



New Hampshire State Senate ***NEWS RELEASE***

For Immediate Release:

March 23, 2011

Contact:

Carole Alfano, 271-7585

carole.alfano@leg.state.nh.us

Senate votes to end \$30 surcharge on motor vehicles

(Concord) One of the most unpopular fees in New Hampshire may soon be history. The Senate voted 19-5 today to eliminate the state's current \$30 surcharge on motor vehicle registrations by passing SB78.

Finance Chairman Chuck Morse (R-Salem) called the surcharge "taxation without representation" because only one-third of the money collected over the past two years has been returned to the communities where it belongs. While Morse acknowledged the surcharge has raised \$90 million, he stressed that in addition to short-changing communities, some of the money collected was used to fund ten-percent pay raises at the Department of Transportation a decision that, to him, did not seem fair to taxpayers given the current economic situation. He also noted that a review of how the state's highway system is funded is necessary and long overdue.

The initial surcharge was put in place as a compromise in 2009 to help balance the state's budget and was intended to only be temporary. The Senate's move today greatly increases the likelihood that the fee will be eliminated.

Sen. Jack Barnes, Jr. (R-Raymond) put his support behind SB78 telling his colleagues that the increased fee was the number one issue he heard from voters on the campaign trail this past November, far outpacing concerns regarding the state's budget.

Sen. Andy Sanborn (R-Henniker) also felt strongly that the surcharge had to go because the Senate needed to deliver on the promise that many in the chamber had made to their constituents.

###