

Committee Report

CONSENT CALENDAR

January 27, 2022

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on Public Works and Highways to which was referred HB 1040,

AN ACT establishing a commission to study revenue alternatives to the road toll for electric-powered and hybrid vehicles for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment. Having considered the same, report the same with the following amendment, and the recommendation that the bill OUGHT TO PASS WITH AMENDMENT.

Rep. Barry Faulkner

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	Public Works and Highways
Bill Number:	HB 1040
Title:	establishing a commission to study revenue alternatives to the road toll for electric-powered and hybrid vehicles for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment.
Date:	January 27, 2022
Consent Calendar:	CONSENT
Recommendation:	OUGHT TO PASS WITH AMENDMENT 2022-0205h

STATEMENT OF INTENT

This bill will establish a commission to study the problem of the widening gap between our highway funding needs and decreasing road toll ,gas tax, revenues, due in part to improved fuel economy and the shift to electric and hybrid vehicles. The Public Works and Highways Committee has considered a number of proposals to address this problem, many of which have practical or policy issues that need to be resolved. The committee finds that this commission provides the best chance to work through these issues and to develop a consensus on an approach where all highway users pay a fair share of the costs of maintaining an efficient highway system. The committee amendment retains the commission's membership and the scope of the original bill. The amendment changed the title and purpose statements to remove the sole focus on electric and hybrid vehicles and ensure that the commission considers the current and future funding needs of the highway system.

Vote 22-0.

Rep. Barry Faulkner
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

Public Works and Highways

HB 1040, establishing a commission to study revenue alternatives to the road toll for electric-powered and hybrid vehicles for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment. **OUGHT TO PASS WITH AMENDMENT.**

Rep. Barry Faulkner for Public Works and Highways. This bill will establish a commission to study the problem of the widening gap between our highway funding needs and decreasing road toll ,gas tax, revenues, due in part to improved fuel economy and the shift to electric and hybrid vehicles. The Public Works and Highways Committee has considered a number of proposals to address this problem, many of which have practical or policy issues that need to be resolved. The committee finds that this commission provides the best chance to work through these issues and to develop a consensus on an approach where all highway users pay a fair share of the costs of maintaining an efficient highway system. The committee amendment retains the commission's membership and the scope of the original bill. The amendment changed the title and purpose statements to remove the sole focus on electric and hybrid vehicles and ensure that the commission considers the current and future funding needs of the highway system. **Vote 22-0.**

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Amendment to HB 1040

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

2

3 AN ACT establishing a commission to study revenue alternatives to the road toll for the
4 funding of improvements to the state's highways and bridges and their resulting
5 improvements to the environment.

6

7 Amend the bill by replacing sections 1-2 with the following:

8

9 1 New Section; Commission to Study Revenue Alternatives to the Road Toll. Amend RSA 21-J
10 by inserting after section 48 the following new section:

11 21-J:49 Commission to Study Revenue Alternatives to the Road Toll

12 I. There is established a commission to study revenue alternatives to the road toll for the
13 funding of improvements to the state's highways and bridges and their resulting improvements to
14 the environment.

15 II. The members of the commission shall be as follows:

16 (a) Four members of the house of representatives, appointed by the speaker of the house
17 of representatives: 2 of whom shall be members of the house public works and highways committee;
18 one of whom shall be a member of the house science, technology and energy committee; and one of
19 whom shall be a member of the house ways and means committee.

20 (b) Two members of the senate, appointed by the president of the senate.

21 (c) The commissioner of the department of revenue administration, or designee.

22 (d) The commissioner of the department of safety, or designee.

23 (e) The commissioner of the department of environmental services, or designee.

24 (f) The commissioner of the department of transportation, or designee.

25 (g) One member from the New Hampshire Automobile Dealers Association, appointed by
26 that association.

27 III. Legislative members of the commission shall receive mileage at the legislative rate when
28 attending to the duties of the commission.

29 IV. The commission shall:

30 (a) Study alternatives to the road toll and may study emerging vehicle fuels and
31 technologies, for funding improvements to the state's highways and bridges, ensuring that all motor
32 vehicles contribute proportionally to their impact on New Hampshire's highway infrastructure.

33 (b) Study the impact the various fuel-efficient technologies have on the environment.

Amendment to HB 1040

- Page 2 -

1 (c) Consider the interim report of the commission on taxation of alternative fuel and
2 electric-powered motor vehicles of November 1, 2012, and the final report of the commission to study
3 future sustainable revenue sources for funding improvements to state and municipal highways and
4 bridges, dated November 1, 2010.

5 (d) Track current road toll revenues and, as it deems appropriate, analyze related
6 programs developed in other states and recommend legislation.

7 (e) Consider the 2019-2020 federally-funded study of a prior road usage fee in New
8 Hampshire.

9 (f) Evaluate the future funding needs for the operation and maintenance of, and
10 improvements to, state and municipal roadways.

11 V. The members of the commission shall elect a chairperson from among the members. The
12 first meeting of the commission shall be called by the first-named house member. The first meeting
13 of the commission shall be held within 45 days of the effective date of this section. Three members of
14 the commission shall constitute a quorum.

15 VI. The commission shall report its findings and any recommendations for proposed
16 legislation to the speaker of the house of representatives, the president of the senate, the house
17 clerk, the senate clerk, the governor, and the state library on or before November 1, 2022.

18 2 Repeal. RSA 21-J:49, relative to a commission to study revenue alternatives to the road toll, is
19 repealed.

Amendment to HB 1040
- Page 3 -

2022-0205h

AMENDED ANALYSIS

This bill establishes a commission to study revenue alternatives to the road toll for the funding of the state's highways and bridges and resulting improvements to the environment.

Voting Sheets

HOUSE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

EXECUTIVE SESSION on HB 1040

BILL TITLE: establishing a commission to study revenue alternatives to the road toll for electric-powered and hybrid vehicles for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment.

DATE: January 27, 2022

LOB ROOM: 201

MOTIONS: OUGHT TO PASS WITH AMENDMENT

Moved by Rep. Faulkner Seconded by Rep. Abbott AM Vote: Voice vote

Amendment # 2022-0205h

Moved by Rep. Faulkner Seconded by Rep. Abbott Vote: 20-2

CONSENT CALENDAR: YES

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep David Milz, Clerk

HOUSE COMMITTEE ON PUBLIC WORKS

EXECUTIVE SESSION on Bill # 1040

BILL TITLE: STUDY OF ROLL TOLL

DATE: 1/27/22

LOB ROOM: 201

MOTION: (Please check one box)

OTP ITL Retain (1st year) Adoption of Amendment # 2022-0205H
(if offered) Interim Study (2nd year)
Moved by Rep. FAULKNER Secunded by Rep. ABBOTT Vote: 20-0 VOICE VOTE

MOTION: (Please check one box)

OTP OTP/A ITL Retain (1st year) Adoption of Amendment # _____
(if offered) Interim Study (2nd year)
FAULKNER Moved by Rep. FAULKNER Secunded by Rep. ABBOTT Vote: 20-2

MOTION: (Please check one box)

OTP OTP/A ITL Retain (1st year) Adoption of Amendment # _____
(if offered) Interim Study (2nd year)
Moved by Rep. _____ Secunded by Rep. _____ Vote: _____

MOTION: (Please check one box)

OTP OTP/A ITL Retain (1st year) Adoption of Amendment # _____
(if offered) Interim Study (2nd year)
Moved by Rep. _____ Secunded by Rep. _____ Vote: _____

CONSENT CALENDAR: YES _____ NO

Minority Report? _____ Yes No If yes, author, Rep: _____ Motion _____

Respectfully submitted:
Rep. Natalie Wells, Clerk



2022 SESSION

Public Works and Highways

 Bill #: 1040 Motion: OTR/A AM #: _____ Exec Session Date: 1/27/22

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Graham, John A. Chairman	20		
McConkey, Mark E. Vice Chairman <i>FOLSOM</i>	1		
Milz, David E. Clerk	2		
Somero, Paul J.	3		
Fedolfi, Jim L.	4		
Newton, Clifford A. <i>NOTTER</i>	5		
Blasek, Melissa		1	
Bordes, Mike		2	
Kaczynski, Thomas L.	6		
Kilanski, Ben M. <i>PLETT</i>	7		
Thompson, Dennis J.	8		
Boyd, Bill	9		
Cloutier, John R.	10		
Edgar, Michael A.	11		
Ebel, Karen E.	12		
Jack, Martin L.	13		
Abbott, Michael D.	14		
Faulkner, Barry	15		
Newman, Sue A.	16		
Eaton, Daniel A.	17		
Pedersen, Michael P.	18		



2022 SESSION

Public Works and Highways

Bill #:	Motion:	AM #:	Exec Session Date:
Query, Joshua F.			19
Bunker, Lisa H.			
TOTAL VOTE:			20 2

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UNAPPROVED

2022-0205h

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UNAPPROVED

Public Hearing

HOUSE COMMITTEE ON PUBLIC WORKS AND HIGHWAYS

PUBLIC HEARING ON HB1040

BILL TITLE: Establishing a commission to study revenue alternatives to the road toll for electric-powered and hybrid vehicles for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment

DATE: 01/19/2022

LOB ROOM: 201

Time Public Hearing Called to Order: 9:30 am

Time Adjourned: 10:15 am

Committee Members: Reps. Graham, McConkey, Somero, Fedolfi, Blasek, Thompson, Boyd (out at 9:55), Edgar (out at 9:50), Ebel, Jack, Abbott, Faulkner, S. Newman, Eaton, Pedersen, and Query

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Norm Major, prime sponsor

* Attachment A, handout

* Attachment B, slides

Slides 3 and 4 display Highway Fund revenues. Slide 6 displays average miles per gallon. Slide 9 displays the cost of construction. Slides 10 through 14 display pavement and bridge condition. On slide 14, note the very high number of bridges over 75 years old. Slide 15 displays alternative solutions. The witness believes forming another commission is the desired solution and the other alternatives are not viable. Slide 19 displays miles driven. Slides 20 through 22 are the Road Usage Fee proposal from a prior session. Slides 25 through 29 are the result of the 2019 Department of Transportation Road Usage Fee study. Even with a road usage fee, the operating cost of efficient cars is less. Slide 29 displays equity in the fee structure independent of miles per gallon. On the handout, page 5 shows carbon dioxide emission effects. Page 9 shows that efficient vehicles still save money and the road usage fee is a tiny part of the cost. It shows the effect on revenue of the transition to electric. Pages 5 through 8 are press citations relative to the issue. The witness expects the transition to electric to accelerate. Rep. Blasek asked how this presentation differs from the DOT study. The response is that this focuses on environmental issues.

Rep. John Graham, sponsor

This is a recurring bill. Road usage fee bills have not passed in the past due to those who oppose tax increases and those who believe they penalized efficiency. We must solve the problem of declining revenue. Charging infrastructure is being deployed. We must charge electric vehicles that do the same damage to highways as traditionally fueled vehicles, including trucks. Rep. Faulkner asked if the scope of the commission includes adequacy of total highway revenue. The response is yes, the commission has in its charge the ability to study any other issues. Vehicle Miles Traveled solutions have not solved the problem of identifying where the miles are driven.

Kelly Buchanan, Clean Energy New Hampshire

They promote accelerated adoption and charging infrastructure. They support the bill. There is still low adoption of electric vehicles in NH. This bill ensures buyin from stakeholders and buyin on the solution.

Rebecca Ohler, Department of Environmental Services

The department is happy to see a new commission. The witness served on the prior commission. There are 6000 hybrid and plugin vehicles. We should look at all alternatives. Rep. Faulkner asked if the state is lagging on adoption. The response is that NH is the only New England state with no electric vehicle mandate.

Marie Mullen, Department of Transportation, Finance

The department supports the bill. The witness believes the transition to electric is accelerating and revenue is declining.

Respectfully submitted,

Martin L. Jack
Acting Clerk

House Remote Testify

Public Works and Highways Committee Testify List for Bill HB1040 on 2022-01-19

Support: 10 Oppose: 1 Neutral: 2 Total to Testify: 0

Export to Excel

<u>Name</u>	<u>City, State</u> <u>Email Address</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>	<u>Testifying</u>	<u>Non-Germane</u>	<u>Signed Up</u>
Reagan, Senator John	Deerfield, NH kathryn.cummings@leg.state.nh.us	An Elected Official	Senate District 17	Support	No	No	1/5/2022 12:35 PM
Watters, Senator David	Dover, NH david.watters@leg.state.nh.us	An Elected Official	Myself	Support	No	No	1/5/2022 12:37 PM
Giuda, Bob	Warren, NH bob.giuda@leg.state.nh.us	An Elected Official	Senate District 2	Support	No	No	1/5/2022 11:03 PM
Gannon, Senator Bill	Concord, NH william.gannon@leg.state.nh.us	An Elected Official	SD 23	Support	No	No	1/7/2022 4:20 PM
Greyes, Natch	Concord, NH ngreyes@nhmunicipal.org	A Lobbyist	New Hampshire Municipal Association	Support	No	No	1/17/2022 7:13 AM
Beffa-Negrini, Patricia	Nelson, NH pbeffa@me.com	A Member of the Public	Myself	Neutral	No	No	1/17/2022 2:41 PM
Moran, Brian	Stoughton, MA brian@necsema.net	A Lobbyist	NE Convenience Store & Energy Marketers Assoc.	Support	No	No	1/18/2022 1:36 PM
Somssich, Rep. Peter	Portsmouth, NH staterep27nh@gmail.com	An Elected Official	Myself	Support	No	No	1/18/2022 5:40 PM
Anastasia, Patricia	Londonderry, NH patti.anastasia@gmail.com	A Member of the Public	Myself	Oppose	No	No	1/18/2022 6:10 PM
Richman, Susan	Durham, NH susan7richman@gmail.com	A Member of the Public	Myself	Support	No	No	1/18/2022 9:58 PM
Lentz, Colin	SRPC, NH clentz@strafford.org	State Agency Staff	Strafford Regional Planning Commission	Neutral	No	No	1/19/2022 8:45 AM
Clendenning, Bruce	CONCORD, NH bruce.clendenning@tnc.org	A Lobbyist	The Nature Conservancy NH	Support	No	No	1/19/2022 10:08 AM
Almy, Susan	Lebanon, NH susan.almy@comcast.net	An Elected Official	Myself	Support	No	No	1/19/2022 10:36 AM

Testimony

In Support of HB 1040

From Rep. Peter Somssich, Portsmouth (Jan. 19,2022)

Public Works and Highways Committee

I would like to express my support for HB1040, a commission to study revenue alternatives for NH's transportation infrastructure needs.

