

CONSENT CALENDAR

January 26, 2022

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on Ways and Means to which was referred HB 1228-FN,

AN ACT relative to recommendations of the joint committee on dedicated funds. Having considered the same, report the same with the recommendation that the bill OUGHT TO PASS.

Rep. Alan Bershtein

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	Ways and Means
Bill Number:	HB 1228-FN
Title:	relative to recommendations of the joint committee on dedicated funds.
Date:	January 26, 2022
Consent Calendar:	CONSENT
Recommendation:	OUGHT TO PASS

STATEMENT OF INTENT

This bill repeals various inactive dedicated funds, deposits any remaining funds of repealed dedicated funds into other active funds, and revises the reporting requirements for certain dedicated funds. This bill was requested by the Joint Committee on Dedicated Funds, which was established to review the finances and purpose of all dedicated funds on a five-year, rotating basis and recommend continuance, amendment, or repeal of relevant provisions. The Joint Committee on Dedicated Funds sought and received significant input from affected agencies in order to complete their annual report, which is the basis for this bill.

Vote 21-0.

Rep. Alan Bershtein
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

Ways and Means

HB 1228-FN, relative to recommendations of the joint committee on dedicated funds. **OUGHT TO PASS.**

Rep. Alan Bershtein for Ways and Means. This bill repeals various inactive dedicated funds, deposits any remaining funds of repealed dedicated funds into other active funds, and revises the reporting requirements for certain dedicated funds. This bill was requested by the Joint Committee on Dedicated Funds, which was established to review the finances and purpose of all dedicated funds on a five-year, rotating basis and recommend continuance, amendment, or repeal of relevant provisions.

The Joint Committee on Dedicated Funds sought and received significant input from affected agencies in order to complete their annual report, which is the basis for this bill. **Vote 21-0.**

Original: House Clerk

Cc: Committee Bill File



**STATE OF NEW HAMPSHIRE
OFFICE OF THE HOUSE CLERK
2022 Session - Ways and Means**

Roll Call Committee Registers Report

Title: relative to recommendations of the joint committee on dedicated funds.

Bill #	HB 1228
Motion	OTP
Amendment #	
Exec Session Date	1/26/22
Consent Calendar?	Yes

Member	Motion / Seconded	Yea	Nay	NV
Patrick Abrami [Vice Chair]		x		
Len Turcotte [sub for Mary Griffin]		x		
Jordan Ulery		x		
Rich Lascelles [sub for Fred Doucette]		x		
Tim Lang		x		
Alan Bershtein [Clerk]	Motion	x		
Carol McGuire [sub for Robert Elliott]		x		
John Janigian		x		
Hershel Nunez		x		
Walter Spilsbury		x		
Paul Tudor		x		
Almy, Susan	Second	x		
Richard Ames(D)		x		
Thomas Southworth				x
Dennis Malloy(D)		x		
Thomas Schamberg(D)		x		
Edith Tucker(D)		x		
Jennie Gomarlo(D)		x		
Mary Jane Wallner [sub for Tom Loughman]		x		
Amanda Gourgue				x
Mary Hakken-Phillips(D)		x		
James Murphy(D)		x	0	2
Norman Major [Chair]		x		
Totals		21		2

NH House Committee on Ways and Means
Public Hearing on: HB 1228

Date: January 11, 2022
LOB Room: 202-204
Time Public Hearing Called to Order: 9:45 AM
Time Public Hearing Adjourned: 10:35 AM

Title: relative to recommendations of the joint committee on dedicated funds.

Sponsors: (Prime) Major (R), Almy (D), Edwards (R), Umberger (R), Giuda (R), D'Allesandro (D)

Committee Members: Reps. Major, Abrami, Bershtein, M. Griffin, Ulery, Doucette, Elliott, Janigian, Nunez, Lang, Spilsbury, Tudor, Almy, Ames, Southworth, Malloy, Schamberg, Tucker, Gomarlo, Loughman, Gourgue, Hakken-Phillips and Murphy

TESTIMONY

Rep Major, Sponsor:

- Introduced the bill
- See memo dated November 1, 2021
- This bill is as a result of a normal five year rotation of review of 20% of dedicated bills each year.
- The committee looks at dormant dedicated funds and investigates to determine if the particular dedicated fund is still necessary.
- Occasionally, some dedicated funds require amendments.
- All agencies have been consulted and are aware of these proposed changes.

