m.; <b>SC13</b>
2/24/2011	S	Hearing: === RESCHEDULED === 3/11/11, Room 102, LOB, 9:00 a.m.; <b>SC13</b>
3/3/2011	S	Hearing: === ROOM CHANGE === 3/11/11, Room 100, State House, 9:00 a.m.; <b>SC14</b>
3/11/2011	S	Committee Report: Ought to Pass with Amendment #2011-0807s, NT, 3/16/2011; <b>SC15A</b>
3/16/2011	S	Sen. Bradley Moved that the Senate Rules be Suspended in order to allow SB 156 to be reported out of Commerce Committee as the committee acted after the Senate Deadline, 2/3 necessary, MA, VV; <b>SJ 9</b>
3/16/2011	S	Committee Amendment 0807s, NT, AA, VV; <b>SJ 9</b> , Pg.109
3/16/2011	S	Ought to Pass with Amendment 0807s, NT, MA, VV; Refer to Finance Rule 4-3; <b>SJ 9</b> , Pg.109
3/24/2011	S	Committee Report: Ought to Pass with Amendment #2011-1220s, 3/30/11; <b>SC17</b>
3/30/2011	S	Committee Amendment 1220s, AA, VV; <b>SJ 11</b> , Pg.225
3/30/2011	S	Ought to Pass with Amendment 1220s, MA, VV; OT3rdg; <b>SJ 11</b> , Pg.225
3/30/2011	S	Passed by Third Reading Resolution; <b>SJ 11</b> , Pg.239
3/31/2011	H	Introduced and Referred to Commerce and Consumer Affairs; <b>HJ 35</b> , PG.1241
4/5/2011	H	Public Hearing: 4/19/2011 2:45 PM LOB 302 Banking/Business Div ==Work Session May Follow==
4/12/2011	H	Executive Session: 4/21/2011 1:15 PM LOB 302
4/21/2011	H	Majority Committee Report: Ought to Pass With Amendment #1534h for April 27 (Vote 14-4; RC); <b>HC 33</b> , PG.1069
4/21/2011	H	Proposed Majority Committee Amendment #2011-1534h; <b>HC 33</b> , PG.1082-1083
4/21/2011	H	Minority Committee Report: Inexpedient to Legislate; <b>HC 33</b> , PG.1069
4/27/2011	H	Special Order to End of Regular Calendar (Rep Baldasaro): MF DIV 102-242; <b>HJ 40</b> , PG.1361
4/27/2011	H	Amendment #1534h Adopted, VV; <b>HJ 40</b> , PG.1362-1363
4/27/2011	H	Floor Amendment #2011-1609h(NT) (Rep K.Murphy) Failed, <b>RC</b> 130-218; <b>HJ 40</b> , PG.1363-1365
4/27/2011	H	Lay on the Table (Rep Steven Smith): MF <b>RC</b> 97-249; <b>HJ 40</b> , PG.1366-1368



4/27/2011	H	Ought to Pass With Amendment #1534h: MA <b>RC</b> 176-166; <b>HJ 40</b> , PG.1361-1370
4/27/2011	H	Reconsideration (Rep Bettencourt): MF <b>RC</b> 131-211; <b>HJ 40</b> , PG.1370-1372
5/25/2011	S	Sen. Prescott Concurs with House Amendment #1534h, MA, VV; <b>SJ 18</b>
6/1/2011	S	Enrolled Bill Amendment # <b>2011-2276e</b> Adopted
6/8/2011	H	Enrolled
6/8/2011	S	Enrolled
6/15/2011	S	Signed by the Governor on 06/15/2011; Effective 06/15/2011; Chapter 0198

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NH House

NH Senate

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# Other Referrals

# COMMITTEE REPORT FILE INVENTORY

SB 156-FN ORIGINAL REFERRAL \_\_\_\_\_ RE-REFERRAL

1. THIS INVENTORY IS TO BE SIGNED AND DATED BY THE COMMITTEE AIDE 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
- HEARING REPORT
- HANDOUTS FROM THE PUBLIC HEARING
- PREPARED TESTIMONY AND OTHER SUBMISSIONS
- SIGN-UP SHEET(S)

ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE:

- AMENDMENT # 0796s \_\_\_\_\_ - AMENDMENT # \_\_\_\_\_

- AMENDMENT # 0807s \_\_\_\_\_ - AMENDMENT # \_\_\_\_\_

ALL AVAILABLE VERSIONS OF THE BILL:

AS INTRODUCED \_\_\_\_\_ AS AMENDED BY THE HOUSE

FINAL VERSION  AS AMENDED BY THE SENATE

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 8-5-11

Patrick Murphy  
BY COMMITTEE AIDE