LEGISLATIVE COMMITTEE MINUTES

HB1040

Bill as Introduced

17Feb2022... 0205h

HB 1040 - AS AMENDED BY THE HOUSE

2022 SESSION

22-2184 12/08

HOUSE BILL **1040**

- AN ACT establishing a commission to study revenue alternatives to the road toll 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

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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.

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removed from current law appears [in brackets and struckthrough.]Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

17Feb2022... 0205h

HB 1040 - AS AMENDED BY THE HOUSE

22-2184 12/08

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 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. Amend RSA 21-J 2 by inserting after section 48 the following new section: 3 21-J:49 Commission to Study Revenue Alternatives to the Road Toll 4 I. There is established a commission to study revenue alternatives to the road toll for the 5 funding of improvements to the state's highways and bridges and their resulting improvements to 6 the environment. $\overline{7}$ II. The members of the commission shall be as follows: 8 (a) Four members of the house of representatives, appointed by the speaker of the house 9 of representatives: 2 of whom shall be members of the house public works and highways committee; 10 one of whom shall be a member of the house science, technology and energy committee; and one of 11 whom shall be a member of the house ways and means committee. 12 (b) Two members of the senate, appointed by the president of the senate. 13 (c) The commissioner of the department of revenue administration, or designee. 14 (d) The commissioner of the department of safety, or designee. (e) The commissioner of the department of environmental services, or designee. 15 16 (f) The commissioner of the department of transportation, or designee. 17 (g) One member from the New Hampshire Automobile Dealers Association, appointed by 18 that association. 19 III. Legislative members of the commission shall receive mileage at the legislative rate when 20 attending to the duties of the commission. 21IV. The commission shall: 22(a) Study alternatives to the road toll and may study emerging vehicle fuels and 23 technologies, for funding improvements to the state's highways and bridges, ensuring that all motor 24 vehicles contribute proportionally to their impact on New Hampshire's highway infrastructure. (b) Study the impact the various fuel-efficient technologies have on the environment. 2526(c) Consider the interim report of the commission on taxation of alternative fuel and $\mathbf{27}$ electric-powered motor vehicles of November 1, 2012, and the final report of the commission to study 28future sustainable revenue sources for funding improvements to state and municipal highways and 29 bridges, dated November 1, 2010.

HB 1040 - AS AMENDED BY THE HOUSE - Page 2 -

1 (d) Track current road toll revenues and, as it deems appropriate, analyze related 2 programs developed in other states and recommend legislation.

- 3 (e) Consider the 2019-2020 federally-funded study of a prior road usage fee in New4 Hampshire.
- 5 (f) Evaluate the future funding needs for the operation and maintenance of, and 6 improvements to, state and municipal roadways.

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, is 15 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.

HB 1040 - AS AMENDED BY THE SENATE

17Feb2022... 0205h 03/31/2022 1197s

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2022 SESSION

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COMMITTEE:	Public Works and Highways
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1 1 New Section; Commission to Study Revenue Alternatives to the Road Toll. Amend RSA 21-J

2 by inserting after section 48 the following new section:

3 21-J:49 Commission to Study Revenue Alternatives to the Road Toll

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

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

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

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(b) One member of the senate, appointed by the president of the senate.

- (c) The commissioner of the department of revenue administration, or designee.
- (d) The commissioner of the department of safety, or designee.
- 15 (e) The commissioner of the department of environmental services, or designee.
 - (f) The commissioner of the department of transportation, or designee.
- 17 (g) One member from the New Hampshire Automobile Dealers Association, appointed by18 that association.
- 19 (h) One member representing an energy and transportation related non-profit20 organization, appointed by the governor.
- $\mathbf{21}$

organization, appointed by the governor. III. Legislative members of the commission shall receive mileage at the legislative rate when

22 attending to the duties of the commission.

23 IV. The commission shall:

(a) Study alternatives to the road toll for electric-powered, hybrid, and fuel-efficient
vehicles, and may study other emerging vehicle fuels and technologies, for funding improvements to
the state's highways and bridges, ensuring that all motor vehicles contribute proportionally to their
impact on New Hampshire's highway infrastructure, including vehicles registered out of state that
may no longer be subject to the road toll.

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

HB 1040 - AS AMENDED BY THE SENATE - Page 2 -

(c) Consider the interim report of the commission on taxation of alternative fuel and electric-powered motor vehicles of November 1, 2012, and the final report of the commission to study future sustainable revenue sources for funding improvements to state and municipal highways and bridges, dated November 1, 2010. (d) Track current road toll revenues and, as it deems appropriate, analyze related programs developed in other states and recommend legislation. (e) Consider the 2019-2020 federally-funded study of a prior road usage fee in New Hampshire. (f) Evaluate the future funding needs for the operation and maintenance of, and improvements to, state and municipal roadways. V. The members of the commission shall elect a chairperson from among the members. The first meeting of the commission shall be called by the first-named house member. The first meeting of the commission shall be held within 45 days of the effective date of this section. Three members of the commission shall constitute a quorum. VI. The commission shall report its findings and any recommendations for proposed legislation to the speaker of the house of representatives, the president of the senate, the house clerk, the senate clerk, the governor, and the state library on or before November 1, 2022. 2 Repeal. RSA 21-J:49, relative to a commission to study revenue alternatives to the road toll, is repealed. 3 Effective Date. I. Section 2 of this act shall take effect November 1, 2022.

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

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CHAPTER 255 HB 1040 - FINAL VERSION

17Feb2022... 0205h 03/31/2022 1197s

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2022 SESSION

22-2184 12/08

HOUSE BILL **1040**

- AN ACT establishing a commission to study revenue alternatives to the road toll 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

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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.

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CHAPTER 255 HB 1040 - FINAL VERSION

17Feb2022... 0205h 03/31/2022 1197s

22 - 218412/08

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 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:

- 1 255:1 New Section; Commission to Study Revenue Alternatives to the Road Toll. Amend RSA 2 21-J by inserting after section 48 the following new section:
- 21-J:49 Commission to Study Revenue Alternatives to the Road Toll 3
- 4

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

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

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

11 whom shall be a member of the house ways and means committee.

- (b) One member of the senate, appointed by the president of the senate.
- (c) The commissioner of the department of revenue administration, or designee.
- (d) The commissioner of the department of safety, or designee.
- 15 (e) The commissioner of the department of environmental services, or designee.
- (f) The commissioner of the department of transportation, or designee. 16
- 17(g) One member from the New Hampshire Automobile Dealers Association, appointed by 18 that association.
- 19 (h) One member representing an energy and transportation related non-profit 20 organization, appointed by the governor.
- 21 III. Legislative members of the commission shall receive mileage at the legislative rate when 22 attending to the duties of the commission.
- 23 IV. The commission shall:
- $\mathbf{24}$ (a) Study alternatives to the road toll for electric-powered, hybrid, and fuel-efficient 25vehicles, and may study other emerging vehicle fuels and technologies, for funding improvements to 26 the state's highways and bridges, ensuring that all motor vehicles contribute proportionally to their 27 impact on New Hampshire's highway infrastructure, including vehicles registered out of state that 28 may no longer be subject to the road toll.