NH desperately needs to begin to plan for our transportation future, and it is never too late to start. Thank you to Rep. Majors for this important bill.

HB 1040 ROAD USAGE FEE

Public Works and Highway Committee January 19, 2022

Rep. Norman L. Major

- The Road Usage Fee was designed to counteract the drop in the highway fund due to the falling gas tax revenue caused by the increase in fuel economy of gasoline powered vehicles and the increase of hybrid and alternative fuel vehicles.
- The objective of the fee is to make up for state Highway Trust Fund revenue that is lost as vehicle fuel efficiencies increase over time and to spread the burden of highway investment and maintenance more equitably across vehicle owners.
- In 2019, The N. H. Department of Transportation was awarded a \$250,000 federal grant to study the Road Usage Fee. The grant matched with turnpike toll credits, funds a contract with Cambridge SystemMatics to match the vehicle identification numbers of registered vehicles to the EPA's fuel economy ratings, a necessary step in implementing the fee. The firm will also profile the mix of vehicles in the state as well as project short-term and long-term revenues from the fee.
- A preliminary look at this study projected the gas tax revenue raised in 2020 of \$128.5 million would decline to \$93.4 million by 2030, a decline of \$35.1 million, 27 percent reduction without the RUF. The proposed RUF would collect about \$28.5 million starting in 2021 with RUF revenues growing to \$49.9 million in 2030. [plus \$21.4m while gas tax reduces \$35.1m]
- Using current trends and forecasts, the combined fuel tax plus RUF in 2030 would generate \$143.3 million [an increase of \$49.9 million].
- Vehicles not fueled by gasoline would pay a flat fee of \$125, while all others would pay a graduated fee based on their fuel economy rating. The schedule of fees begins with a base vehicle with a fuel

economy rating of 20 miles per gallon that travels 12,000 miles a year and uses 600 gallons of gasoline, costing \$1,500 at \$2.50 a gallon. The owner would pay \$133.20 in gas taxes and a flat usage fee of \$10.00. **\$1,510**

- All other vehicles would be ranked against the base vehicle by their average fuel economy rating, beginning with 25 mpg and increasing by increments of 10 mpg up to 50 mpg or more. The fee for these vehicles would be \$133.20, the gas tax paid by the base vehicle, less their gas tax paid rounded to the nearest \$25 increment.
- For example, a vehicle with a fuel economy rating of 35 mpg would use 342.9 gallons of gas to travel 12,000 miles and pay \$76.11 in gas tax, which, subtracted from the \$133.20 paid by the base vehicle, amounts to a usage fee of \$57.09 rounded to \$50.
- In other words, the fee rises as vehicles use less gas and pay less tax. Fees would rise in \$25 increments, from \$25 for a vehicle rated from 20 to 30 mpg to \$100 for a vehicle rated at 50 mpg or more. At the same time, the higher the fuel economy rating, the less the gas consumption, the less the gas tax and the lower the operating costs compared to the base vehicle.
- While the base vehicle costs \$1,510 to operate in gasoline, gas tax and road usage fee, the vehicle rated at 25 mpg would cost \$592 less. The higher the fuel economy rating, the greater the difference in operating costs.
- The user fee would be collected when vehicles are registered.
- Applying preliminary data, it is estimated that of 1,258,890 registered vehicles in New Hampshire, 522,037 – or 41 percent – are rated at 20mpg or less and would pay the minimum road usage fee of \$10. Another 654,866, or 52 percent, are rated between 20 and 30 mpg and would pay \$25. The remaining 81,897 vehicles with ratings above 30 mpg or using alternative

fuels represent 7 percent of the total and would pay 18 percent of all fees.

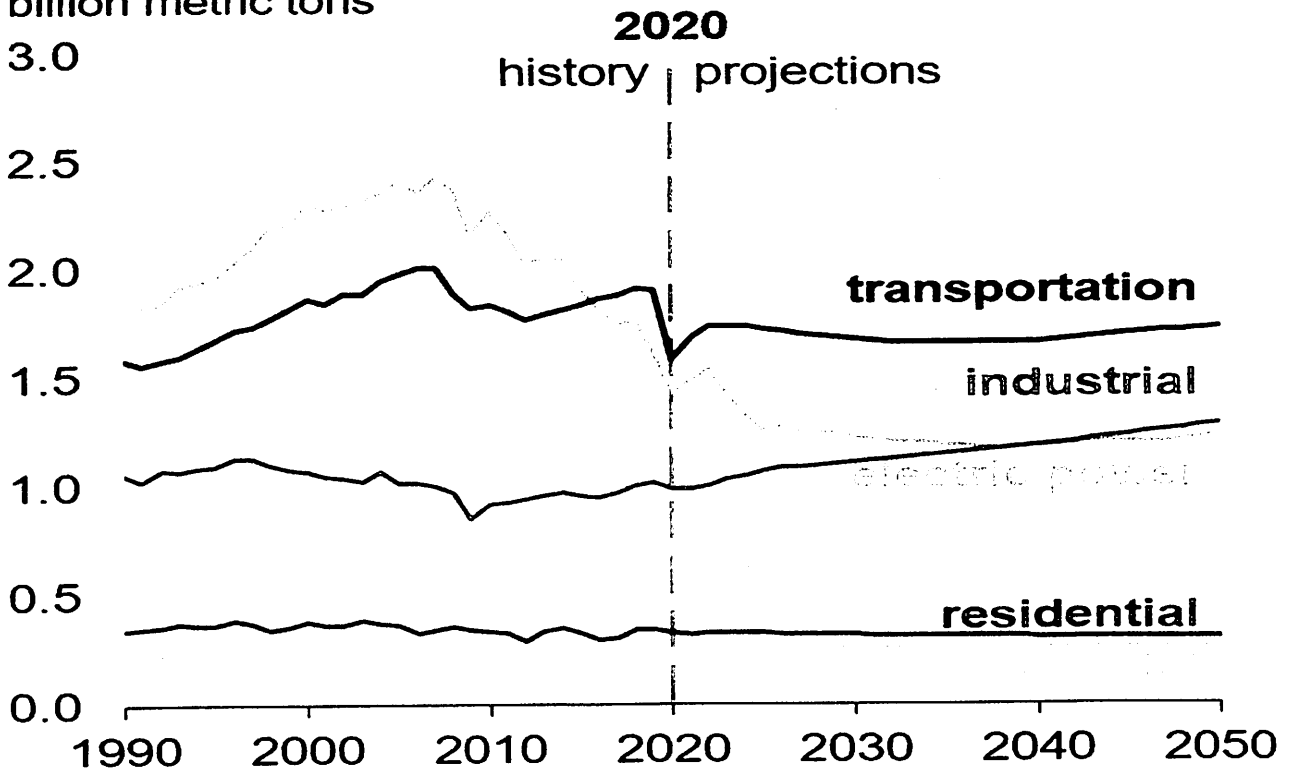
- Altogether, it is estimated the usage fee would raise \$26.3 million, of which \$22 million would be added to the highway fund. Another \$3 million, or 12 percent, would be distributed to municipalities as highway block grants, and \$1.3 million, a dollar for each registration, would be retained by the registration agent. It is estimated the fee will be introduced in July 2021.
- Despite more cars driving more miles and a 23 percent increase in the gas tax—from 18 cents to 22.2 cents a gallon in 2014--- gas tax revenue to the highway fund grew by just \$1million---from \$125 million to \$126.1 million---between 2011 and 2018 (less than 1 percent).
- Between 2007 and 2017, the average city/highway fuel economy rating in the United States has jumped 24 percent, from 20 miles per gallon to 25 miles per gallon, as seen in New Hampshire. And the trend is more likely to continue.
- Meanwhile, pavement conditions on the 4,906 miles of the state highway system have deteriorated over much of the past two decades.
- Likewise, the number of state-owned bridges rated in poor condition has risen during the past decade. Each year, from 2008 to 2018, an average of 20 bridges were added and 19 removed from the Red List. Meanwhile, the number of bridges rated in fair condition has been raising which can lead to a projected increase in Red Listed bridges.
- Meanwhile, of the 3,849 State and Municipal Bridges, over a 1,000 are 75 years or older:
 - 2,161 State Bridges – greater than 600 are 75 years or older (approx. 30%)
 - 1,688 Municipal Bridges – greater than 500 are 75 years or older (approx. 30%). This will create a major looming liability

if we do not invest in bridge maintenance and preservation efforts.

- The NHDOT utilized a \$250,000 grant from the Federal Surface Transportation System Funding Alternative program (STSFA) to study a proposed Road Usage Fee (RUF) schedule based on the Environmental Protection Agency's (EPA) combined city/highway fuel economy rating of a vehicle. RUFs would seek to address declining fuel tax revenues. The study concluded "the imposition of a RUF program would increase statewide revenues while making revenue flows more consistent.
- The U. S. Energy Information Administration shows the Transportation sector is now, and projected, to be the largest emitter of carbon dioxide over the next thirty years. Electric Power generation had been the largest emitter of CO2 for more than thirty years. This is even more reason why we should encourage transitioning from the combustion engine to either electric or other non-CO2 emitting vehicles.
- **Figure 3, Energy-related carbon dioxide emissions by sector**

Energy-related carbon dioxide emissions by sector AEO2021 Reference case

billion metric tons



INTERESTING INFORMATION RELEVANT TO FUEL EFFICIENT VEHICLES

- Most major domestic and foreign automakers have announced plans to expand production of electric vehicles in the coming decade, therefore adding to the MPG increase.
- WSJ 8/12/21: Electric-vehicle startup, Lordstrom Motors Corp., is to start limited truck production in September and is scheduled to deliver its first electric truck, the Endurance, to customers in second quarter next year (2022).
- FT 8/12/21: Wholesale deliveries of new energy vehicles in China, including battery powered, plug-in hybrids and hydrogen fuel-cell cars, jumped 164 percent year on year last month to 271,000 units. Electric cars in China took up 10 percent of total auto sales from January to July. Total auto sales in July were 1.9

million units. China's New energy vehicle sales from BYD, a Warren Buffett backed automaker more than tripled year on year in July to 50,492 units.

- WSJ 8/9/21: Volkswagen has **QuantumScape** racing to build a cheaper battery that utilizes solid-state battery technology, which has the potential to be more stable and able to charge faster than the liquid chemistry used in most lithium ion EV batteries. In theory, solid-state cells are less expensive to produce and able to take a full charge in the time it takes to fill a conventional car with gasoline. Sample solid-state batteries were successfully tested in VW's lab. The batteries were charged and discharged thousands of times to test performance and stability. VW will decide this year whether to build a pilot production line for solid-state battery cells using the new technology.
- FT 8/12/21: China's largest battery producer, CATL, has unveiled a cell that runs not on lithium but on sodium, a cheap and abundant material that can be extracted from salt.
- WSJ 5/27/21: Ford raises goals for Electric Autos. It will boost spending \$30 billion by 2025 on expanding production of electric vehicles and electric battery production
- WSJ 6/17/21: GM increasing spending to \$35 Billion on the production of electric autos and add two more battery plants in the US.
- WSJ 7/9/21: Global auto maker Stellantis plans to spend more than \$35.5 billion by 2025 on an array of new plug-in models. (Merger of Fiat Chrysler Automobiles NV and France's PSA Group), They will establish five battery factories in North America and Europe. Will electrify all its 14 brands (Jeep, Ram, Peugeot, Citroen, etc.---)
- WSJ 7/24/21: Some of the world's biggest car companies are sending the combustion engine to the scrap heap and are pouring billions of dollars into electric motor and battery factories.

Instead of power-train specialists they are hiring thousands of software engineers and battery experts.

- **WSJ 7/25/21:** Sales of Plug-Ins have more than doubled in the first half of 2021. Tesla's sales rose 78% through June this year. Auto companies collectively are spending \$330 billion over the next five years to bring more plug-in models to showrooms. Mercedes-Benz said it is preparing to sell only electric by 2030.
- **NH UL 8/1/21:** Merchants Fleet (MF) is staking its future on electric vehicles. MF has ordered 12,000 of the new EV600 electric delivery van; the biggest ordered to date for the vehicle which to be manufactured by BrightDrop, a General Motors company. MF has also placed a large order for next year's Ford 150 Lightning electric truck. All told, it has orders in place for 40,000 electric vehicles. GM announced there are 60,000 public places to charge vehicles today, a number that will continue to grow.
- **WSJ 8/5/21:** Federal Infrastructure bill is proposing spending up to \$7.5 billion on state and municipalities to build electric vehicle charging stations.
- **WSJ 7/26/21:** The global sales of electric vehicles is planned to go to 20% in 2025 and 50% in 2030.
- **FT 5/27/21:** Nissan in talks to build UK battery Gigafactory: support production of 200,000 battery cars per year
- **Concord Monitor 5/11/21:** New England grid expects 1 million electric vehicles, 1 million electric heat pumps by 2030
- **Nh ul 8/22/21:** President Biden this month signed an executive order to encourage more sales of electric cars, aiming for half of new sales to be zero-emission vehicles by 2030. Several automakers (Ford, GM, Stellantis, BMW, Honda, Volkswagen and Volvo) pledged or already on a path to increase production to meet Biden's 2030 goal.

- 9/17/21 FT: Nikola unveils its first viable electric truck in Ulm, Germany.
- 9/29/21 WSJ: Toyota Motor is pursuing development of solid-state battery cells for fully electric cars. Volkswagen, Ford Motor, and Bayerische Motoren Werke have also invested in solid-state battery startups. QuantumScape Corp, has successfully tested solid-state batteries.
- 10/15/21 Autos Industries: Ford Motor Co. and South Korean battery maker SKInnovation plan to develop a large complex to make electric vehicles and batteries in West Tennessee and Kentucky. That follows similar investments made by General Motors Co. and Volkswagen AG to add electric-vehicle production at their Tennessee assembly plants.
- 9/15/21 Autotrader: Honda has the Honda Clarity available as a fuel cell electric car (FCEV). It generates electricity from chemical reaction between hydrogen and air. Both Toyota TM, and Hyundai HYMTF also have hydrogen-powered fuel cell vehicles as well.
- 9/30/21 GovTech: General Motors startup, BrightDrop, to develop smaller EV Van, EV410, for Verizon. Verizon will use the EV410 in its field maintenance and service fleet.
- 10/22/21 Inside Climate News: A vice president for AutoPacific, an auto industry consulting firm, is projecting there will be 140 EV models available in the U.S. market by the end of 2026, up from about 20 models today.
- 10/25/21 WSJ: Hertz Global Holdings Inc. said it has ordered 100,000 Teslas by the end of 2022.