Almy:

- There were dedicated funds that agencies were unaware they were in charge of.
- Some funds had monies remaining that agencies were unaware of.
- The Joint Committee on Dedicated Funds was tasked with addressing these issues.

House Remote Testify

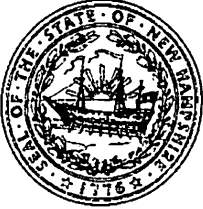
Ways and Means Committee Testify List for Bill HB1228 on 2022-01-11

Support: 4 Oppose: 0 Neutral: 0 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>
Giuda, Bob	Warren, NH bob.giuda@leg.state.nh.us	An Elected Official	Senate District 2	Support	No	No	1/5/2022 7:01 PM

MB 1228



State of New Hampshire

GENERAL COURT

CONCORD

MEMORANDUM

DATE: November 1, 2021

TO: Honorable Sherman Packard, Speaker of the House
Honorable Chuck Morse, President of the Senate
Honorable Paul C. Smith, House Clerk
Honorable Tammy L. Wright, Senate Clerk
Honorable Chris Sununu, Governor
Michael York, State Librarian

FROM: Representative Norman Major, Chairman

SUBJECT: Annual Report of the Joint Committee on Dedicated Funds.
RSA 6:12-i (HB 333, Chapter 192:1, Laws of 2015)

Pursuant to RSA 6:12-i (HB 333, Chapter 192:1, Laws of 2015), enclosed please find the Annual Report of the Joint Committee on Dedicated Funds.

If you have any questions or comments regarding this report, please do not hesitate to contact me.

I would like to thank those members of the committee who were instrumental in this study. I would also like to acknowledge all those who testified before the committee and assisted the committee in our study.

Enclosures

cc: Members of the Committee

ANNUAL REPORT

**Joint Committee on Dedicated Funds.
RSA 6:12-i (HB 333, Chapter 192:1, Laws of 2015)**

November 1, 2021

Representative Norman Major, Chairman

Senator Bob Giuda

Representative Susan Almy, Clerk

Senator James Gray

Representative Jess Edwards

Senator Lou D'Allesandro, Alternate

Representative Karen Umberger, Alternate

Representative Peter Leishman, Alternate

Committee Charge and Study Purpose:

6:12-i Joint Committee on Dedicated Funds. –

I. A joint committee on dedicated funds is hereby established to review the finances and purpose of all dedicated funds on a rotating basis every 5 years and recommend continuance, amendment, or repeal of relevant provisions. The joint committee shall be composed of 3 members of the house of representatives appointed by the speaker of the house of representatives, 2 from the ways and means committee and one from the finance committee, and 2 members of the senate appointed by the senate president, at least one of whom shall come from the ways and means committee. The speaker of the house of representatives also shall appoint 2 alternate members to the committee and the senate president shall appoint one alternate member. The first meeting shall be within 60 days after the effective date of this paragraph and called by the first-named house member.

II. The joint committee shall file reports with recommendations for legislation to modify or repeal certain funds and to add newly discovered dedicated funds to RSA 6:12, I, on or before November 1 of each year, with the speaker of the house, the senate president, the governor, and the commissioner of revenue administration. Reports required by this section shall be made available to the general public on the general court's website.

Process and Procedures:

The committee met three times throughout the study period. The minutes of each meeting are attached.

Findings and Recommendations:

The Department of Administrative Services (DAS) identified nine dedicated funds with no activity in the financial system for two years. None were recommended for repeal at this time, as further agency review is upcoming. The statutory reference to RSA 6:12,I,(b)() funds is herein abbreviated as “fund #”().

The Department of Safety, Department of State, Department of Business and Economic Affairs, New Hampshire Employment Security, and Police Standards and Training Council were all due to report to the committee this year.