CHAPTER 255
HB 1040 - FINAL VERSION
- Page 2 -

	- 1 age 2 -
1	(b) Study the impact the various fuel-efficient technologies have on the environment.
2	(c) Consider the interim report of the commission on taxation of alternative fuel and
3	electric-powered motor vehicles of November 1, 2012, and the final report of the commission to study
4	future sustainable revenue sources for funding improvements to state and municipal highways and
5	bridges, dated November 1, 2010.
6	(d) Track current road toll revenues and, as it deems appropriate, analyze related
7	programs developed in other states and recommend legislation.
8	(e) Consider the 2019-2020 federally-funded study of a prior road usage fee in New
9	Hampshire.
10	(f) Evaluate the future funding needs for the operation and maintenance of, and
11	improvements to, state and municipal roadways.
12	V. The members of the commission shall elect a chairperson from among the members. The
13	first meeting of the commission shall be called by the first-named house member. The first meeting
14	of the commission shall be held within 45 days of the effective date of this section. Three members of
15	the commission shall constitute a quorum.
16	VI. The commission shall report its findings and any recommendations for proposed
17	legislation to the speaker of the house of representatives, the president of the senate, the house
18	clerk, the senate clerk, the governor, and the state library on or before November 1, 2022.
19	255:2 Repeal. RSA 21-J:49, relative to a commission to study revenue alternatives to the road
20	toll, is repealed.
21	255:3 Effective Date.
22	I. Section 2 of this act shall take effect November 1, 2022.
	Π . The remainder of this act shall take effect upon its passage.

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Approved: June 24, 2022 Effective Date: I. Section 2 effective November 1, 2022 II. Remainder effective June 24, 2022

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Amendments

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Senate Transportation March 23, 2022 2022-1197s 12/04

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Amendment to HB 1040

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1	Amend RSA 21-J:49, II as inserted by section 1 of the bill by replacing it with the following:
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3	II. The members of the commission shall be as follows:
4	(a) Four members of the house of representatives, appointed by the speaker of the house
5	of representatives: 2 of whom shall be members of the house public works and highways committee;
6	one of whom shall be a member of the house science, technology and energy committee; and one of
7	whom shall be a member of the house ways and means committee.
8	(b) One member of the senate, appointed by the president of the senate.
9	(c) The commissioner of the department of revenue administration, or designee.
10	(d) The commissioner of the department of safety, or designee.
11	(e) The commissioner of the department of environmental services, or designee.
12	(f) The commissioner of the department of transportation, or designee.
13	(g) One member from the New Hampshire Automobile Dealers Association, appointed by
14	that association.
15	(h) One member representing an energy and transportation related non-profit
16	organization, appointed by the governor.
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18	Amend RSA 21-J:49, IV(a) as inserted by section 1 of the bill by replacing it with the following:
19	
20	(a) Study alternatives to the road toll for electric-powered, hybrid, and fuel-efficient
21	vehicles, and may study other emerging vehicle fuels and technologies, for funding improvements to
22	the state's highways and bridges, ensuring that all motor vehicles contribute proportionally to their
23	impact on New Hampshire's highway infrastructure, including vehicles registered out of state that
24	may no longer be subject to the road toll.

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Committee Minutes

SENATE CALENDAR NOTICE Transportation

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Sen Regina Birdsell, Chair Sen David Watters, Vice Chair Sen Denise Ricciardi, Member Sen Ruth Ward, Member Sen Tom Sherman, Member

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Date: March 17, 2022

HEARINGS

	Tuesday	03/22/2022			
	(Day)	(Date)			
Transport	ation	Legislative Office Building 101	1:00 p.m.		
(Name of (Committee)	(Place)	(Time)		
1:00 p.m.	HB 1554-FN	relative to online payment of fees relating to the op highway recreational vehicles and snowmobiles.	eration of off		
1:15 p.m.	HB 1020	relative to additional lights on emergency vehicles.			
1:30 p.m.	HB 1040	establishing a commission to study revenue alternatives to the roa toll for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment.			
1:45 p.m.	HB 1110	relative to windshield tint waivers.			
2:00 p.m.	HB 1160	relative to obedience to signals at railroad crossing	s.		

EXECUTIVE SESSION MAY FOLLOW

<u>Sponsors</u> : HB 1554-FN			
Rep. Egan	Rep. Thompson	Rep. Merner	Rep. Dontonville
Rep. Massimilla	Sen. Hennessey	-	-
HB 1020			
Rep. Trottier	Rep. Littlefield	Rep. Bordes	
HB 1040			
Rep. Major	Rep. Graham	Rep. Almy	Rep. Abrami
Rep. Cloutier	Rep. McGhee	Sen. Watters	Sen. Giuda

Sen. Reagan **HB 1110** Rep. Walsh **HB 1160** Rep. O'Brien

Sen. Gannon

Rep. Gagne

Rep. Sykes

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Rep. Steven Smith

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Peter O'Neill 271-4151

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<u>Regina Birdsell</u> Chairman

Senate Transportation Committee Peter O'Neill 271-4151

HB 1040, establishing a commission to study revenue alternatives to the road toll for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment.

Hearing Date: March 23, 2022

Time Opened: 1:31 p.m.

Time Closed: 1:58 p.m.

Members of the Committee Present: Senators Birdsell, Watters, Ricciardi, Ward and Sherman

Members of the Committee Absent : None

Bill 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.

Sponsors:

Rep. Major Rep. Abrami Sen. Watters Sen. Gannon Rep. Graham Rep. Cloutier Sen. Giuda Rep. Almy Rep. McGhee Sen. Reagan

Who supports the bill: Rep. Major, Sen. Watters, Sen. Giuda Bruce Clendenning, TNC; William Cass, NHDOT; Andre Briere, NHDOT; Kelly Buchanan, Clean Energy New Hampshire, Eric Pauer

Who opposes the bill: None

Who is neutral on the bill: None

Summary of Testimony Presented:

Rep. Major, Rockingham District 14

- Rep. Major testified in support of the bill.
- He had sponsored the road usage fee for road tolls in the past.
- Since 2010, there had been a big increase in motor vehicles and miles per gallon increasing as well.
- Rep. Major gave the committee handouts detailing what the road usage fee is and identifying problems with New Hampshire roads and bridges.

- Prior to 2020, the electric power industry was the biggest emitter of carbon dioxide. Now, regular transportation is the leading cause.
- Noncombustible engines in the future would reduce emissions from regular transportation coming from light duty vehicles.
- Light duty vehicles represent about 93% of miles traveled in NH, while only 7% represents big trucks.
- Rep. Major said getting environmentalists behind the bill would help in the effort to reduce emissions from gas vehicles.
- Every modern country and most large businesses involved in transportation are moving towards alternatives to gas vehicles.
- Rep. Major said one method of resolving this issue is implementing a low usage fee.
- The number of light vehicles generate \$110.7 million for road tolls. If the vehicles were electric, light vehicles would generate an additional \$1.57 million, which is a 42% increase.
- Road tolls have been dropping. Figures in the handouts referenced road tolls had varied over the years.
- User fee for every registration, the town clerk has to subtract that to get the municipality.
- Average annual fuel tax would be determined by how many miles are driven per gallon. That way, it would be fair for both gas and electric vehicles.
- Rep. Major said that the road toll is very important to study through a commission. Analyzing the concept of mileage in relation to road tolls is important to distinguish between gas and electric vehicles.
- Sen. Watters asked if the number of senators on the commission could be reduced to one.
 - Rep Major said that would be okay.
 - Sen. Watters asked on line 24, if he would consider an amendment saying something similar to "...and considering vehicles registered out of state would no longer be subject by the road toll."
 - Rep. Major said that would be fine as well.
- Sen. Sherman said he didn't see where legislative compensation miles were outlined in the bill.
 - o Sen. Birdsell said it appeared on line 19.