- **Figure 1, \$ Savings**

\$ Savings vs 20 mpg

	12,000 miles		
	20 mpg	50 mpg	Electric
Gallon's of Gas	600	240	0
3.20 gallon	\$1,920	\$768	\$0
RUF	\$10	\$75	\$125
Gas Tax	\$133	\$53	\$0
RUF + Tax	\$143	\$128	\$125
Total Cost	\$1,930	\$843	\$125
Saving vs 20mpg		\$1,087	\$1,805
3.2			
0.222			

- **Figure 2, ROAD TOLL**


ROAD TOLL

FISCAL YEAR	GASOLINE	DESIEL	TOTAL REVENUE
FY2019	110.7M (85%)	19.5M (15%)	130.2M
NUMBER LIGHT VEHICLES	1,258,890		1,258,890
IF ALL LIGHT VEHICLES WERE ELECTRIC	(\$125X1.258.9M) = 157.4M	19.5M	176.9M
REVENUE CHANGE	46.7M	0.0M	46.7M
PERCENT CHANGE	42.2%	0.0%	35.9%



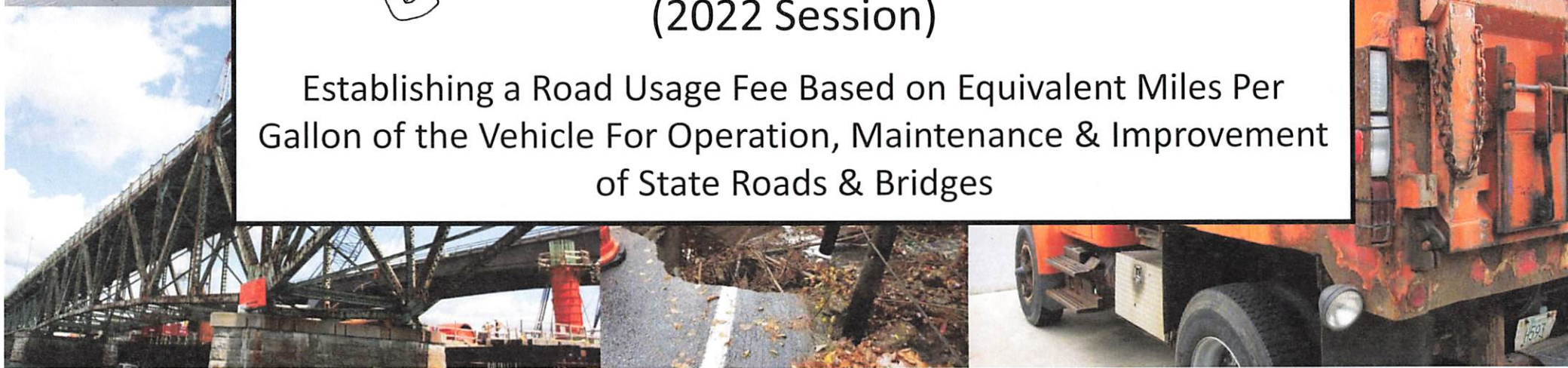
Road Usage Fee



1040
HB 1040


House Bill LSR (2022 Session)

Establishing a Road Usage Fee Based on Equivalent Miles Per
Gallon of the Vehicle For Operation, Maintenance & Improvement
of State Roads & Bridges



Road Usage Fee

- Why do we need a Road Usage Fee?
- What are the options to deal with the problem?
- What is the Road Usage Fee?
- How would the Road Usage Fee Work?

Why do we need a Road Usage Fee?

1. Declining revenue in the highway fund

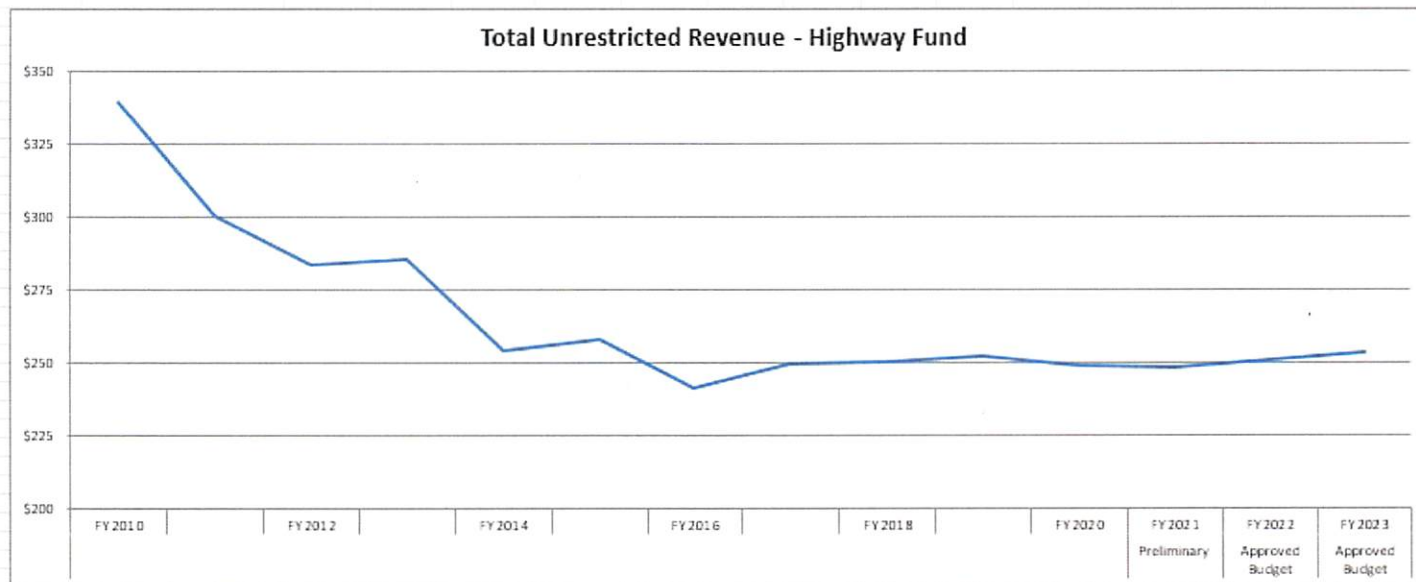
State of New Hampshire Department of Transportation
History of Highway Fund Revenue

Unrestricted Revenue (Highway Funds)												Preliminary	ed Budget	ed Budget
	FY 2010		FY 2012		FY 2014		FY 2016		FY 2018		FY 2020	FY 2021	FY 2022	FY 2023
Gas Road Tolls	\$ 123.7	\$ 125.0	\$ 124.9	\$ 123.3	\$ 124.7	\$ 125.8	\$ 123.6	\$ 124.6	\$ 126.1	\$ 127.5	\$ 117.6	\$ 118.1	\$ 120.3	\$ 121.8
Motor Vehicle Fees	103.2	94.2	104.4	107.5	106.6	110.4	85.1	89.9	90.3	92.3	97.9	125.5	125.9	127.0
\$30 Reg. Surcharge	38.9	29.7												
Subtotal Road Toll & Motor Vehicle	265.8	248.9	229.3	230.8	231.3	236.2	208.7	214.5	216.4	219.8	215.5	243.6	246.2	248.8
Court Fines	8.0	8.2	7.8	7.0	7.2	6.8	6.9	6.2	5.7	5.7	5.1	4.4	4.5	4.5
Miscellaneous	22.9	21.0	19.3	21.4	0.8	0.4	0.3	0.3	0.2	0.6	0.2	0.5	0.2	0.2
Retro Turnpike Toll Credits *	12.7	2.1	1.4											
I-95 Sale	30.0	20.0	26.0	26.0	15.0	14.2	0.4							
Cost of Collections							25.1	28.7	28.1	26.2	28.0			
Total Unrestricted Revenue - Highway	\$ 339	\$ 300	\$ 284	\$ 285	\$ 254	\$ 258	\$ 241	\$ 250	\$ 250	\$ 252	\$ 249	\$ 248.5	####	####

Notes: Beginning in FY16 Cost of Collections was restricted and removed from Unrestricted Revenue and in FY21 Revenue is reflected prior to Cost of Collections being removed. In FY20 Plea by Mail revenue was moved from restricted (Safety Detective Bureau) to Unrestricted and amounted to \$5.6M.

Source: State AFR Revenue Reports

*Toll credits can be applied to projects retroactively, i.e., after project authorization. The Department received Federal revenue reimbursement for match funds paid in prior years with Highway



	Actual FY 2010	Actual FY 2011	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020
State AFR Highway Fund Balance/(Deficit)	\$ 9.0	\$ 20.2	\$ 9.0	\$ 20.2	\$ 34.8	\$ 46.3	\$ 33.2	\$ 16.2	\$ 35.4	\$ 48.4	\$ 44.2	\$ 40.6	\$ 35.9

Why do we need a Road Usage Fee?

1. Declining revenue in Highway Fund: No more short-term “gimmicks”

State of New Hampshire Department of Transportation
History of Highway Fund Revenue - Short-term Sources

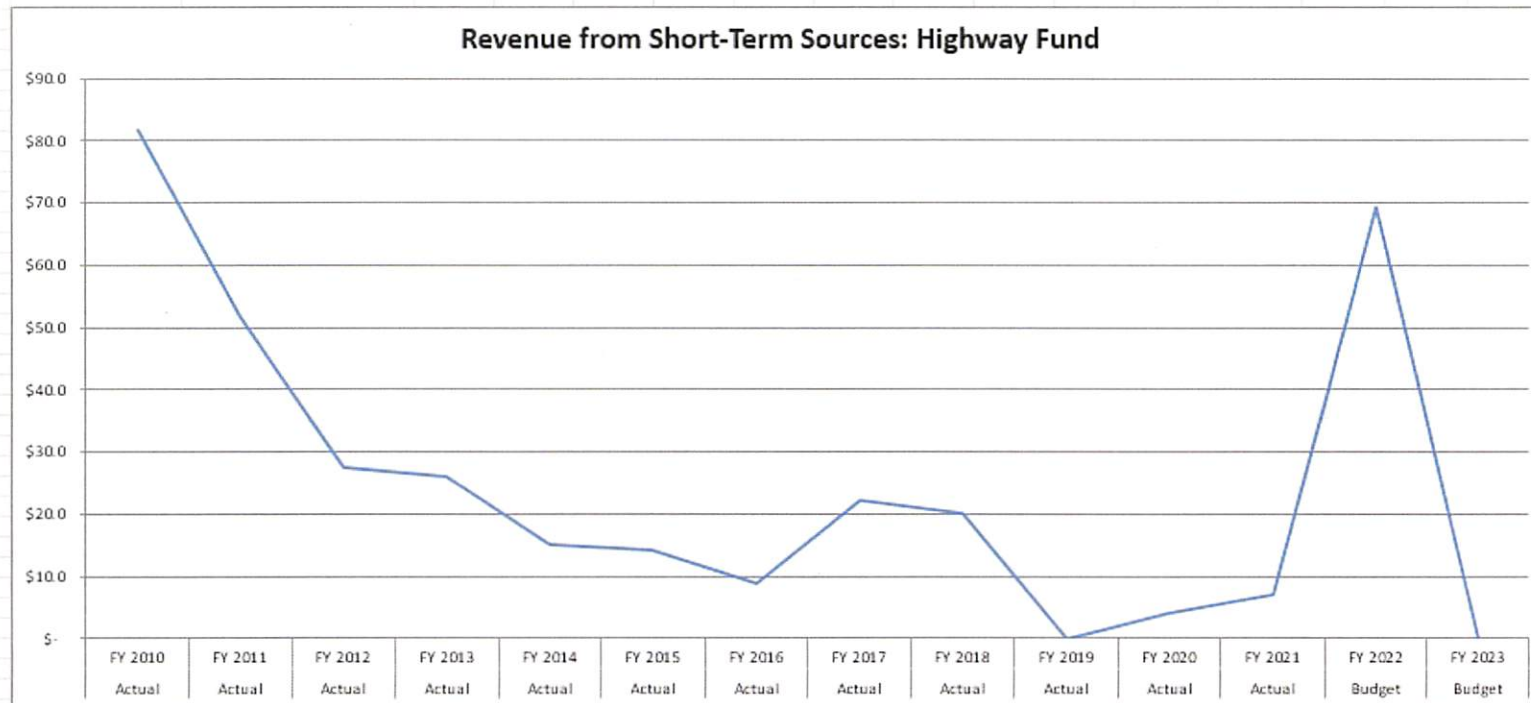
Unrestricted Revenue (Highway Funds)														
	Actual FY 2010	Actual FY 2011	Actual FY 2012	Actual FY 2013	Actual FY 2014	Actual FY 2015	Actual FY 2016	Actual FY 2017	Actual FY 2018	Actual FY 2019	Actual FY 2020	Actual FY 2021	Budget FY 2022	Budget FY 2023
\$30 Reg. Surcharge	38.9	29.7												
Retro Turnpike Toll Credits	12.7	2.1	1.4											
I-95 Sale	30.0	20.0	26.0	26.0	15.0	14.2	0.4							
SB367 for NHDOT Highway Operations							8.3	8.3						
General Fund Transfer to Highway Fund*								13.9			4.0	7.0	77.4	
HB 1817 General Fund State Red List Bridges									20.0	-	-		(8.1)	-
Total Unrestricted Revenue - Highway Fund	\$ 81.6	\$ 51.8	\$ 27.4	\$ 26.0	\$ 15.0	\$ 14.2	\$ 8.7	\$ 22.2	\$ 20.0	\$ -	\$ 4.0	\$ 7.0	\$ 69.3	\$ -

Source: State CAFR Revenue Reports

* HB517 (HB2) Section 156:232, \$13.9M appropriated to the Highway Fund from the General Fund, effective June 30, 2017.