Steven Lavoie, Director of Administration, represented the Department of Safety before the joint committee. The committee reviewed activity in 22 funds. Almost all the reviewed funds are effectively serving their intended purposes. The Limited Privilege License Fund, however, was recommended for repeal. The revenue into the fund is insufficient to cover the costs of the limited privilege license program and supervision of the ignition interlock program which has instead been funded through the Division of Motor Vehicles (DMV) operating budget. The department provided draft language for abolishing the fund and lapsing remaining moneys to the highway fund. The Department of Safety in consultation with the Department of Administrative Services also agreed that RSA 6:12, I(b) could be amended to remove references five (motor vehicle unrestricted revenue) and seven (State Police costs). Comptroller Dana Call confirmed that both revenue sources are constitutionally restricted and accounted for within the Highway Fund column of the comprehensive annual financial report (CAFR).

David Scanlan, Deputy Secretary of State, reviewed the Department of State’s dedicated funds with the committee. The department administers five dedicated funds that support elections, election recounts, notary services, securities education, and vital records. The committee agreed the funds are working as intended and should remain in place.

Taylor Caswell, Commissioner and Hallie Pentheny, Director of Finance and Operations reviewed the funds managed by the Department of Business and Economic Affairs. Of the funds reviewed, the department identified one fund in need of repeal—the Division of Economic Development Fund. The commissioner feels this fund is a vestige from the Department of Resources and Economic Development, before it was reorganized, and no longer serves a purpose. The committee also identified fund #224, the state jobs grant fund for repeal as the program is no longer active.

Richard Lavers, Deputy Commissioner, represented New Hampshire Employment Security. The department manages four dedicated funds to support unemployment compensation and job training programs. All the funds are operating as intended and none were identified for amendment or repeal.

David Parenteau discussed the Police Standards and Training Council’s single dedicated fund with the committee. The dedicated fund was recently established to help local law enforcement departments cover the costs of psychological screenings. The agency is closely monitoring the performance of the fund so it may make adjustments as needed.

Items for Review in 2022:

As of this year, the committee has completed the first five-year review cycle. The following departments and agencies are scheduled to report on their dedicated funds in 2022:

- Department of Environmental Services
- Liquor Commission
- Department of Justice
- Lottery Commission
- Racing and Charitable Gaming Commission
- Judicial Branch

Suggested Proposed Legislation:

Legislation will be introduced to repeal the following funds identified by the committee, in consultation with the agencies, as unnecessary:

RSA 6:12 Reference No.	Funds Recommended for Repeal	Responsible Agency	Associated Amendments
RSA 6:12, I, (b)(322)*	Moneys deposited in the limited privilege license fund established in RSA 263:42, V(b).	Department of Safety	- Lapse remaining funds to the Highway Fund. - Strike language in RSA 263:42 (V) establishing the limited privilege license fund.
RSA 6:12, I, (b)(5)*	All moneys received from the division of motor vehicles which are derived from registration fees, operators' licenses, gasoline road tolls or any other special charges or taxes with respect to the operation of motor vehicles or the sale or consumption of motor vehicle fuels, or any other fee collected by the division of motor vehicles, but not including any revenue from fines and forfeitures assessed against any violator of any state law relative to the use and operation of motor vehicles, after deducting the amount allowed by the legislature for maintaining the division of motor vehicles, which shall be credited to the department of transportation for maintenance of highways.	Department of Safety	Only the RSA 6:12 reference will be repealed as highway fund oversight is sufficient through the CAFR.
RSA 6:12, I, (b)(7)	Costs charged back to the state or its agencies, counties, cities or towns which are incurred by the division of state police of the department of safety, which shall be credited to the department of transportation for the maintenance of highways.	Department of Safety	Only the RSA 6:12 reference will be repealed as highway fund oversight is sufficient through the CAFR.

RSA 6:12 Reference No.	Funds Recommended for Repeal	Responsible Agency	Associated Amendments
RSA 6:12, I, (b)(325)	Moneys deposited in the division of economic development fund under RSA 12-O:29.	Department of Business and Economic Affairs	<ul style="list-style-type: none"> - Lapse remaining funds to the New Hampshire economic development fund under RSA 12-O:21. - Repeal RSA 12-O:29, establishing the Division of Economic Development Fund.
RSA 6:12, I, (b)(224)	Moneys deposited in the state jobs grant fund under RSA 162-O:3.	Department of Business and Economic Affairs	<ul style="list-style-type: none"> - Lapse remaining funds to the General Fund. - Repeal RSA 162-O, the State Jobs Grant Fund.