Bruce Clendenning, Energy Policy Manager

- Mr. Clendenning testified in support of the bill and said the bill was the right way to go about managing the road tolls.
- He said the legislature had an important decision to make.
- Creating a commission is the right way to analyze things. Including a nonprofit member on the commission is important and the commission will help ensure that everyone should pay their fair share.
- Sen. Watters asked if the member would be appointed by governor.

• Mr. Clendenning said it could be the case. It doesn't have to be any specific organization but there should be representatives from nonprofit organizations.

Kelly Buchanan, Clean Energy NH

- Ms. Buchanan said the commission should include a nonprofit nominee.
- Clean Energy NH would help advocate more electric vehicles in New Hampshire and Clean Energy NH is supportive of the bill.
- Adoption of electric vehicles and getting more electric vehicles on the road is the goal. New Hampshire has had a slow start for adopting electric vehicles.
- Sen. Sherman asked if other states had already moved in this direction and asked if that was correct.
 - Ms. Buchanan said she wasn't sure, but she could find out the answer.
- Sen. Sherman asked if helping with Sen. Watters question of finding alternatives to not put the burden on in state residents. It would be shared with tourists and out of state visitors.
- Ms. Buchanan said it is important to highlight that tourism is a big part of the local economy.
- Sen. Birdsell asked how other states handle situations like interstate travel.
 Ms. Buchanan said she would look into Sen. Birdsell's questions.
- DOT was also supportive of the study commission.
- PJO

Date Hearing Report completed: March 23, 2022

Speakers

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	SEN		E TRANSPO	RTA	TION COMM	ITTEE
Date 0	3/22/22		<u>Time 1:30 p.m.</u>		Public Hearing on	<u>HB 1040</u>
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	SEN	ATE TR	ANSPORTA	ATION COMMI	TTEE
Date 02	<u>3/22/22</u>	Time	<u>1:30 p.m.</u>	Public Hearing on	<u>HB 1040</u>
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Testimony

HB1040 - statement in support of OTP

Madam Chair and members of the committee.

For the record I am Rep. John Graham, Hillsborough District 7, which is the town of Bedford. I am also the chairman of the NH House Public Works and Highway Committee, and I am in support of HB1040. While I believe we are years behind where we should be in determining how electric or other alternative fuel sources such as hydrogen fuel cell vehicles will contribute to the maintenance of our highway system, perhaps this time we can come to some solid recommendations on how to proceed.

While some of my peers object to even studying if electric, or other alternative fuel, vehicles should pay to use our roads because it might mean a new fee or tax, those of us who have examined the state of our highway fund literally for decades know that we need to answer this question in the very near future. If you watched the last SuperBowl it seemed that every other commercial was from a different automobile company touting their plans to electrify the majority of their fleets. Just last week (week of March 13th) Mercedes announced that it was building a new battery plant in Alabama to support its manufacturing of all electric SUVs. And it is not just sedans or small pickups that are included in this drive to non-fossil fuel vehicles. There are companies already building and testing all electric big rigs.

We, either as a state or private businesses, have already begun the process of building an EV infrastructure here in NH. And when you get the Ten-year Transportation Plan for review you will see that the latest federal infrastructure bill allocates 17 million to NH for planning and construction of EV charging stations. Will we be able to add a surcharge to the cost of electricity to pay for the highway, like we do with the road toll? Sen. Water's was recently featured in the Union Leader saying that it cost him \$2.70 to charge his vehicle enough to get home – none of which goes toward the highway fund. We found a way to incorporate propane/natural gas vehicles into the highway fund, I am sure this committee can find a way forward for all alternative fuel vehicles.

Alternative fuel vehicles may well be in the majority on our roads within the next decade. As we move in this direction we will need to find a replacement for our current road toll. I realize none of us wants to be discussing how to change the funding sources of our highway fund in the future during an election year, but we cannot keep kicking this can down the road because we are uncomfortable discussing it. I ask that you find HB1040 OTP, and please leave at one senator on the study.

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Rep. John A. Graham



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

March 22, 2022

Senator Regina Birdsell, Chair Senate Transportation Committee Legislative Office Building, Room 101 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 Birdsell 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.



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

Sincerely,

Kelly Brownia

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

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 shortterm and long-term revenues from the fee.

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- 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

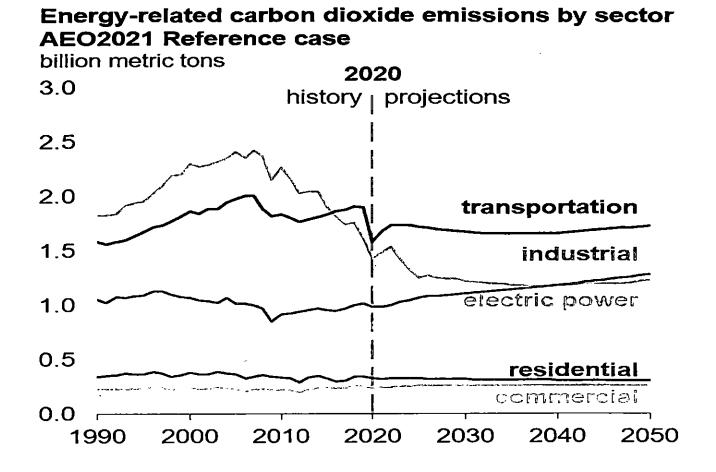
fuels represent 7 percent of the total and would pay 18 percent of all fees.

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- 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 2023.
- 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 1, \$ SAVINGS vs 20 mpg (see page 9)
- Figure 2, Road Toll in 2019 vs all non-combustible engines (see page 9)
- Figure 3, Energy-related carbon dioxide emissions by sector (see page 5)



INTERESTING INFORMATION RELEATIVE 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 piolet 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 Lightining 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 solidstate battery cells for fully electric cars. Volkswagen, Ford Motor, and Bayerische Motoren Werkehave 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 Tennesse and Kentucky. That follows similar inveestments made by General Motors Co. and Volkswagen AG to add electric-vehicle production at their Tennesse assembly plants.
- 9/15/21 Autotrader: Honda has the Honda Clarity aviable as a fuel cell electric car (FCEV). It generates electricity from chemical reaction between hydrogen and air. Both Toyota TM, and Hyundal 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

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\$ 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%)	<u>19.5M (</u> 15%)	130.2M
NUMBER LIGHT			· · · · · · · · · · · · · · · · · · ·
VEHICLES	1,258,890		1,258,890
IF ALL LIGHT	(\$125X1.258.9 <u>M)</u>		
VEHICLES WERE	=	19.5M	176.9M
ELECTRIC	157.4M		
REVENUE CHANGE	46.7M	0.0M	46.7M
PERCENT CHANGE	42.2%	0.0%	35.9%

Road Usage Fee

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

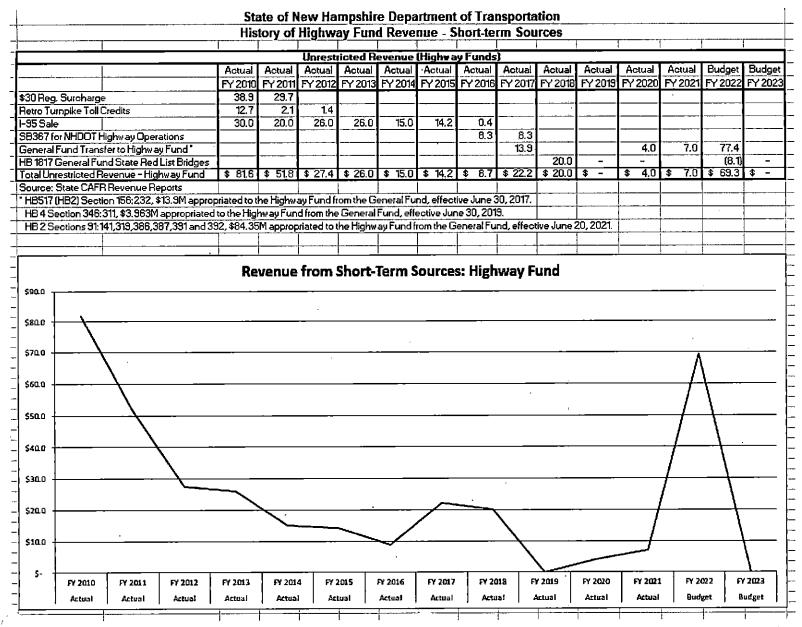
- Why do we need a Road Usage Fee?
- What are the options to deal with the problem?
- What is the Road Usage Fee?
- How would the Road Usage Fee Work?