HB 4 Section 346:311, \$3.963M appropriated to the Highway Fund from the General Fund, effective June 30, 2019.

HB 2 Sections 91:141,319,386,387,391 and 392, \$84.35M appropriated to the Highway Fund from the General Fund, effective June 20, 2021.



Why do we need a Road Usage Fee?

- 2. Lower gallons of fuel consumed lowers road toll revenue
- Vehicle Miles Travelled increased each year since 2011

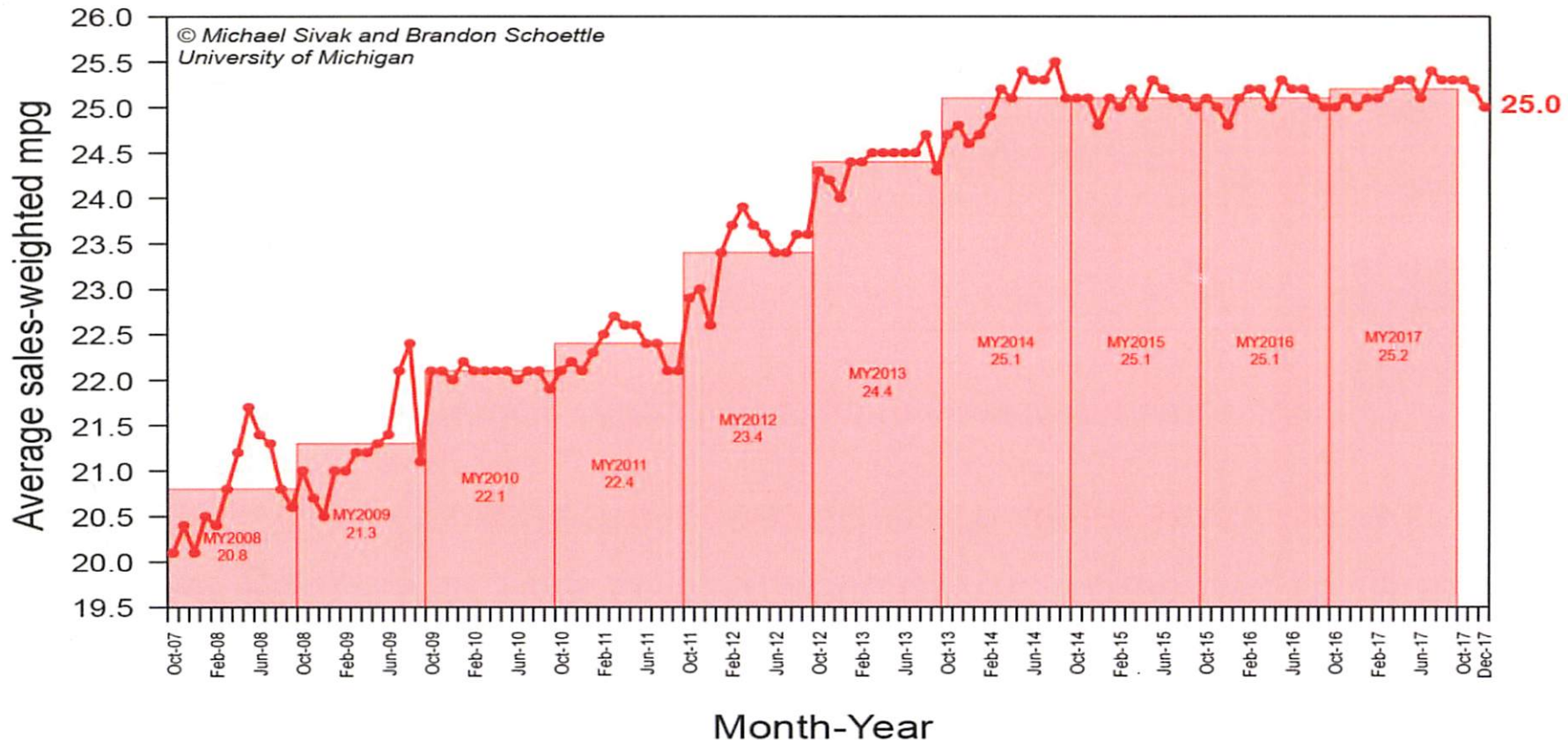
Gallons and Vehicle Miles Travelled in New Hampshire 2003-2019



Why do we need a Road Usage Fee?

3. Increasing vehicle fleet fuel economy is reflected in sales of new vehicles. Average combined city/highway fuel economy rating was 20.1mpg in 2007 and now is 25.0 mpg nationwide.

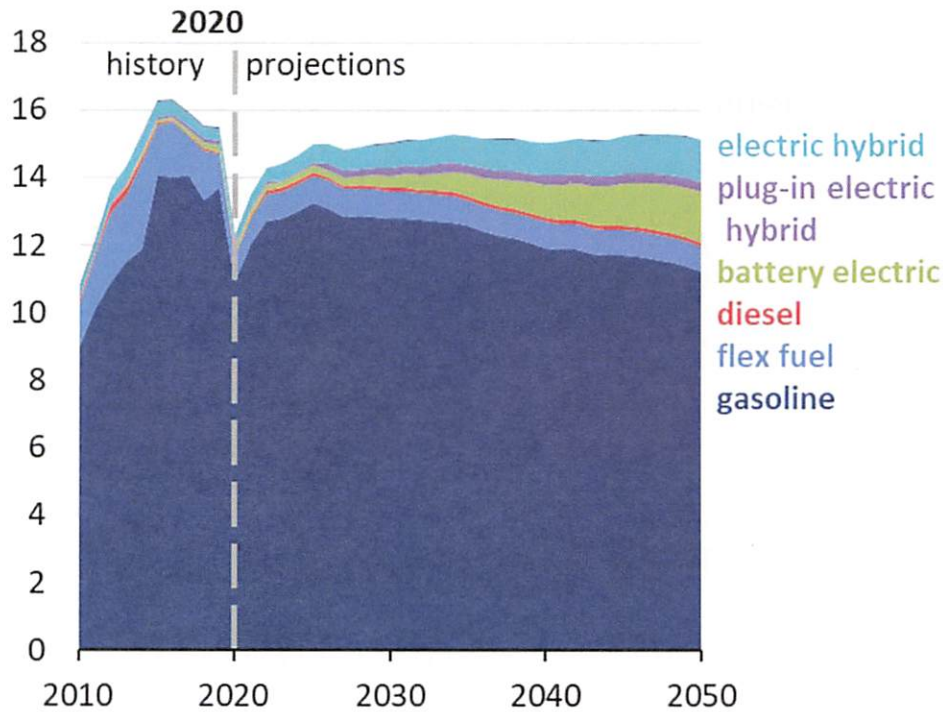
An impact of 24% over the last 10 years.



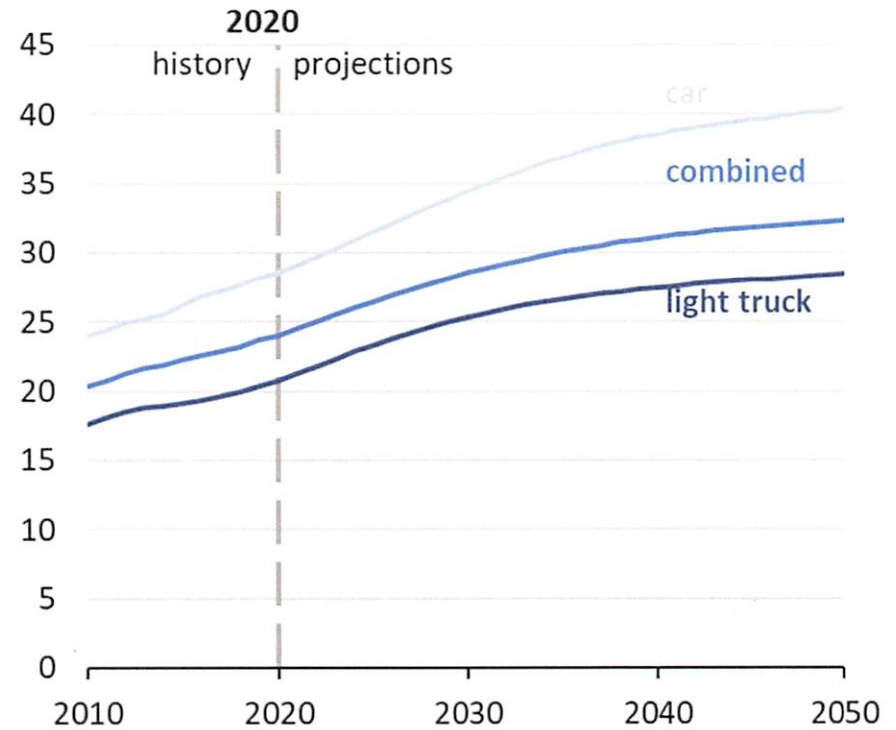
Why do we need a Road Usage Fee?

3. US Energy Information Administration predicts and increase in alternative fuel vehicles and an increase in fuel economy.

Light-duty vehicle sales by technology/fuel
AEO2021 Reference case
millions of vehicles



Light-duty fuel economy by vehicle type
AEO2021 Reference case
miles per gallon



Why do we need a Road Usage Fee?

3. Changes in the Industry are reducing reliance on gasoline and effectively reducing gasoline consumption and gas tax revenue.

BUSINESS OCT 2 2017, 3:01 PM ET

GM Is Going All Electric, Will Ditch Gas- and Diesel-Powered Cars

by PAUL A. EISENSTEIN

Tesla: Driving on Sunshine: The powerful pairing of your home's solar panels and your luxury ride

BUSINESS | AUTOS & TRANSPORTATION | AUTOS INDUSTRY

Volvo Plans to Go Electric, to Abandon Conventional Car Engine by 2019

CEO reiterates target of selling one million electric cars and hybrids by 2025

BMW has committed to having 12 all-electric and 13 hybrids in its lineup by 2025.

Nissan Plans EV Surge by 2022

12 new or redesigned models coming; inexpensive used Leafs to help convert doubters

DECEMBER 27, 2019

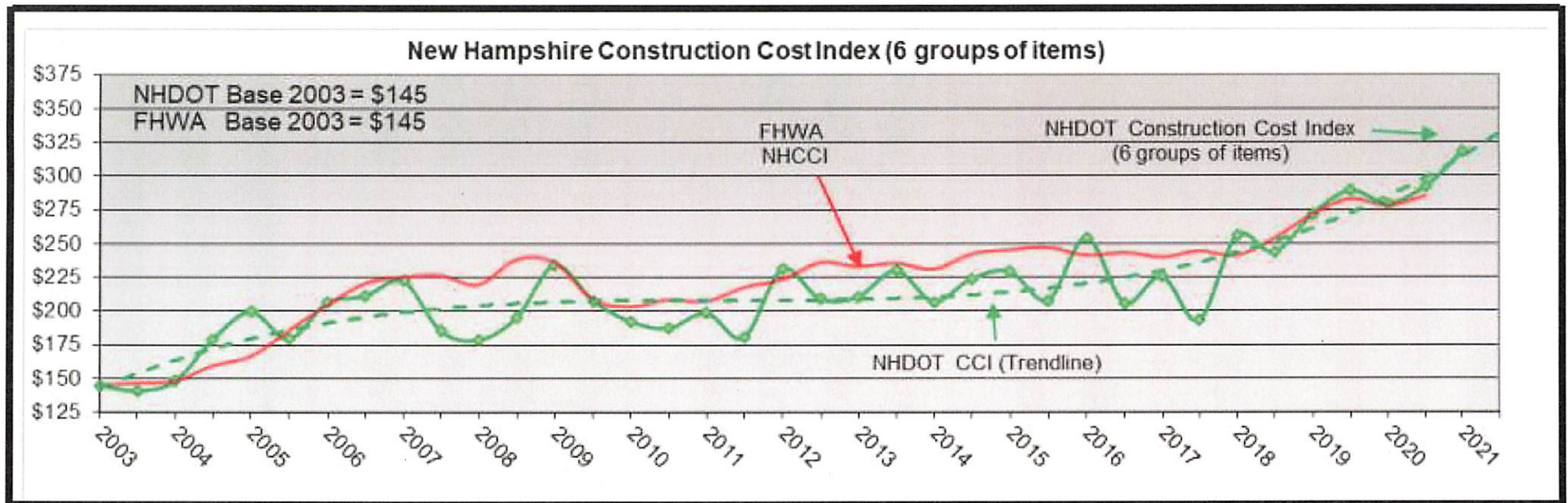
Volkswagen accelerates electric car plans, now aims for 1.5 million EVs in 2025

Toyota Details Six New EV Models Launching for 2020–2025

The automaker is pushing its electric-car rollout up a few years in response to global demand.

Why do we need a Road Usage Fee?