Legislation will also include the following:

- An amendment to RSA 264:22 directing accrued interest in the uninsured motorist fund to be transferred to the Highway Fund at the end of each biennium.
- An amendment to RSA 12-O:39 striking the final clause which indicates that funds are nonlapsing and replacing that clause with language indicating that remaining funds lapse to general fund at the end of each biennium.
- An amendment to RSA 6:12-j as follows:

6:12-j Review and Reporting Requirement for Dedicated Funds. –

I. Every 5 years, the agency responsible for administration of a fund or account listed in RSA 6:12 shall prepare a report that:

- (a) In addition to the information contained in the report submitted under RSA 6:12-e, identifies all fund or account expenditures during the prior 4 fiscal years by accounting unit; and
- (b) Demonstrates the continued need for the fund or account.

II. The report shall be submitted on or before August 15 of the reporting year to the ways and means committee in the house and senate, the finance committee in the house and senate, the joint committee on dedicated funds, the relevant policy committees in the house and senate, and the legislative budget assistant.

III. If the joint committee on dedicated funds, in consultation with the relevant policy committee, determines that the fund or account no longer serves the statutory purpose for which it was created, or that

the purpose has become obsolete, the joint committee shall submit legislation to repeal, merge, or modify the fund or account in the next legislative session.

IV. The joint committee shall also annually request information of the department of administrative services as to dedicated funds which are not yet listed in RSA 6:12, I and submit legislation to add them to this list.

V. The reporting year for each agency responsible for a dedicated fund shall be as follows:

(a) Year 1, beginning November 1, 2016, and every 5 years thereafter:

- (1) The department of safety.
- (2) The police standards and training council.
- (3) The department of employment security.
- (4) The department of business and economic affairs.
- (5) The department of state.

(b) Year 2, beginning November 1, 2017, and every 5 years thereafter:

- (1) The department of environmental services.
- (2) The liquor commission.
- (3) The department of justice.
- (4) The lottery commission
- (5) [~~The racing and charitable gaming commission~~] *University System of New Hampshire.*
- (6) The judicial branch.

(c) Year 3, beginning November 1, 2018, and every 5 years thereafter:

- (1) The department of agriculture, markets, and food.
- (2) The labor department.
- (3) The department of corrections.
- (4) Pease development authority.
- (5) [~~The office of strategic initiatives~~] *Community development finance authority.*
- (6) The [~~adjutant general~~] *department of military affairs and veterans services.*
- (7) The state treasurer.
- (8) The insurance department.
- (9) The department of transportation.

(d) Year 4, beginning November 1, 2019, and every 5 years thereafter:

- (1) The department of natural and cultural resources.
- (2) The department of education.
- (3) The banking department.
- (4) [~~The public utilities commission.~~] *The department of energy (including the administratively attached public utilities commission).*
- (5) The department of revenue administration.
- (6) The department of information technology.
- (7) The judicial council.
- (8) The New Hampshire veterans' home.
- (9) *The office of professional licensure and certification.*

(e) Year 5, beginning November 1, 2020, and every 5 years thereafter:

- (1) The department of administrative services.
- (2) The general court.
- (3) The department of health and human services.
- (4) The fish and game department.
- [~~(5) The office of professional licensure and certification.~~]

VI. The joint committee on dedicated funds may submit legislation at any time after the first review to exempt a fund or account from this section which receives adequate and periodic review elsewhere.

VII. This section shall not apply to trusts as defined in RSA 6:12, III(f).

Respectfully Submitted,

Representative Norman Major, Chairman

HB 1228-FN - AS INTRODUCED

2022 SESSION

22-2393

07/05

HOUSE BILL ***1228-FN***

AN ACT relative to recommendations of the joint committee on dedicated funds.