1. Declining revenue in the highway fund

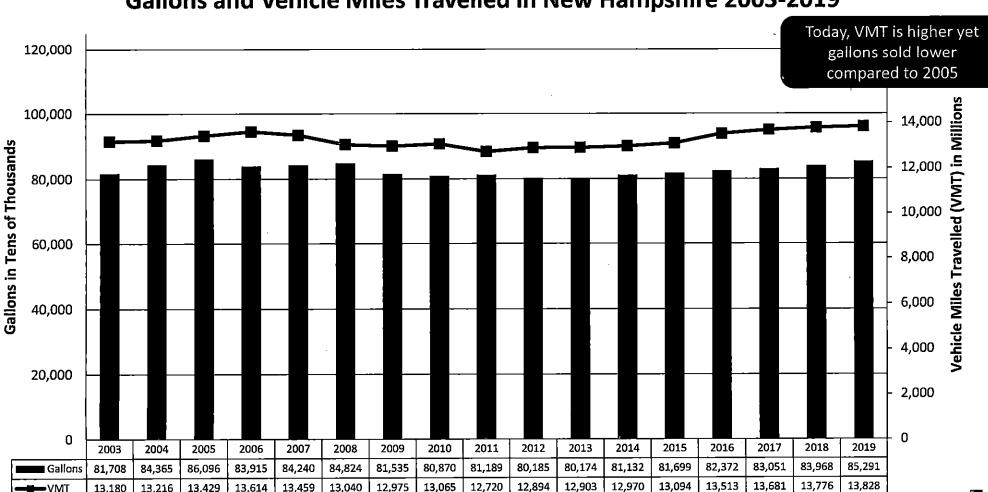
		r ———	·	Hi	istory of	Highway	Fund R	levenue	;	ł					
<u>Unrestricted</u> A	evenue (Highway Fund	<u>is</u>	-		 					1			Prelimin ara	ed Budget	ed Budg
		FY 2018		FY 2012		FY 2014		FY 2016		FY 2018		FY 2020	FY 2021	FY 2022	FY 20
Gas Road Tolls		\$ 123.7	\$ 125.0	\$ 124.9	\$ 123.3	\$ 124.7	\$ 125.8	\$ 123.6	\$ 124.6	\$ 126.1	\$ 127.5	\$ 117.6	\$ 118.1	\$ 120.3	\$ 12
Motor Vehicle Fe		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
\$30 Reg. Surchar		38.9	29.7 248.9	229.3	230.8	231.3	236,2	208.7	214.5	216.4	219.8	215.5	243.6	246,2	248
	Toll & Motor Vehicle				-										
Court Fines		8.0 22.9	<u>8.2</u> 21.0	7.8	7.0	7.2	<u>6.8</u> 0.4	6.9 0.3	6.2 0.3	<u>5.7</u> 0.2	<u> </u>	<u>5.1</u> 0.2	4.4	4.5 0.2	
Miscellaneous Retro Turnpike To	Il Credits "	12.7	21.0	1.4	21.9	0.0	0.4	0.3		<u> </u>		<u></u>	0.0	<u> </u>	
-95 Sale		30.0	20.0	26.0	26.0	15.0	14.2	0.4							
Cost of Collectio								25.1	28.7	28,1	26.2	28.0			-
Fotal Unrestrie	<u>cted Revenue - Highwa</u>	\$ 339	\$ 300	\$ 284	\$ 285	\$ 254	\$258	\$ 241	\$250	\$ 250	\$ 252	\$ 249	\$ 248.5	****	***
Jotes Reginging	in FY16 Cost of Collection	s was restri	ted and re	 moved ito	ro Unrestric	ted Revenu	ie and in F	Y21 Beve	nue is refle	cted prior	to Cost c	f Collectio	ns beina ren	noved.	
n FY20 Plea by M	fail revenue was moved fro	m restricter	(Safety D	etective Bu	ireau) to Ur	restricted a	nd amour	nted to \$5	6M.						
Source: State AF	R Revenue Reports												·		
Toll credits can b	e applied to projects retroa	ctively, i.e.,	after proje	ct authoriza	ation. The E)epartment	received F	Federal rev	venue reim	bursemer	t for mate	h funds pa	id in prior ye	ars with Hig	<u>way</u>
														¦	
\$325 - 															
		\geq	7												
\$275				· N	_										
\$273															-
				· <u> </u>											
\$250 -	FY 201 0	FY2012		FY2014		FY 201	16		FY 201 B				ninary App	roved Ap	/ 202 3 proved udget

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



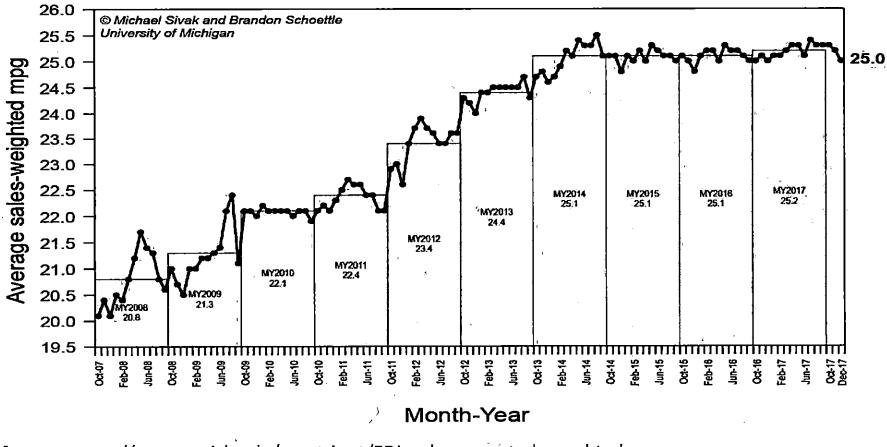
2. Lower gallons of fuel consumed lowers road toll revenue Vehicle Miles Travelled increased each year since 2011



Gallons and Vehicle Miles Travelled in New Hampshire 2003-2019

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.

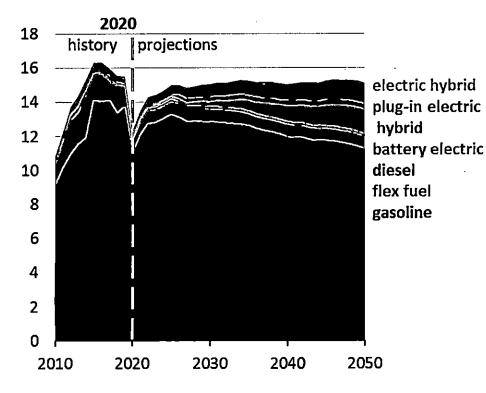
An impact of 24% over the last 10 years.