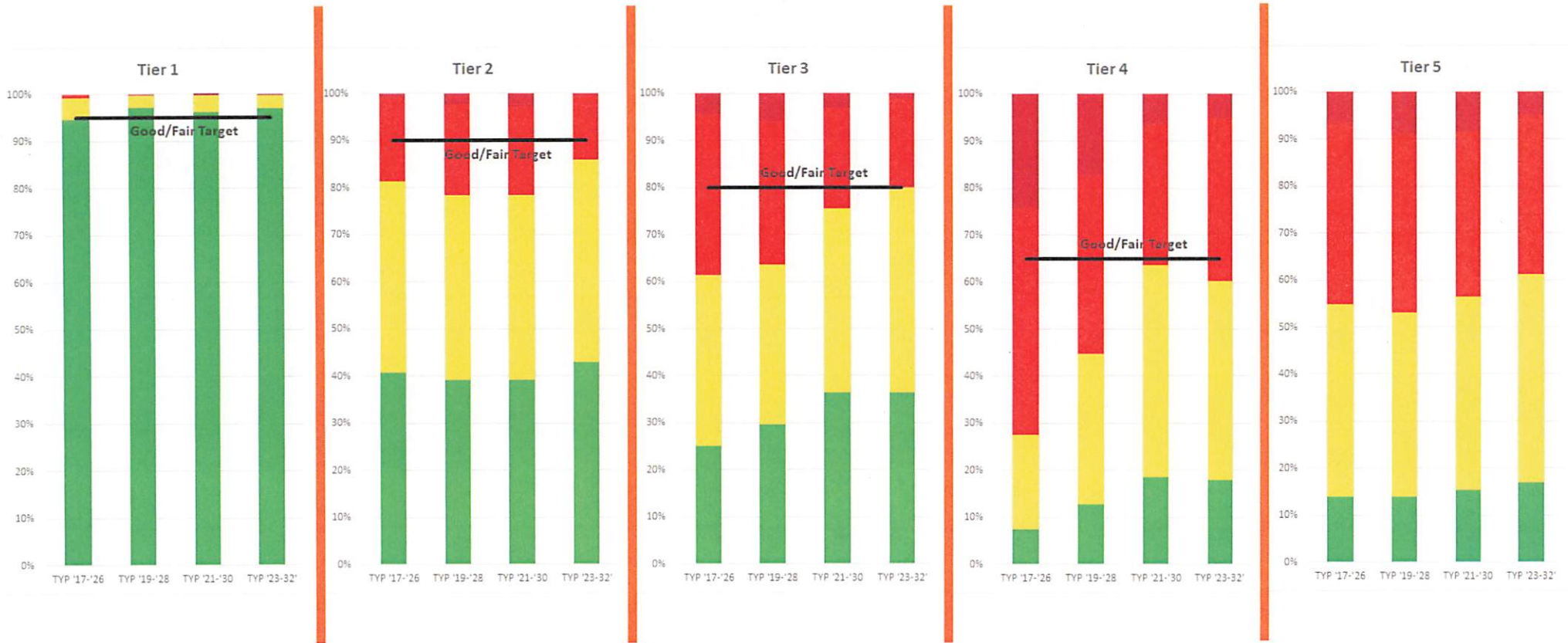
4. Increasing construction costs and declining revenue has contributed to declining road and bridge conditions in NH. Construction costs have increased considerably since 2003



The graph above displays the average changes every 6 months of the six item groups as displayed below. The FHWA NHCCI number for the current period shall not be finalized for another 6 months.

Why do we need a Road Usage Fee?

Current (2020) State of Infrastructure (Roads)



- Tier 1 – 97% in good condition - Target 95%
- Tier 2 – 91% in good or fair condition – Target 90%
- Tier 3 – 80% in good or fair condition – Target 80%
- Tier 4 – 60% in good or fair condition – Target 65%
- Overall, 81% of NH's roads (state) in good or fair condition (2020)
- Conversely, 19% (928 miles) are poor/very poor condition (2020)

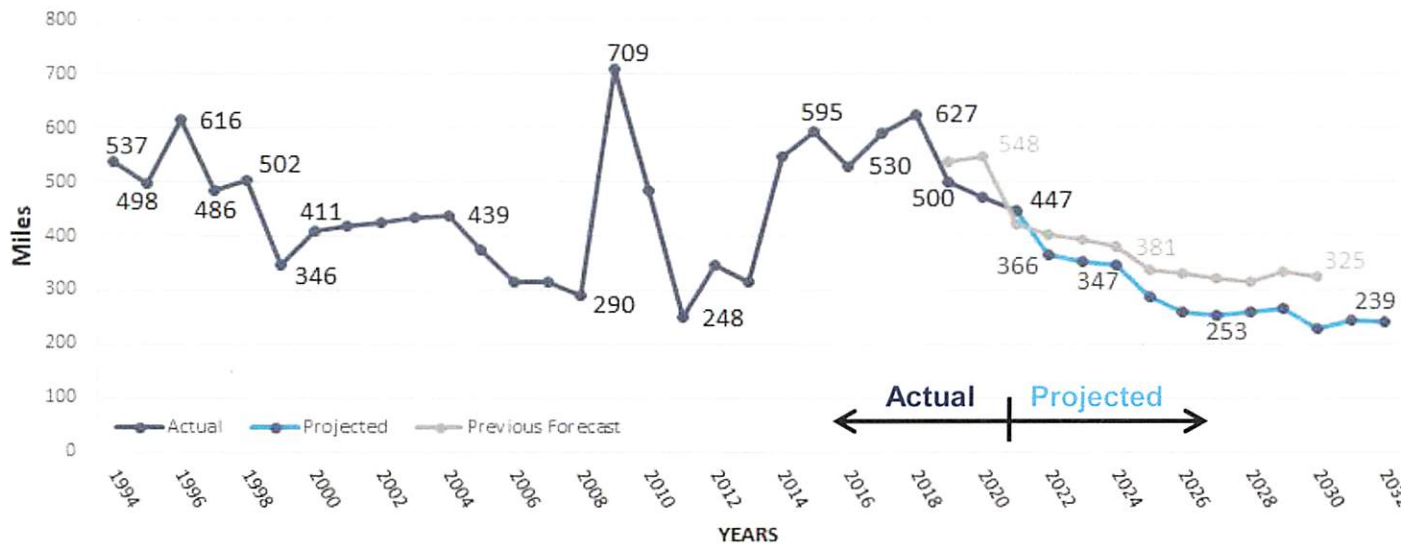
- Very Poor(>350)
- Poor(>170 to ≤350)
- Fair(≥95 to ≤170)
- Good (< 95)

Why do we need a Road Usage Fee?

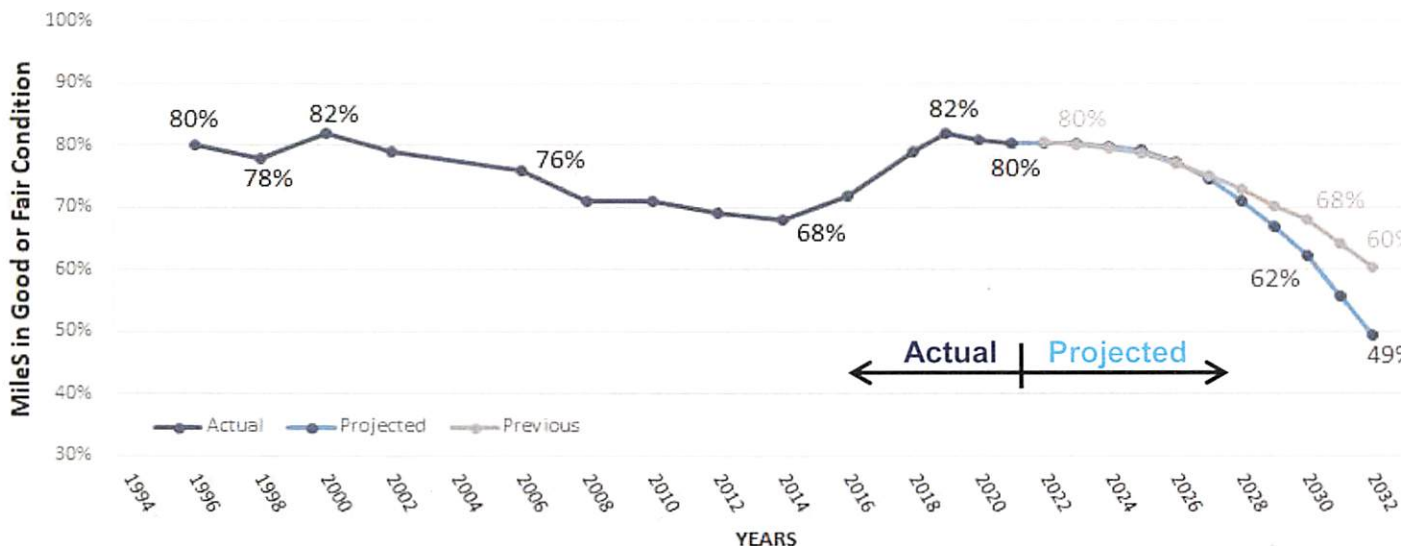
Road Condition

Draft TYP 7/16/21

NHDOT Miles of Road Resurfaced



Pavement Condition

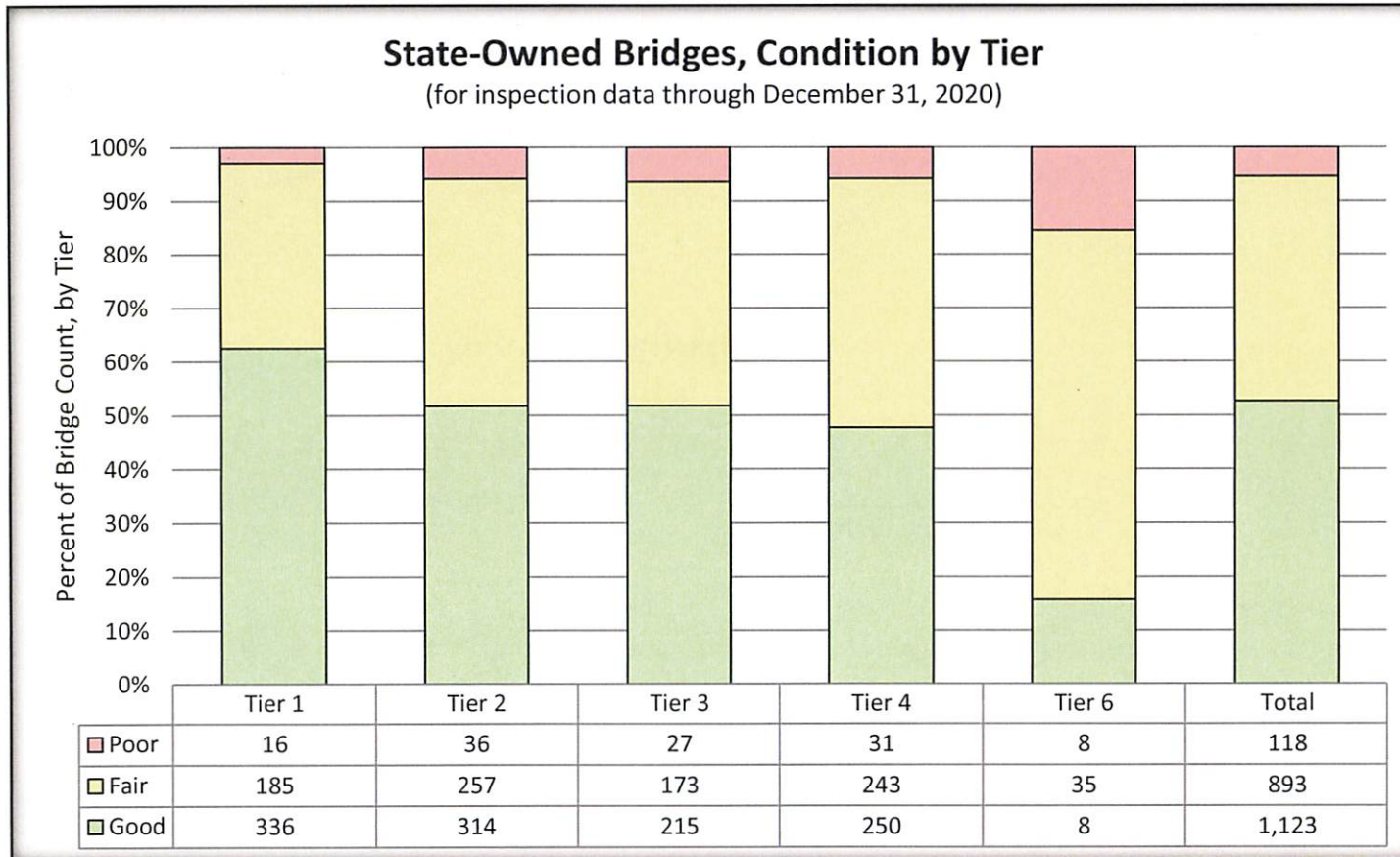


Based on the recommended level of investment in the Approved TYP of \$72M/year on average

- ❖ Conditions for the next 4 years are expected to be 80% good/fair – above average
- ❖ Conditions in the later years are expected to decline by 31% to 49% good/fair

Why do we need a Road Usage Fee?

Bridge Condition

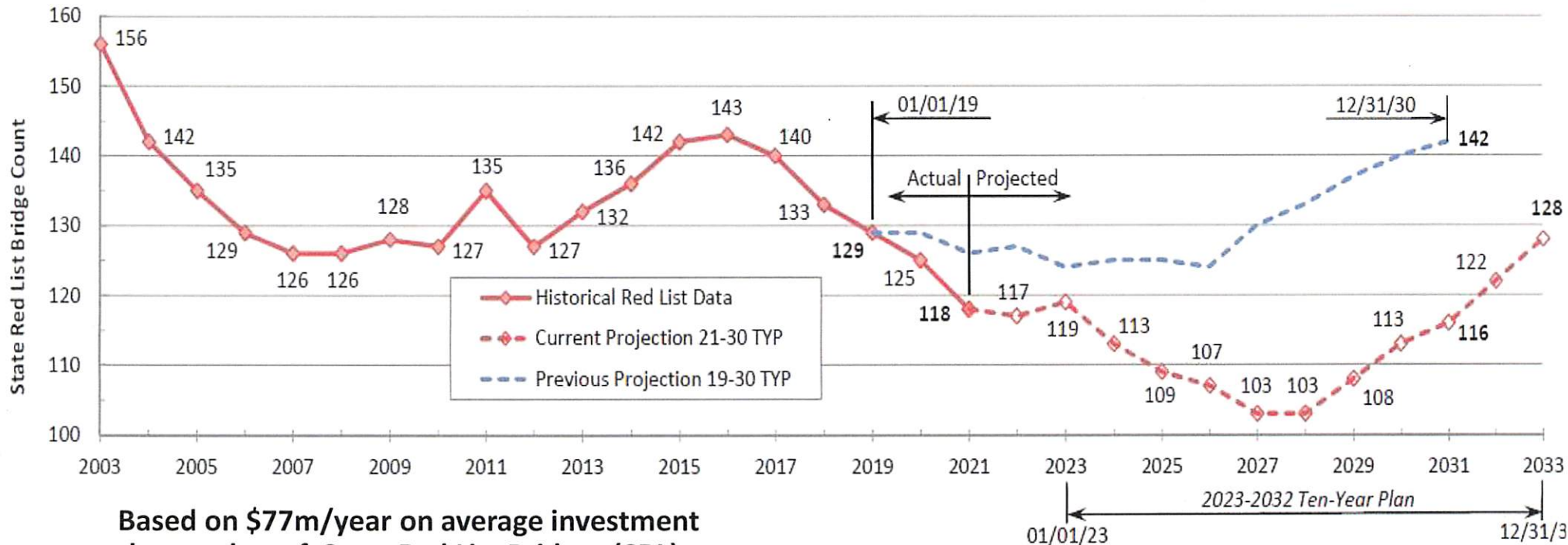


- Presently (2021) - 118 State Red-List Bridges
- Tiers 1 & 2 – 2.4% (52 bridges) in poor condition (red list)
- Tiers 3,4,6 – 3.1% (66 bridges) in poor condition (red list)
- Tier 5 - Additionally 223 Municipal Red-List Bridges (2021)

Why do we need a Road Usage Fee?