SPONSORS: Rep. Major, Rock. 14; Rep. Almy, Graf. 13; Rep. Edwards, Rock. 4; Rep. Umberger,
Carr. 2; Sen. Giuda, Dist 2; Sen. D'Allesandro, Dist 20

COMMITTEE: Ways and Means

ANALYSIS

This bill:

I. Repeals certain inactive dedicated funds.

II. Deposits any remaining funds of repealed dedicated funds into other, active dedicated funds and removes the anti-lapsing provisions of certain dedicated funds.

III. Revises the reporting requirements for certain dedicated funds.

The bill is a request of the joint committee on dedicated funds.

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 Twenty Two

AN ACT relative to recommendations of the joint committee on dedicated funds.

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

1 1 Repeal. The following are repealed:

2 I. RSA 6:12, I(b)(5), relative to moneys received by the division of motor vehicles and then
3 credited to the department of transportation for maintenance of highways, not including revenue
4 from fines and forfeitures assessed for violations of state laws relative to the use and operation of
5 motor vehicles or the amount allowed by the legislature for maintaining the division of motor
6 vehicles.

7 II. RSA 6:12, I(b)(7), relative to charge-back costs incurred by the division of state police of
8 the department of safety, credited to the department of transportation for the maintenance of
9 highways.

10 III. RSA 6:12, I(b)(224), relative to the state jobs grant fund under RSA 162-O:3.

11 IV. RSA 6:12, I(b)(322), relative to the limited privilege license fund established in RSA
12 263:42, V(b).

13 V. RSA 6:12, I(b)(325), relative to the division of economic development fund under RSA 12-
14 O:29.

15 2 Accidents and Financial Responsibility; Money or Securities Deposited as Proof; Deposit of
16 Interest Specified. Amend RSA 264:22 to read as follows:

17 264:22 Money or Securities Deposited as Proof. A person may give proof of financial
18 responsibility by delivering to the department a receipt of the state treasurer showing the deposit
19 with him of money in the amount, or securities approved by him of a market value in the amount,
20 required for coverage in a motor vehicle liability policy furnished by the person giving such proof
21 under this chapter. Such securities shall be of a type which may legally be purchased by savings
22 banks or for trust funds. All money or securities so deposited shall be subject to execution to satisfy
23 any judgment mentioned in this chapter but shall not otherwise be subject to attachment or
24 execution. ***Any interest accrued on deposits in the uninsured motorist fund shall be***
25 ***deposited in the highway fund at the end of each biennium.***

26 3 Department of Business and Economic Affairs; International Trade Promotion Fund; Lapsing
27 Provision Added. Amend RSA 12-O:39 to read as follows:

28 12-O:39 International Trade Promotion Fund. There is hereby established in the office of the
29 state treasurer a fund to be known as the international trade promotion fund. The commissioner of
30 business and economic affairs is authorized to accept public sector and private sector grants, gifts, or
31 donations of any kind for the purpose of funding programs associated with the promotion of

1 international trade. Such grants, gifts, and donations shall be deposited in the international trade
2 promotion fund and may be expended by the commissioner of business and economic affairs to
3 accomplish the purposes of RSA 12-O:38. The moneys in this fund shall ~~[be nonlapsing]~~ ***lapse to the***
4 ***general fund at the end of each biennium.***

5 4 Repeal. RSA 162-O, relative to the state jobs grant fund, is repealed.

6 5 Balance of State Jobs Grant Fund; Lapse to General Fund. On the effective date of this
7 section, the balance of the state jobs grant fund, established in RSA 162-O, shall lapse to the general
8 fund.

9 6 Repeal. RSA 12-O:29, relative to the division of economic development fund, is repealed.

10 7 Balance of Division of Economic Development Fund; Lapse to New Hampshire Economic
11 Development Fund. On the effective date of this section, the remaining funds of the division of
12 economic development fund under RSA 12-O:29 shall be deposited into the New Hampshire
13 economic development fund under RSA 12-O:21.