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

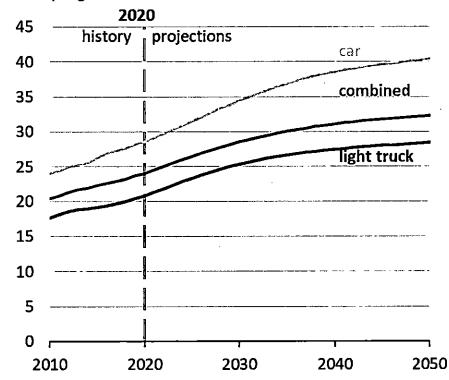
Light-duty vehicle sales by technology/fuel AEO2021 Reference case

millions of vehicles



Light-duty fuel economy by vehicle type AEO2021 Reference case

miles per gallon



Annual Energy Outlook 2021 (eia.gov)

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 Gasand 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

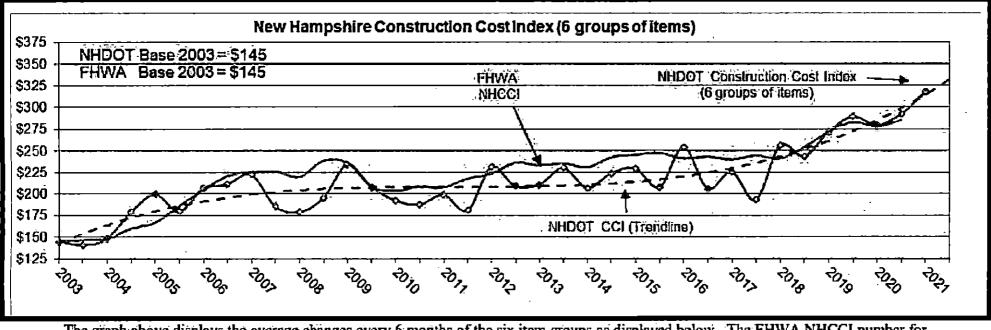
DECEMBER 27, 2019

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

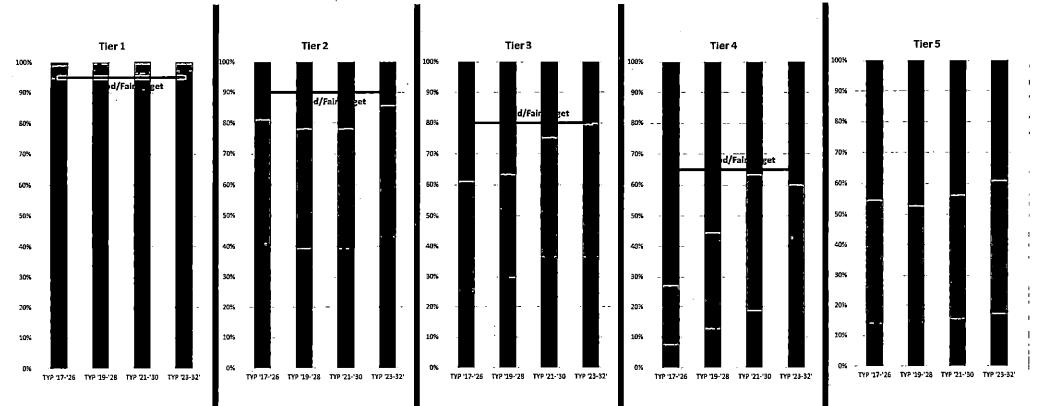
4. Increasing construction costs and declining revenue has contributed to declining road and bridge conditions in NH. Construction costs have increased considerably since 2003



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.

https://www.nh.gov/dot/org/projectdevelopment/construction/documents/cci_current.pdf

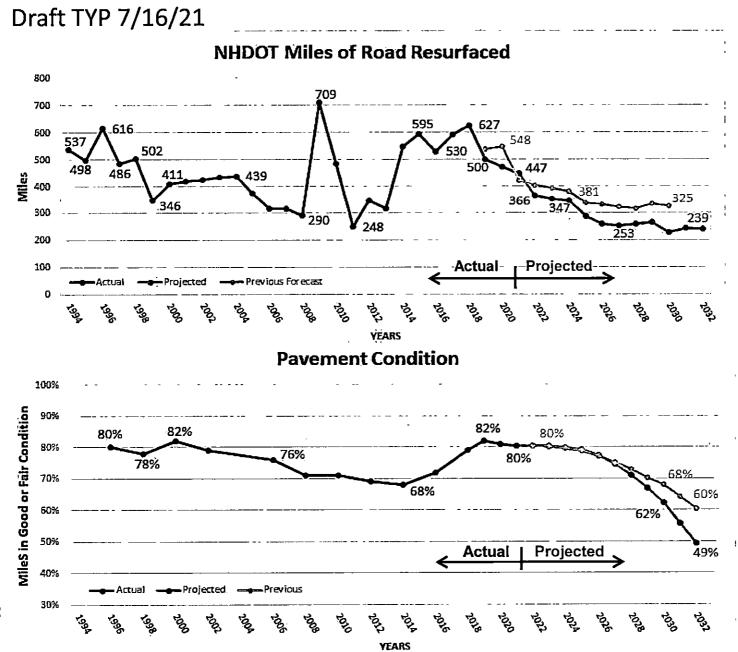
Current (2020) State of Infrastructure (Roads)



- 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 pc --- condition (2020)

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

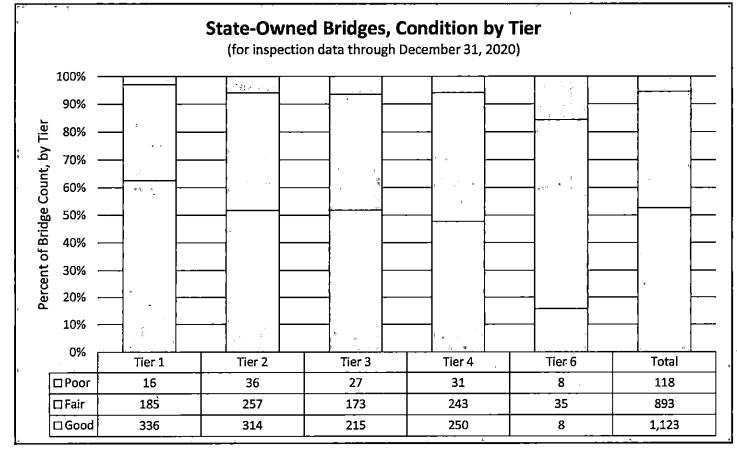
Why do we need a ...oad Usage Fee? Road Condition