Bridge Condition

Draft TYP 7/16/21



Based on \$77m/year on average investment the number of State Red List Bridges (SRL)

- Drops to a low of 103 by 2027
- Increases to 128 by 2032
- HB1817 & SB367 investments in bridges is making a difference
- Investment in preservation is reducing the number coming on (\$17M/year)
- 113 of 118 red list bridges listed in 2021 will be addressed

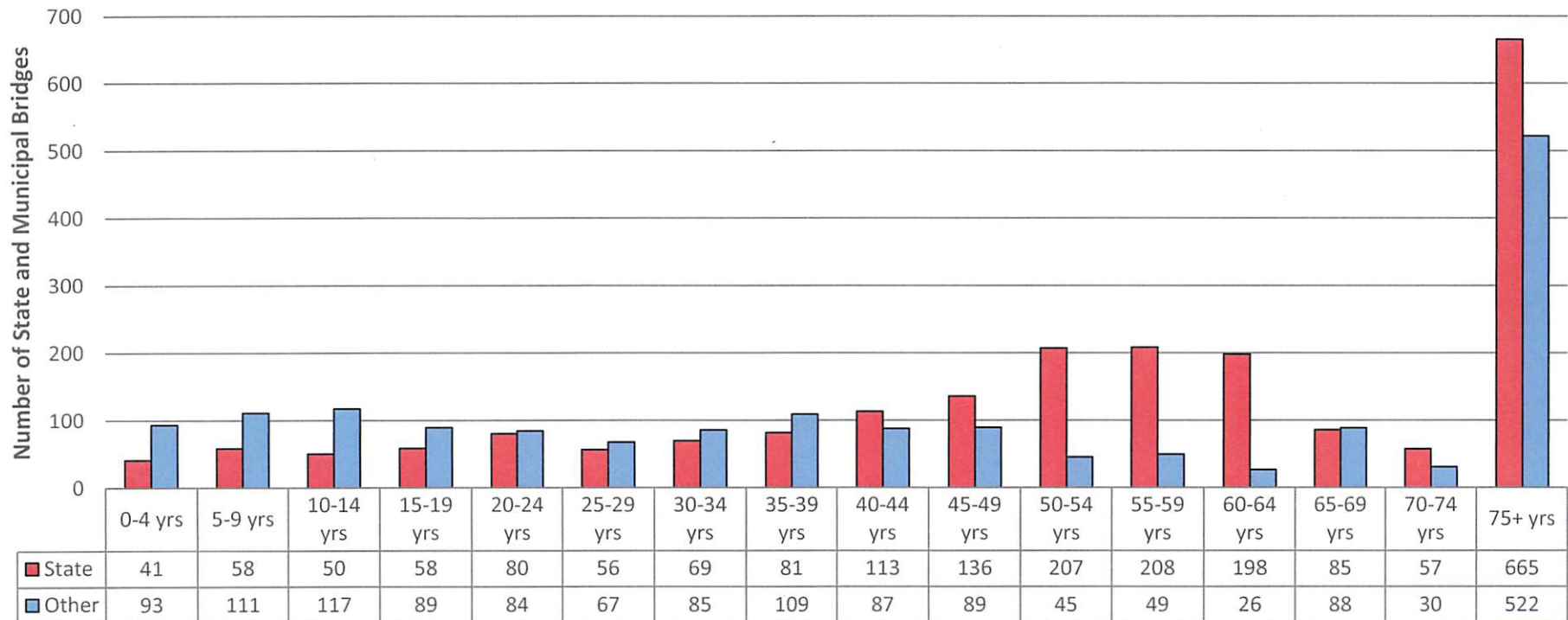
- Current SRL bridge total – 118 (2021)
- Bridges added to SRL by 2030 - 168
- Bridges expected to be removed from SRL by 2032 - 158
 - 77 removed by Bridge Maintenance forces
 - 81 removed by TYP projects

Why do we need a Road Usage Fee?

Bridge Age

Bridge Count per Age Category (5-year Increments, All Bridges)

(per AMPS Bridge Condition Snapshot Dated March 2021)



- **Of the 3,853 State & Municipal Bridges, 1,187 are 75 years or older**
 - 2,162 State Bridges – 665 are 75 years or older
 - 1,691 Municipal Bridges – 522 are 75 years or older
- **Major Looming Liability if we do not invest in bridge maintenance and preservation efforts.**

What are the Options to deal with this problem?

- Doing nothing
 - What are the consequences of doing nothing?
- Higher Gas Taxes
- Appropriations from the General Fund
- Another Study or Commission
- Registration Fees that closes a loophole
 - “ROAD USAGE FEE” - a matter of fairness
 - Right now Electric Vehicles pay \$0 in gas tax to use roads & bridges
 - High mileage vehicles pay a fraction in gas tax of what others pay

What is the Road Usage Fee?

- The Road Usage Fee (RUF) is a user fee for motor vehicles registered to travel on New Hampshire roads based upon the equivalent miles per gallon fuel economy of the vehicle
- The RUF is collected at the time of the annual registration of the vehicle
- The revenue from the RUF is deposited in the highway fund to operate, maintain, design and construct state roads and bridges

How does the Road Usage Fee work?

- EPA mileage estimates exist on all modern (non-antique) vehicles. The Department of Motor Vehicles (DMV) will develop a system that will link the U.S. Department of Transportation (US DOT) MPG data system with the Vehicle Identification Number (VIN)
- The VIN number is currently used by the city or town clerks to collect the town and state taxes when registering a vehicle. It indicates the weight and value of a vehicle and is used to determine town vehicle tax (value) and state vehicle tax (weight)
- Linking the VIN and MPG data bases together will allow the city or town clerks to collect the RUF at the same time as the tax on VALUE and WEIGHT is collected

How does the Road Usage Fee work?

Assumptions

- One total miles driven will apply to everyone based upon state averages
- All vehicles with 20 MPG or less will pay a RUF of (\$10.00)
- All vehicles not requiring gasoline or diesel will pay the same rate which is approximately equal to the NH gas tax for a 20 MPG vehicle driven 12,000 miles, rounded to nearest \$25 increment
- Keeping the system FAIR and SIMPLE is a priority
- RUF is collected when the vehicle is registered by town clerks whose costs of implementation will be provided
- 12 percent of the RUF collected will be distributed to NH Municipalities through block grant for the support of municipal roads and bridges
- RUF revenue will be deposited into the Highway Fund for the operation, maintenance and improvement of state roads and bridges

How does the Road Usage Fee work?

Average National Annual Miles per Driver by Age Group

Age	Male	Female	Total
16-19	8,206	6,873	7,624
20-34	17,976	12,004	15,098
35-54	18,858	11,464	15,291
55-64	15,859	7,780	11,972
65+	10,304	4,785	7,646
Average	16,550	10,142	13,476

**NH Average Annual Miles per Driver
averages 12,931 miles in 2014**

(reference: <http://www.carinsurance.com/Articles/average-miles-driven-per-year-by-state.aspx>)

Proposed "Road Usage Fee" Concept 20 MPG or Less (10 MPG Increments)

MILES/YEAR	MPG RANGE	AVERAGE MPG	GAL/YEAR	NH GAS TAX	ROAD USAGE FEE -		TOTAL GAS COST @2.50/GAL	YEARLY	YEARLY
					BASED on 12,000 MILES/YEAR	ROAD USAGE FEE - ROUNDED		SAVINGS VS 20 MPG VEHICLE@ \$2.50/GAL W/O FEE	SAVINGS VS 20 MPG VEHICLE@ \$2.50/GAL WITH FEE
12,000.00	20 or less	20	600.0	\$133.20	\$0.00	\$10.00	\$1,500.00		
12,000.00	greater than 20 to 30	25	480.0	\$106.56	\$26.64	\$25.00	\$1,200.00	\$300.00	\$275.00
12,000.00	greater than 30 to 40	35	342.9	\$76.11	\$57.09	\$50.00	\$857.14	\$642.86	\$592.86
12,000.00	greater than 40 to 50	45	266.7	\$59.20	\$74.00	\$75.00	\$666.67	\$833.33	\$758.33
12,000.00	greater than 50	65	184.6	\$40.98	\$92.22	\$100.00	\$461.54	\$1,038.46	\$938.46
12,000.00	no gasoline	-	0.0	0	\$133.20	\$125.00	\$0.00	\$1,500.00	\$1,375.00

NH GAS TAX	\$0.222
GAS/GAL	\$2.50
GAS/GAL	\$2.75
GAS/GAL	\$3.00

MPG RANGE FOR 12,500 MILES/YEAR	NUMBER OF VEHICLES	ROAD USAGE FEE	TOTAL FEE (000'S)
20 or less	522,037	\$10.00	\$5,220
greater than 20 to 30	654,866	\$25.00	\$16,372
greater than 30 to 40	65,194	\$50.00	\$3,260
greater than 40 to 50	12,548	\$75.00	\$941
greater than 50	1,513	\$100.00	\$151
no gasoline	2,732	\$125.00	\$341
TOTAL	1,258,890		\$26,286

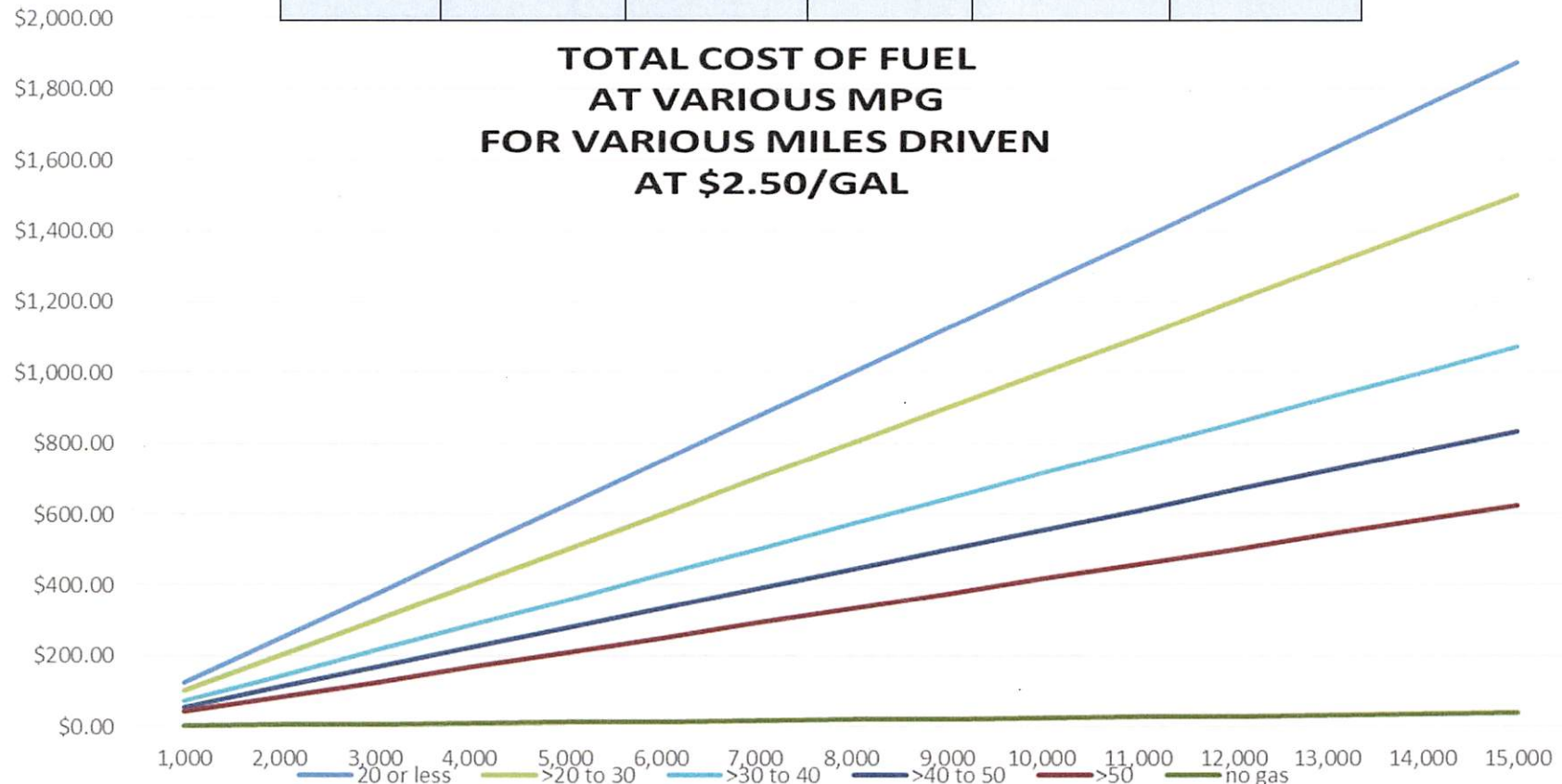
	FY22	FY23	FY24
Total Fee Collected	\$26,286	\$26,548	\$26,814
\$1 Retained by Registration Agent	\$1,259	\$1,271	\$1,284
Sub-Total	\$25,027	\$25,277	\$25,530
12% to Municipalities (Block Grant Aid)	0	\$3,003	\$3,033
Net to Highway Fund for Roads & Bridges	\$25,027	\$22,274	\$22,496
Total Local Revenue	\$1,259	\$4,275	\$4,317

Note - number of vehicles in each range are estimated based on NH registration data, assumes 1 registration per year per vehicle

How does the Road Usage Fee work?