14 8 Drivers' Licenses; Driver's License Fees; Removing the Limited Privilege License Fund.
15 Amend RSA 263:42, V(b) to read as follows:

16 (b) Whenever a driver's license has been suspended or revoked and a limited privilege
17 license is issued under RSA 263:57-b, a fee of \$50 shall be paid by the licensee for the issuance of the
18 limited privilege license. ~~[There is hereby established a limited privilege license fund, and fees~~
19 ~~collected under this subparagraph shall be deposited in the fund. Moneys in the fund shall be~~
20 ~~continually appropriated to the department to cover the expenses of implementation, oversight, and~~
21 ~~supervision of the limited privilege license program and supervision of the ignition interlock~~
22 ~~program, and shall not lapse] ***Fees collected under this subparagraph shall be deposited into***~~
23 ***the highway fund.***

24 9 Balance of Limited Privilege License Fund; Lapse to Highway Fund. On the effective date of
25 this section, the remaining moneys within the limited privilege license fund shall lapse to the
26 highway fund.

27 10 State Treasurer and State Accounts; Review and Reporting Requirement for Dedicated
28 Funds; Named Funds Revised. Amend RSA 6:12-j, V to read as follows:

29 V. The reporting year for each agency responsible for a dedicated fund shall be as follows:

30 (a) Year 1, beginning November 1, 2016, and every 5 years thereafter:

- 31 (1) The department of safety.
32 (2) The police standards and training council.
33 (3) The department of employment security.
34 (4) The department of business and economic affairs.
35 (5) The department of state.

36 (b) Year 2, beginning November 1, 2017, and every 5 years thereafter:

- 37 (1) The department of environmental services.

- 1 (2) The liquor commission.
- 2 (3) The department of justice.
- 3 (4) The lottery commission, *including the racing and charitable gaming*
- 4 *division.*
- 5 (5) ~~[The racing and charitable gaming commission]~~ *The university system of New*
- 6 *Hampshire.*
- 7 (6) The judicial branch.
- 8 (c) Year 3, beginning November 1, 2018, and every 5 years thereafter:
- 9 (1) The department of agriculture, markets, and food.
- 10 (2) The labor department.
- 11 (3) The department of corrections.
- 12 (4) Pease development authority.
- 13 (5) The ~~[office of strategic initiatives]~~ *community development finance*
- 14 *authority.*
- 15 (6) The ~~[adjutant general]~~ *department of military affairs and veterans services.*
- 16 (7) The state treasurer.
- 17 (8) The insurance department.
- 18 (9) The department of transportation.
- 19 (d) Year 4, beginning November 1, 2019, and every 5 years thereafter:
- 20 (1) The department of natural and cultural resources.
- 21 (2) The department of education.
- 22 (3) The banking department.
- 23 (4) The ~~[public utilities commission]~~ *department of energy, including the*
- 24 *administratively attached public utilities commission.*
- 25 (5) The department of revenue administration.
- 26 (6) The department of information technology.
- 27 (7) The judicial council.
- 28 (8) [Repealed.]
- 29 (9) The New Hampshire veterans' home.
- 30 **(10) The office of professional licensure and certification.**
- 31 (e) Year 5, beginning November 1, 2020, and every 5 years thereafter:
- 32 (1) The department of administrative services.
- 33 (2) The general court.
- 34 (3) The department of health and human services.
- 35 (4) The fish and game department.
- 36 ~~[(5) The office of professional licensure and certification.]~~

**HB 1228-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to recommendations of the joint committee on dedicated funds.

FISCAL IMPACT: State County Local None

METHODOLOGY:

The Office of Legislative Budget Assistant states this bill has no fiscal impact on state, county and local expenditures or revenue. Although this bill does not have a fiscal impact, some of the repealed dedicated funds listed in the bill have balances that, if not expended prior to the effective date of this bill, will be transferred or will lapse into the General Fund and Highway Fund thus increasing the funds.

- Uninsured Motorist Fund: \$144,286 to Highway Fund
- International Trade Promotion Fund: \$0 to General Fund
- State Jobs Grant Fund: \$135,623 to General Fund
- Division of Economic Development Fund: \$3,402 to NH Economic Development Fund RSA 12-O:21
- Limited Privilege License Fund: \$9,100 to Highway Fund

AGENCIES CONTACTED:

None