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

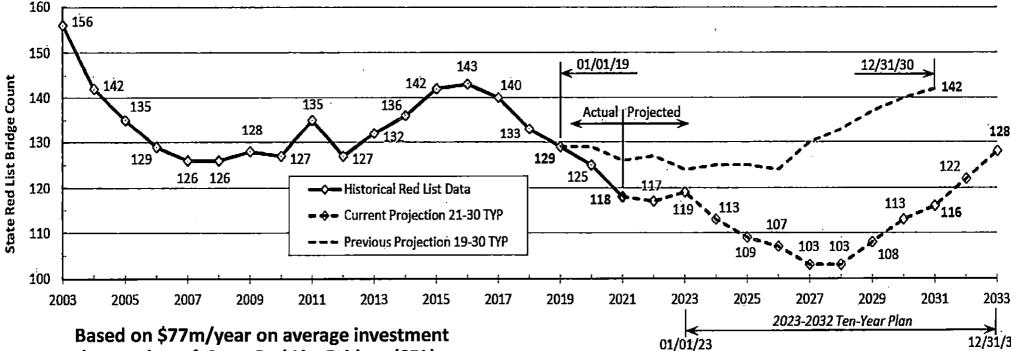
Why do we need a Road Usage Fee? Bridge Condition



- 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



the number of State Red List Bridges (SRL)

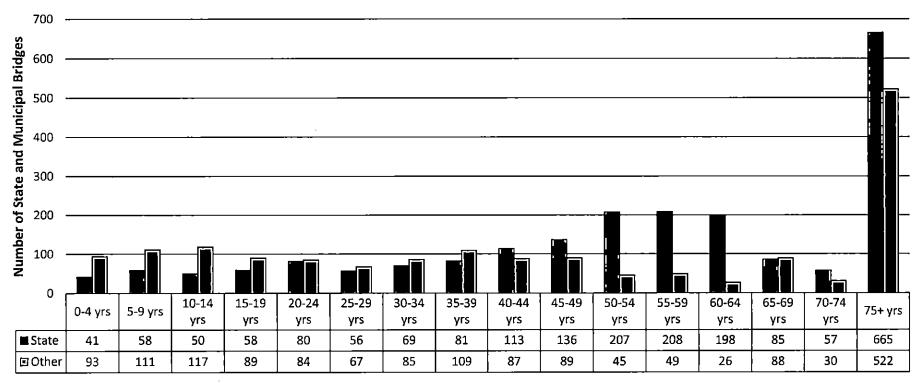
- Drops to a low of 103 by 2027
- Increases to 128 by 2032
- HB1817 & SB367 investments in bridges is making a difference
- Investment in preservation is reducing the number coming on (\$17M/year)
- 113 of 118 red list bridges listed in 2021 will be addressed

- 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 (nonantique) 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

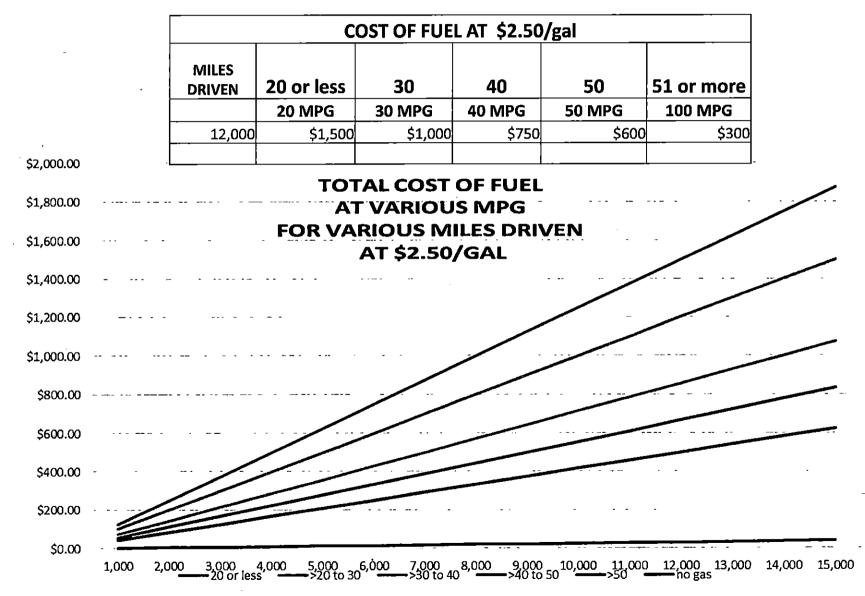
(reference: http://www.carinsurance.com/Articles/average-milesdriven-per-year-by-state.aspx)

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 - BASED on 12,000 MILES/YEAR	ROAD USAGE FEE - ROUNDED	TOTAL GAS COST @2.50/GAL	YEARLY SAVINGS VS 20 MPG VEHICLE@ \$2.50/GAL W/O FEE	YEARLY 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			
	· · ·									، ا		
				TABLE 1 (20	mpg)							
NH GAS TAX GAS/GAL GAS/GAL	\$0.222 \$2.50 \$2.75		MPG RANGE FOR 12,500 MILES/YEAR	NUMBER OF	ROAD USAGE FEE	TOTAL FEE						
GAS/GAL	\$3.00			VEHICLES	00/102 / 22	(000'S)						
GAS/GAL	\$5.00		20	500.007	<u> </u>							
ļ			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				FY22	FY23	FY24
1	1		TOTAL	1,258,890		\$26,286	Total Fee Collecte	d		\$26,286	\$26,548	\$26,814
						\$1,259	\$1 Retained by Re	gistration Agent	t	\$1,259	\$1,271	\$1,284
						\$25,027	Sub-Total			\$25,027	\$25,277	\$25,530
						\$3,003	12% to Municipal	ities (Block Gran	t Aid)	0	\$3,003	\$3,033
}						\$22,023	Net to Highway F	und for Roads &	Bridges	\$25,027	\$22,274	\$22,496
			Note - number of vehicle	-				Tot	al Local Revenue	\$1,259	\$4,275	\$4,317
			registration data, assum	es 1 registratio	n per year per v	ehicle	l		i	'		

How does the Road Usage Fee work?

Fuel Savings of Higher MPG Vehicle far Outweigh RUF



21

How does the Road Usage Fee work? Estimated Revenue

	T	ABLE 1 (20	mpg)		NH Gas Tax and Road Usage Fee
MPG RANGE FOR 12,500 MILES/YEAR		NUMBER OF VEHICLES	ROAD USAGE FEE	TOTAL FEE (000'S)	\$120.00 miles driven \$100.00 \$80.00
20 or less		522,037	\$10.00	\$5,220	\$60.00
greater than 20 to 30		654,866	\$25.00	\$16,372	\$40.00
greater than 30 to 40		65,194	\$50.00	\$3,260	\$20.00
greater than 40 to 50		12,548	\$75.00	\$941	\$0.00 20 or less greater than greater than greater than greater than streater than be been set of the set of t
greater than 50		1,513	\$100.00	\$151	20 to 30 30 to 40 40 to 50 50 NH GAS TAX ROAD USAGE FEE TOTAL GAS TAX + ROAD USAGE FEE
no gasoline		2,732	\$125.00	\$341	
TOTAL		1,258,890		\$26,286	Total Fee Collected
				\$1,259	\$1 Retained by Registration Agent
		_		\$25,027	Sub-Total
				\$3,003	12% to Municipalities (Block Grant Aid)
				\$22,023	Net to Highway Fund for Roads & Bridges
Note - number of vehic					
registration data, assum	ne	s 1 registratio	n per year per v	ehicle	