Fuel Savings of Higher MPG Vehicle far Outweigh RUF

COST OF FUEL AT \$2.50/gal					
MILES DRIVEN	20 or less	30	40	50	51 or more
	20 MPG	30 MPG	40 MPG	50 MPG	100 MPG
12,000	\$1,500	\$1,000	\$750	\$600	\$300



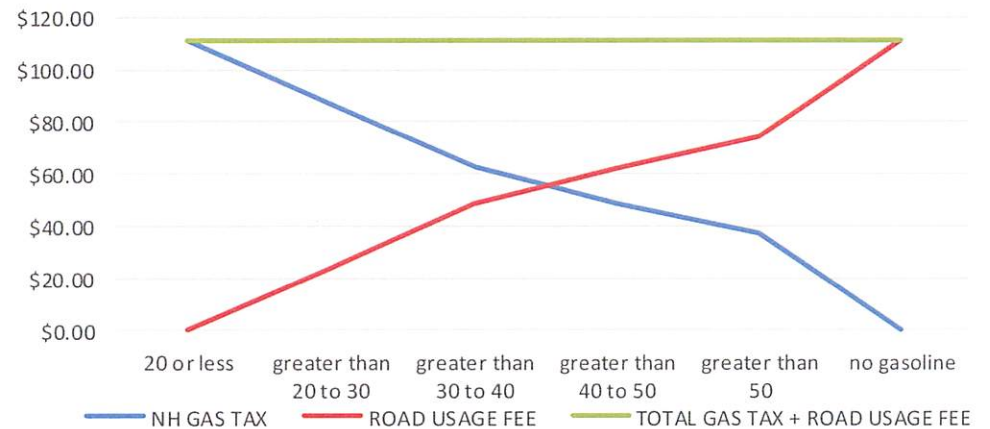
How does the Road Usage Fee work?

Estimated Revenue

TABLE 1 (20 mpg)			
MPG RANGE FOR 12,500 MILES/YEAR	NUMBER OF VEHICLES	ROAD USAGE FEE	TOTAL FEE (000'S)
20 or less	522,037	\$10.00	\$5,220
greater than 20 to 30	654,866	\$25.00	\$16,372
greater than 30 to 40	65,194	\$50.00	\$3,260
greater than 40 to 50	12,548	\$75.00	\$941
greater than 50	1,513	\$100.00	\$151
no gasoline	2,732	\$125.00	\$341
TOTAL	1,258,890		\$26,286
			\$1,259
			\$25,027
			\$3,003
			\$22,023

Note - number of vehicles in each range are estimated based on NH registration data, assumes 1 registration per year per vehicle

NH Gas Tax and Road Usage Fee
12,000 miles driven



Total Fee Collected
\$1 Retained by Registration Agent
Sub-Total
12% to Municipalities (Block Grant Aid)
Net to Highway Fund for Roads & Bridges

Advantage of RUF over Vehicle Miles Traveled (VMT) Oregon Plan?

- Utilizes no tracking device (privacy)
- No need to purchase GPS device (cost approx \$200)
- State will not have to bill each owner for miles traveled
- No additional administrative staff needed to monitor and implement program
- Location of miles driven is not a factor
- RUF is collected when the vehicle is registered

Questions/Comments?

Figure ES.1 Historical and Projected Unrestricted Highway Fund Revenue

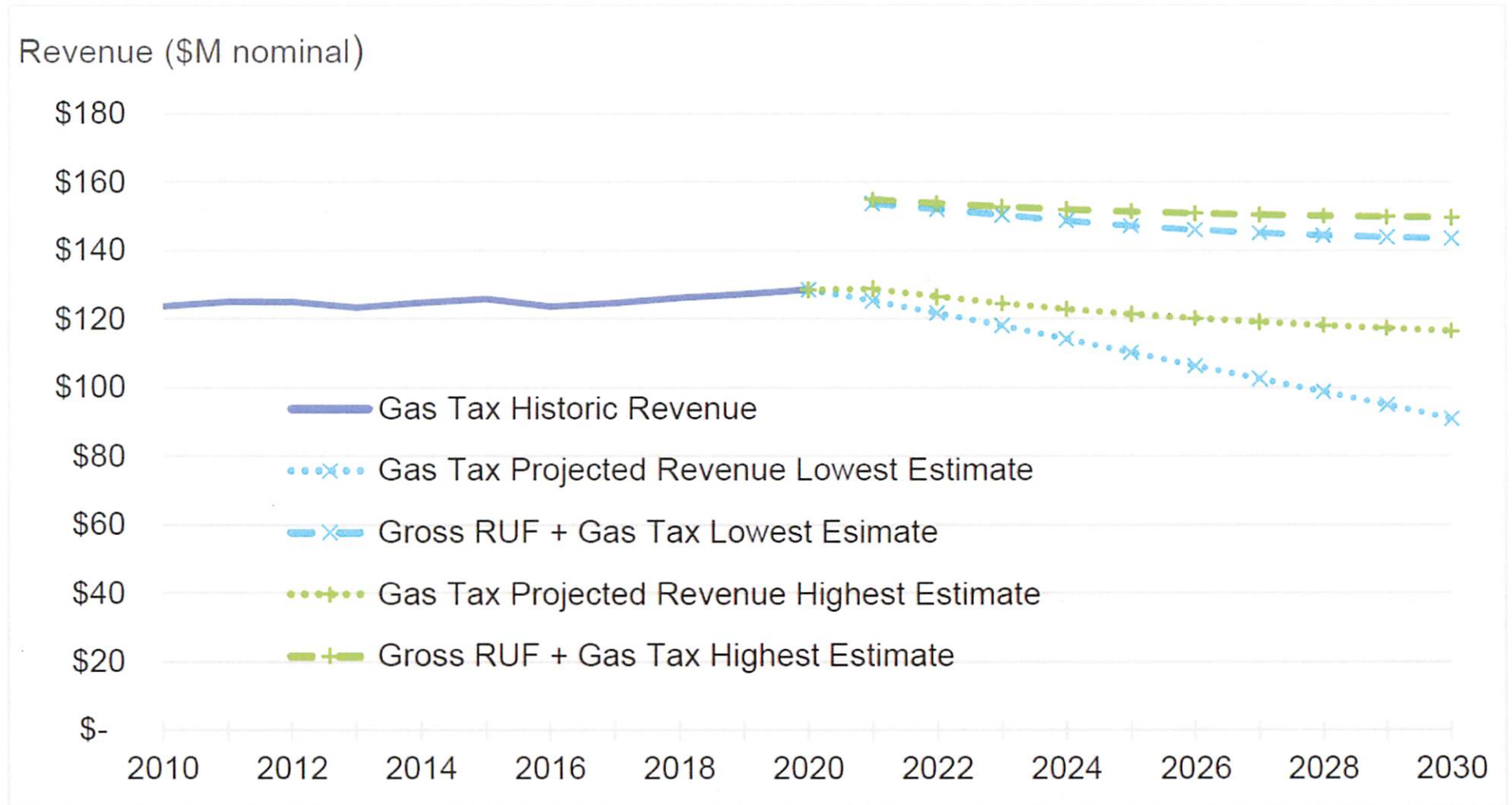


Figure ES.2 Historical and Projected Unrestricted Highway Fund Revenue in 2019 Dollars