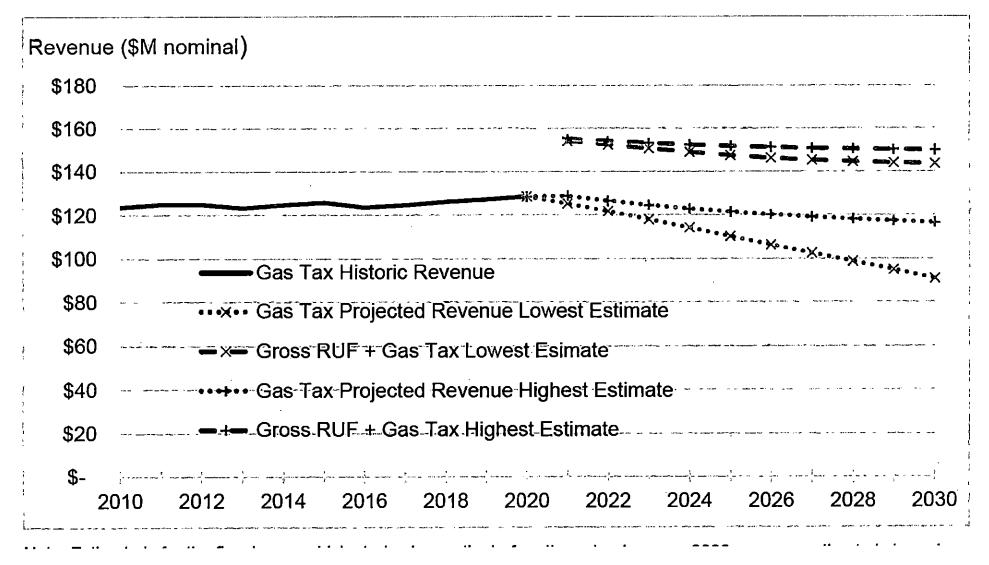
Advantage of RUF over Vehicle Miles Traveled (VMT) Oregon Plan?

- 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?

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Figure ES.1 Historical and Projected Unrestricted Highway Fund Revenue



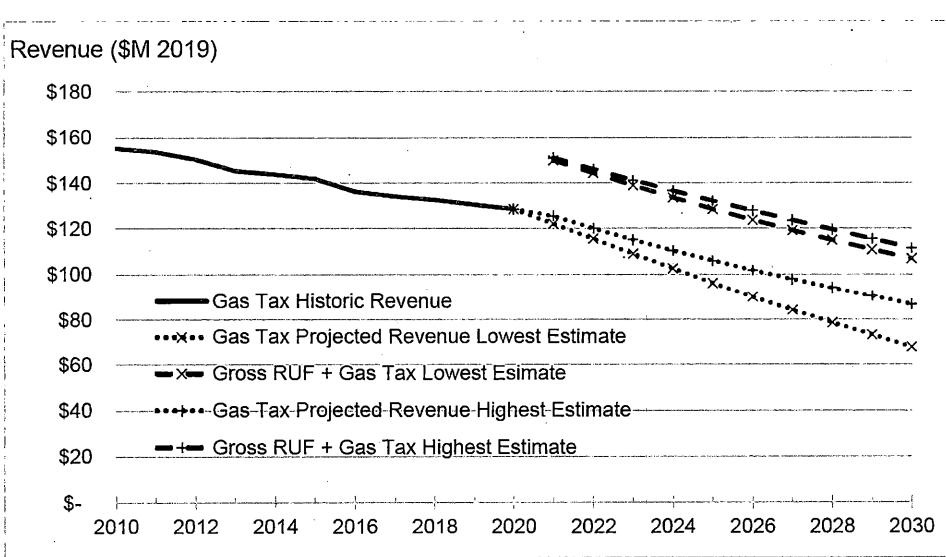
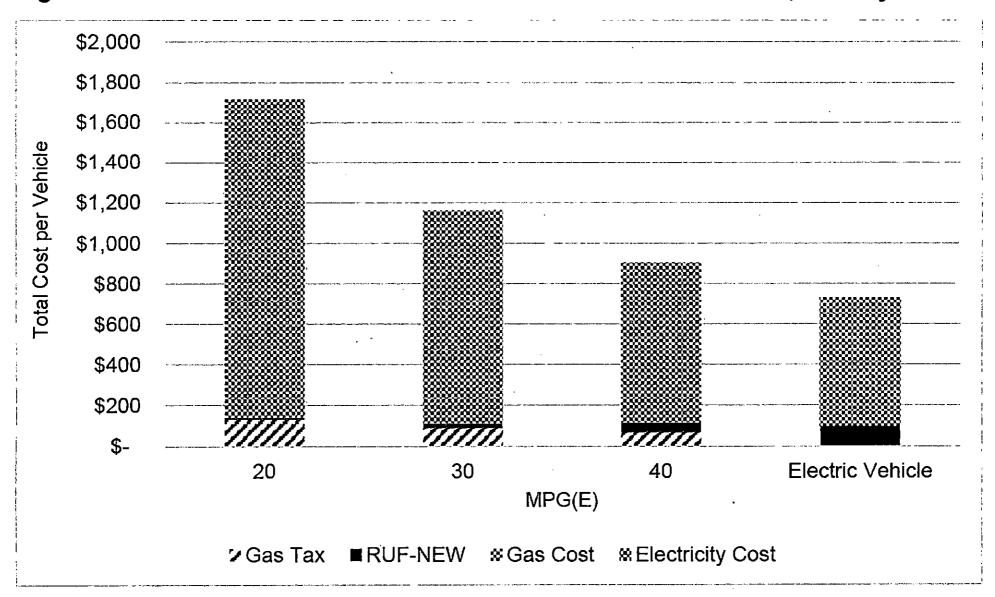


Figure ES.2 Historical and Projected Unrestricted Highway Fund Revenue in 2019 Dollars

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Road Usage Fee Revenue Potential and Equity Implications – Phase TReport