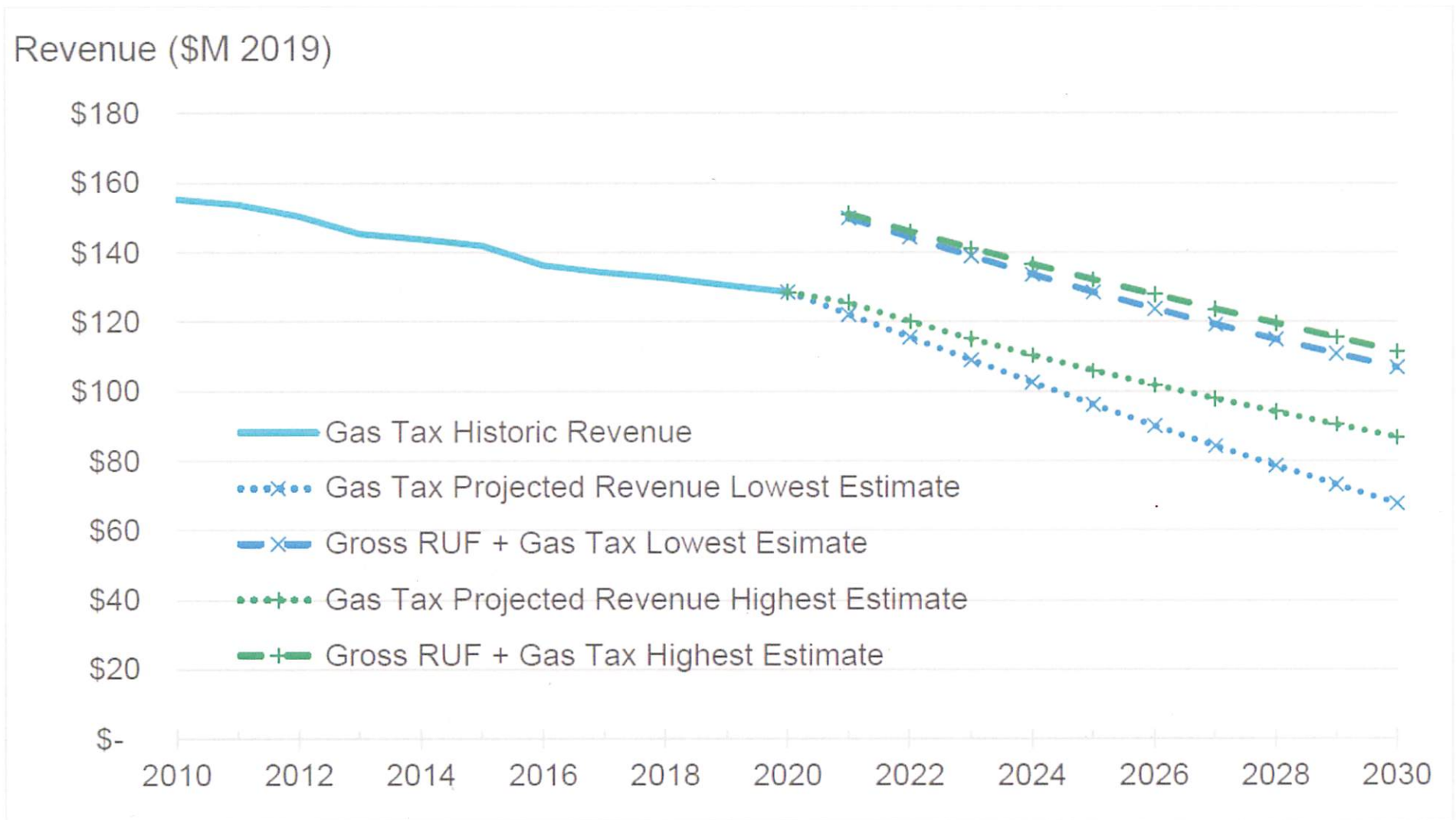


Figure ES.3 Annual Fuel + RUF Cost at Various MPG Levels and 12,000 mi/year

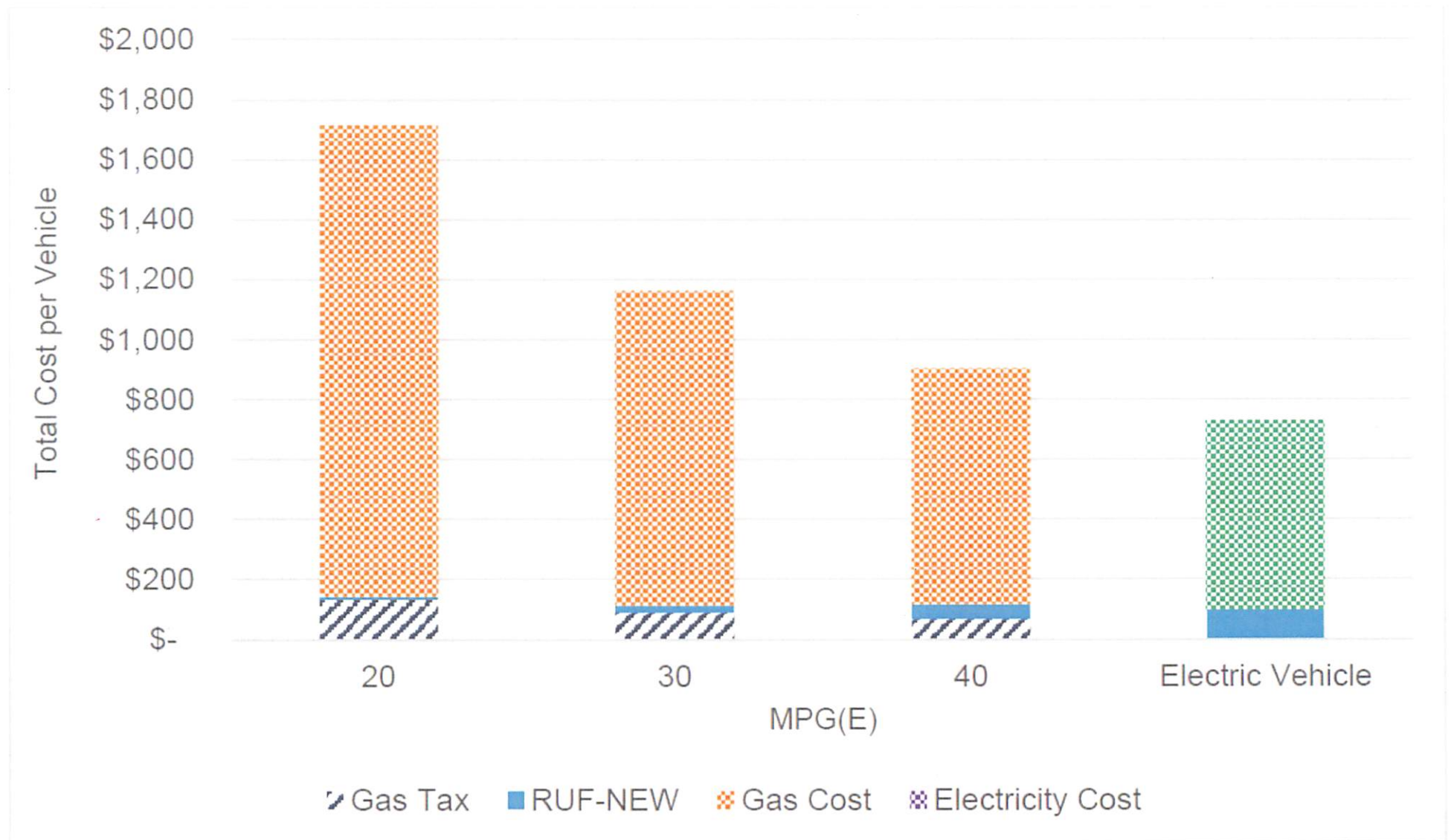


Figure 6.1 Annual Fuel + RUF Cost at Various MPG Levels and 12,000 mi/year

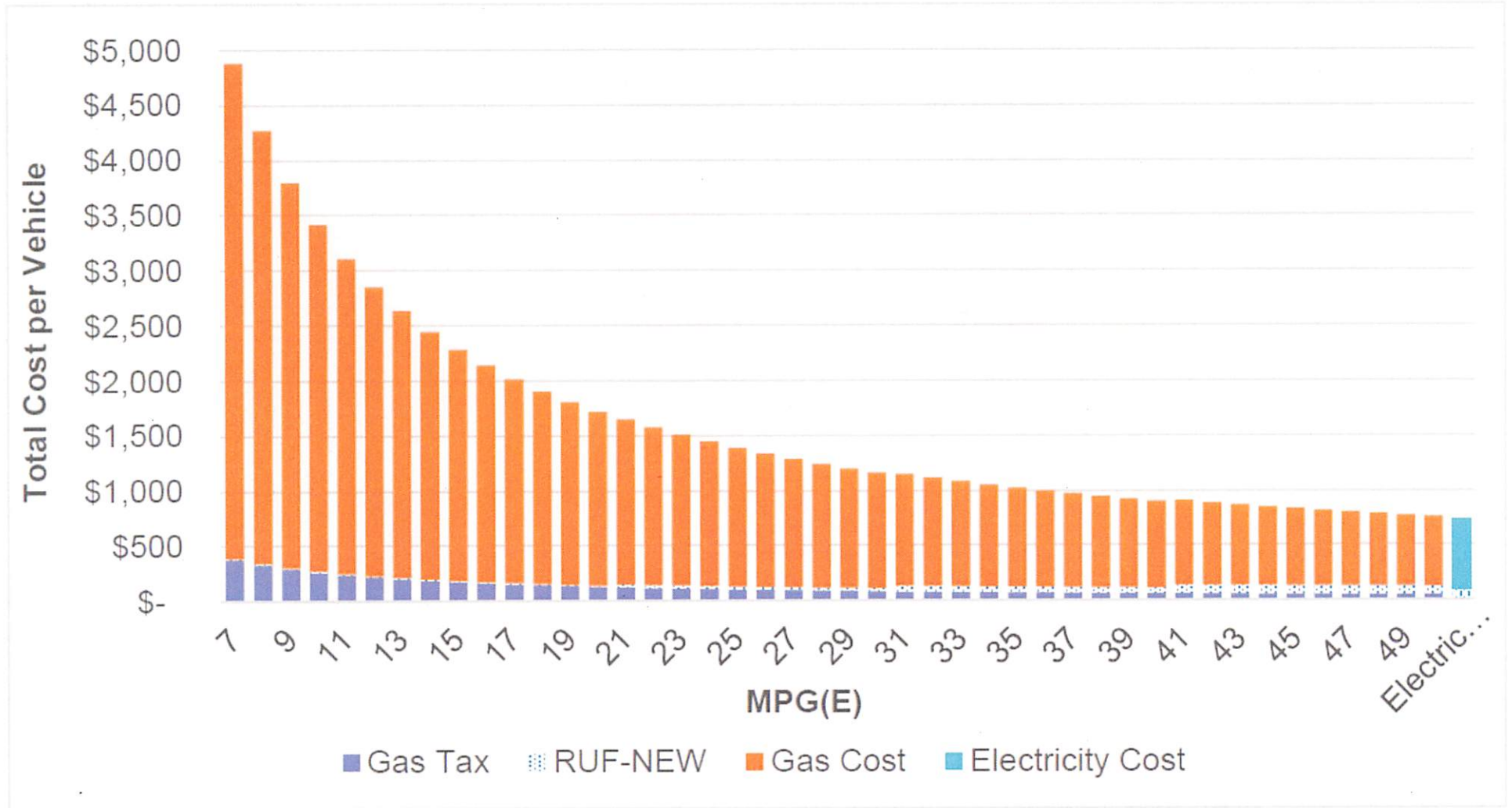
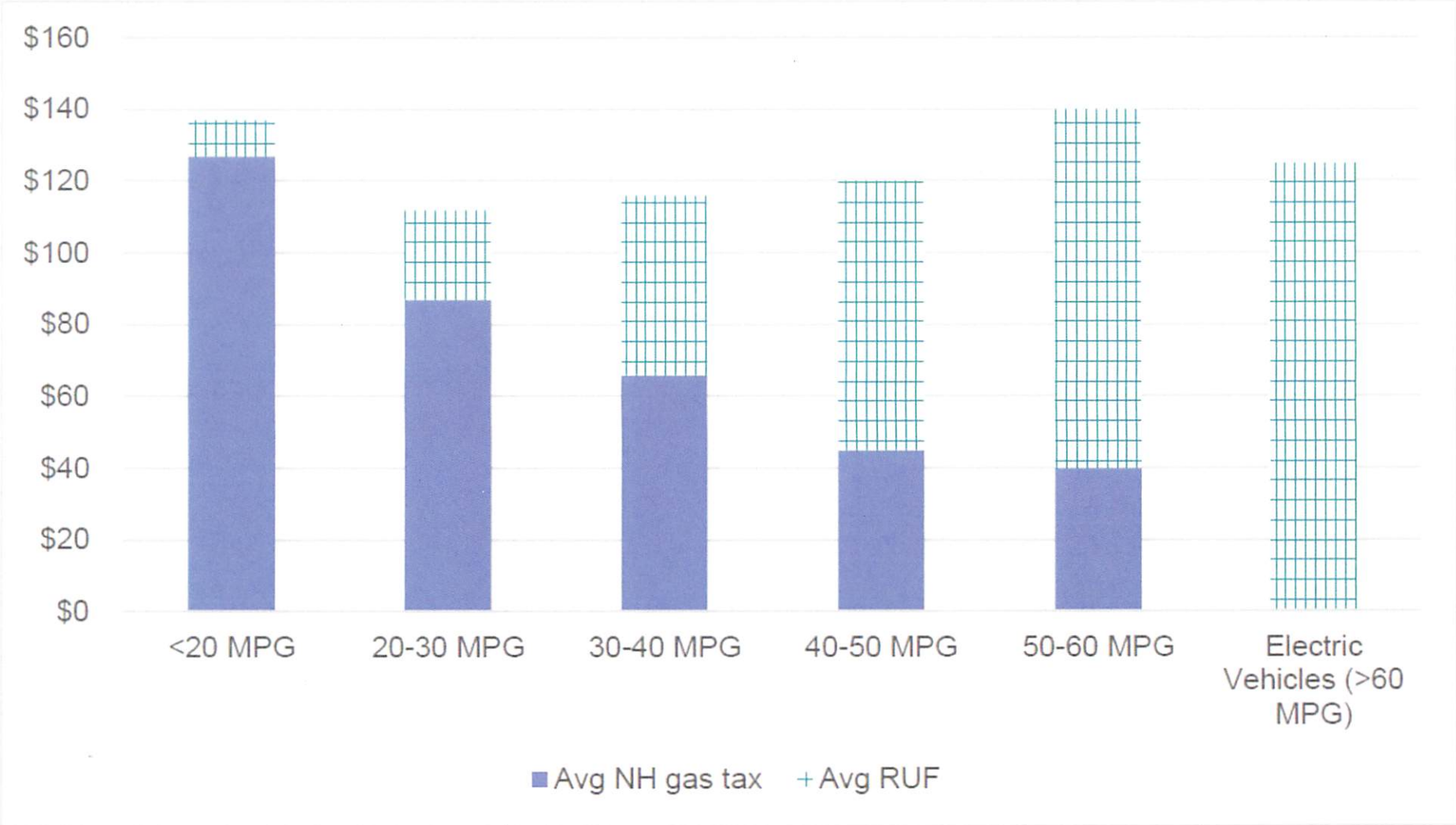


Figure 6.6 Average Annual Fuel Tax + RUF by MPG Category





CLEAN ENERGY NH
Your Voice in All Energy Matters

14 Dixon Ave, Suite 202 | Concord, NH 03301 | 603.226.4732

January 19, 2021

Representative Graham, Chair
House Public Works and Highways Committee
Legislative Office Building, Room 201
Concord, NH 03301

Testimony on HB1040, establishing a commission to study revenue alternatives to the road toll for electric-powered and hybrid vehicles for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment

Dear Chair Graham and members of the Committee,

Clean Energy NH (CENH) is a non-profit, member-based organization. We are New Hampshire's leading clean energy advocate that is dedicated to supporting policies and programs that strengthen our state's economy by encouraging a transition to renewable energy and promoting energy efficiency. CENH founded and manages the coalition of electric vehicle (EV) advocates, Drive Electric NH, whose mission is to accelerate the adoption of EVs and installation of supporting charging infrastructure in NH by increasing knowledge and awareness of EVs through education and outreach.

CENH supports HB1040 because it presents a more appropriate approach to determining a revenue alternative than the immediate implementation of a road toll for EVs. Studying this issue, while overall adoption of EVs is very low in New Hampshire, will create a more thoughtful solution to addressing any shortfall in funding the state's highways and bridges. Because New Hampshire's General Court has the foresight to address this issue before EVs become the dominant mode of transportation, we have the time required to complete a thorough and well-informed study on the matter. Involving stakeholders in this determination will only aid the General Court in the passage of an eventual consensus solution, that may include some form of the road toll for EVs.

CENH supports HB1040 for the reasons described above and asks you to find that HB1040 ought to pass.

Sincerely,



CLEAN ENERGY NH
Your Voice in All Energy Matters

14 Dixon Ave, Suite 202 | Concord, NH 03301 | 603.226.4732

Kelly Buchanan

Kelly Buchanan
Director of Legislative & Regulatory Affairs
Clean Energy NH
Kelly@cleanenergynh.org
303-956-1246

Bill as
Introduced

HB 1040 - AS INTRODUCED

2022 SESSION

22-2184

12/08

HOUSE BILL **1040**

AN ACT establishing a commission to study revenue alternatives to the road toll for electric-powered and hybrid vehicles for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment.

SPONSORS: Rep. Major, Rock. 14; Rep. Graham, Hills. 7; Rep. Almy, Graf. 13; Rep. Abrami, Rock. 19; Rep. Cloutier, Sull. 10; Rep. McGhee, Hills. 27; Sen. Watters, Dist 4; Sen. Giuda, Dist 2; Sen. Reagan, Dist 17; Sen. Gannon, Dist 23

COMMITTEE: Public Works and Highways

ANALYSIS

This bill establishes a commission to study revenue alternatives to the road toll for the funding of the state's highways and bridges and resulting improvements to the environment.

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

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT establishing a commission to study revenue alternatives to the road toll for electric-powered and hybrid vehicles for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment.

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

1 1 New Section; Commission to Study Revenue Alternatives to the Road Toll for Electric-Powered
2 and Hybrid Vehicles. Amend RSA 21-J by inserting after section 48 the following new section:

3 21-J:49 Commission to Study Revenue Alternatives to the Road Toll for Electric-Powered and
4 Hybrid Vehicles

5 I. There is established a commission to study revenue alternatives to the road toll for
6 electric-powered and hybrid vehicles for the funding of improvements to the state's highways and
7 bridges and their resulting improvements to the environment.

8 II. The members of the commission shall be as follows:

9 (a) Four members of the house of representatives, appointed by the speaker of the house
10 of representatives: 2 of whom shall be members of the house public works and highways committee;
11 one of whom shall be a member of the house science, technology and energy committee; and one of
12 whom shall be a member of the house ways and means committee.

13 (b) Two members of the senate, appointed by the president of the senate.

14 (c) The commissioner of the department of revenue administration, or designee.

15 (d) The commissioner of the department of safety, or designee.

16 (e) The commissioner of the department of environmental services, or designee.

17 (f) The commissioner of the department of transportation, or designee.

18 (g) One member from the New Hampshire Automobile Dealers Association, appointed by
19 that association.

20 III. Legislative members of the commission shall receive mileage at the legislative rate when
21 attending to the duties of the commission.

22 IV. The commission shall:

23 (a) Study alternatives to the road toll for electric-powered, hybrid, and fuel-efficient
24 vehicles, and may study other emerging vehicle fuels and technologies, for funding improvements to
25 the state's highways and bridges, ensuring that all motor vehicles contribute proportionally to their
26 impact on New Hampshire's highway infrastructure.

27 (b) Study the impact the various fuel-efficient technologies have on the environment.

28 (c) Consider the interim report of the commission on taxation of alternative fuel and
29 electric-powered motor vehicles of November 1, 2012, and the final report of the commission to study

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1 future sustainable revenue sources for funding improvements to state and municipal highways and
2 bridges, dated November 1, 2010.

3 (d) Track current road toll revenues and, as it deems appropriate, analyze related
4 programs developed in other states and recommend legislation.

5 (e) Consider the 2019-2020 federally-funded study of a prior road usage fee in New
6 Hampshire.

7 V. The members of the commission shall elect a chairperson from among the members. The
8 first meeting of the commission shall be called by the first-named house member. The first meeting
9 of the commission shall be held within 45 days of the effective date of this section. Three members of
10 the commission shall constitute a quorum.

11 VI. The commission shall report its findings and any recommendations for proposed
12 legislation to the speaker of the house of representatives, the president of the senate, the house
13 clerk, the senate clerk, the governor, and the state library on or before November 1, 2022.

14 2 Repeal. RSA 21-J:49, relative to a commission to study revenue alternatives to the road toll
15 for electric-powered and hybrid vehicles, is repealed.

16 3 Effective Date.

17 I. Section 2 of this act shall take effect November 1, 2022.

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