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



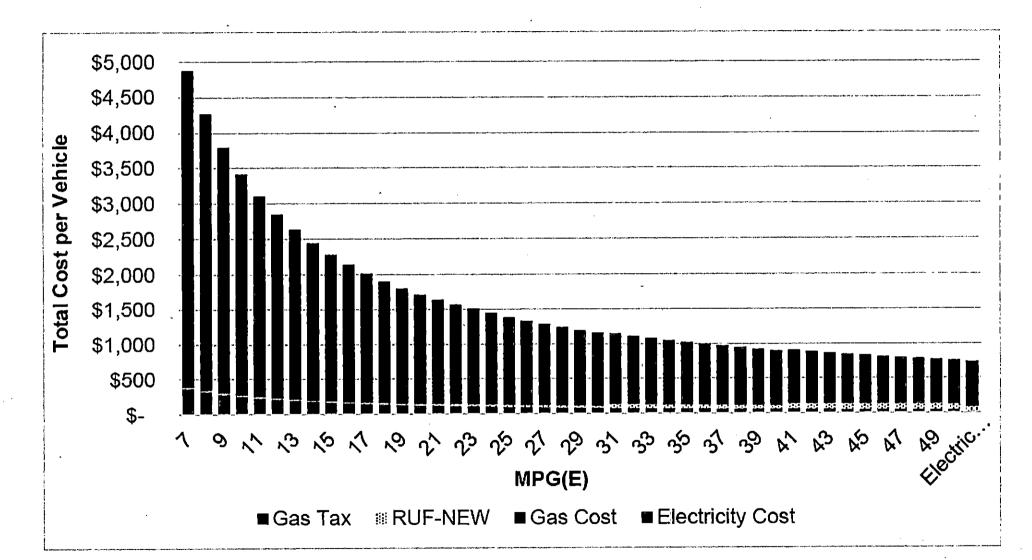


Figure 6.1 Annual Fuel + RUF Cost at Various MPG Levels and 12,000 mi/year

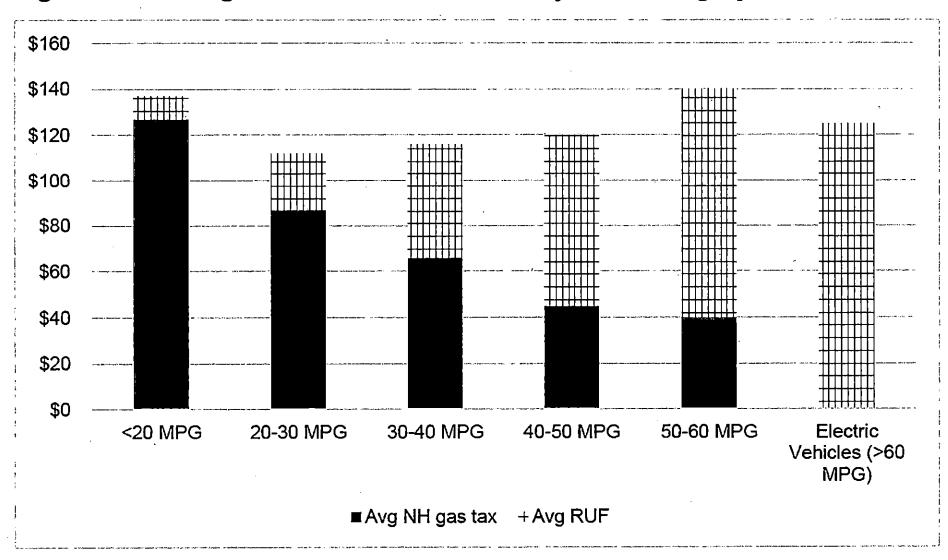


Figure 6.6 Average Annual Fuel Tax + RUF by MPG Category

Voting Sheets

Transportation Committee EXECUTIVE SESSION RECORD 2021-2022 Session

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Bill # HB 1040 Hearing date:_ Executive Session date: Motion of: Vote: Present Made by Second Yes No **Committee Member** Sen. Birdsell, Chair Sen. Watters, VC Sen. Ricciardi Sen. Ward Sen. Sherman Vote:____の Motion of: Committee Americanent **Committee Member** Present Second Yes Made by No Sen. Birdsell, Chair Sen. Watters, VC Sen. Ricciardi - XIII AIA , jego Sen. Ward Sen. Sherman Vote: 5-0 0 Motion of: Second-**Committee Member** Present Made by Yes No Sen. Birdsell, Chair , Sen. Watters, VC Sherman, Ricevaries Sen. Ricciardi Sen. Ward Sen. Sherman v Reported out by: MA Se U Notes:

Carsent

Committee Report

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STATE OF NEW HAMPSHIRE

SENATE

REPORT OF THE COMMITTEE FOR THE CONSENT CALENDAR

Tuesday, March 22, 2022

THE COMMITTEE ON Transportation

to which was referred HB 1040

ÀN ACT

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

Having considered the same, the committee recommends that the Bill

OUGHT TO PASS WITH AMENDMENT

BY A VOTE OF: 5-0

AMENDMENT # 1197s

Senator Regina Birdsell For the Committee

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. The committee amendment allows the Governor to appoint a representative from an energy and transportation non-profit organization, includes one senator on the commission, and considers out of state vehicles no longer be subject to the road toll.

Peter O'Neill 271-4151

FOR THE CONSENT CALENDAR

TRANSPORTATION

HB 1040, establishing a commission to study revenue alternatives to the road toll for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment.

Ought to Pass with Amendment, Vote 5-0. Senator Regina Birdsell for the committee.

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. The committee amendment allows the Governor to appoint a representative from an energy and transportation non-profit organization, includes one senator on the commission, and considers out of state vehicles no longer be subject to the road toll.

Bill_Status

General Court of New Hampshire - Bill Status System

Docket of HB1040

Docket Abbreviations

Bill Title: (New Title) establishing a commission to study revenue alternatives to the road toll for the funding of improvements to the state's highways and bridges and their resulting improvements to the environment.

Official Docket of HB1040.:

Date	Body	Description
11/2/2021	н	Introduced 01/05/2022 and referred to Public Works and Highways
1/9/2022	Н	Public Hearing: 01/19/2022 09:30 am LOB 201-203
1/27/2022	Н	Executive Session: 01/19/2022 01:00 pm LOB 201-203
1/28/2022	н	Executive Session: 01/27/2022 11:00 PM LOB 201-203
2/3/2022	Н	Committee Report: Ought to Pass with Amendment #2022-0205h (NT) (Vote 22-0; CC)
3/21/2022	Н	Removed from Consent (Rep. Graham) 02/16/2022
2/18/2022	Н	Amendment #2022-0205h: AA VV 02/17/2022 HJ 4
2/18/2022	Н	Lay on Table (Rep. Graham): MF DV 85-249 02/17/2022 HJ 4
2/18/2022	Н	Ought to Pass with Amendment 2022-0205h: MA VV 02/16/2022 HJ 3
3/1/2022	S	Introduced 02/24/2022 and Referred to Transportation; SJ 5
3/21/2022	S	Hearing: 03/22/2022, Room 101, LOB, 01:30 pm; SC 12
3/24/2022	S	Committee Report: Ought to Pass with Amendment #2022-1197s , 03/31/2022; Vote 5-0; CC; SC 13
3/31/2022	S	Committee Amendment #2022-1197s , AA, VV; 03/31/2022; SJ 7
3/31/2022	S	Ought to Pass with Amendment 2022-1197s, MA, VV; OT3rdg; 03/31/2022; SJ 7
5/13/2022	н	House Concurs with Senate Amendment (Rep. Graham): MA VV 05/12/2022 HJ 13
6/14/2022	S	Enrolled Adopted, VV, (In recess 05/26/2022); SJ 13
6/14/2022	н	Enrolled (in recess of) 05/26/2022 HJ 14
8/8/2022	Н	Signed by Governor Sununu 06/24/2022; Chapter 255; I. Sec 2 eff. 11/01/2022 Rem eff. 6/24/2022 HJ 14

NH House

NH Senate

Other Referrals

Senate Inventory Checklist for Archives

Bill Number: HB 1040

Senate Committee: Transfortation

Please include all documents in the order listed below and indicate the documents which have been included with an "X" beside

Final docket found on Bill Status

Bill Hearing Documents: {Legislative Aides}

- Bill version as it came to the committee
- All Calendar Notices
- Hearing Sign-up sheet(s)
- Prepared testimony, presentations, & other submissions handed in at the public hearing
- × |×|×|× Hearing Report
 - Revised/Amended Fiscal Notes provided by the Senate Clerk's Office

Committee Action Documents: {Legislative Aides}

All amendments considered in committee (including those not adopted):

- amendment # <u>11975</u> - amendment # _____

_____ - amendment # ______ - amendment # ______

Executive Session Sheet

Committee Report

Floor Action Documents: (Clerk's Office)

All floor amendments considered by the body during session (only if they are offered to the senate):

___ - amendment # ______ - amendment # ______

- amendment # _____ _____ - amendment # ____

Post Floor Action: (if applicable) (Clerk's Office)

Committee of Conference Report (if signed off by all members. Include any new language proposed by the committee of conference):

Enrolled Bill Amendment(s)

Governor's Veto Message

All available versions of the bill: {Clerk's Office}

 $\underline{\alpha}$ as amended by the senate

as amended by the house

final version

Completed Committee Report File Delivered to the Senate Clerk's Office By:

Peter ONEil

Committee Aide

Senate Clerk's Office

6/7/2022