

HB 478-FN-A - AS INTRODUCED

2019 SESSION

19-0241
06/05

HOUSE BILL ***478-FN-A***

AN ACT establishing a road usage fee and making an appropriation therefor.

SPONSORS: Rep. Major, Rock. 14; Rep. Almy, Graf. 13; Rep. Graham, Hills. 7; Rep. Abrami,
Rock. 19; Rep. Wall, Straf. 6; Sen. D'Allesandro, Dist 20

COMMITTEE: Public Works and Highways

ANALYSIS

This bill establishes a road usage fee for motor vehicles registered to travel on New Hampshire roads based on the equivalent miles per gallon of the vehicle. The fee is collected at the time of annual registration of the vehicle and deposited in the highway fund. The bill also makes an appropriation to the department of safety to implement the road usage fee.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Nineteen

AN ACT establishing a road usage fee and making an appropriation therefor.

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

1 1 New Section; Motor Vehicles; Road Usage Fee. Amend RSA 260 by inserting after section 32-
2 c the following new section:

3 260:32-d Road Usage Fee.

4 I. Except as provided by paragraph II, the owner of each New Hampshire motor vehicle
5 which has an equivalent miles per gallon (MPG) more than 20 MPG shall be required to pay a road
6 usage fee at the time of registration of the vehicle, other than temporary registration, with a
7 registration agent. The road usage fee shall be based on a vehicle that travels 10,000 miles per year
8 and averages 20 MPG. Such a base vehicle would use 500 gallons of fuel and pay \$111 per year in
9 road toll. The road usage fee for such base vehicle is \$0. The road usage fee for all other vehicles
10 shall be \$111 minus the New Hampshire road toll paid per year based on 10,000 miles of travel.

11 II. The road usage fee shall not apply to motorcycles as defined in RSA 259:63, mopeds as
12 defined in RSA 259:57, off highway recreational vehicles as defined in RSA 259:69, and motor
13 vehicles that are model year 1985 or older.

14 III. The department of safety, in conjunction with the department of transportation, shall
15 develop and maintain a system which links the United States Environmental Protection Agency's
16 MPG data system with the department of safety's vehicle identification number (VIN) data system,
17 allowing registration agents to collect the road usage fee established in amounts based on the
18 following MPG ranges:

	MPG range at 10,000 miles per year
19	
20	20 or less
21	greater than 20 to 30
22	greater than 30 to 40
23	greater than 40 to 50
24	greater than 50
25	no gasoline

26 IV. The registration agent may retain \$1 of each road usage fee collected in compensation
27 for the administrative costs of collecting the fee. The remainder of the fees shall be remitted to the
28 state treasurer for deposit, net of any "Apportionment A" allocated to the local highway aid fund for
29 distribution under RSA 235:23, I, in the highway fund.

30 2 Implementation of Road Usage Fee. Before April 1, 2020, the commissioner of safety, in
31 conjunction with the commissioner of transportation, shall develop the linked data system required

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1 under RSA 260:32-d as inserted by section 1 of this act and adopt rules pursuant to RSA 541-A to
2 establish road usage fees based on the requirements and mileage per gallon ranges (MPG)
3 established in RSA 260:32-d, I and III.

4 3 Appropriation; Department of Safety. The sum of \$330,000 is hereby appropriated to the
5 department of safety for the biennium ending June 30, 2021, for the purpose of implementing the
6 provisions of this act. The appropriation shall be a charge against the highway fund and is in
7 addition to any other funds appropriated to the department of safety.

8 4 Effective Date.

9 I. Section 1 of this act shall take effect April 1, 2020.

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

**HB 478-FN-A- FISCAL NOTE
AS INTRODUCED**

AN ACT establishing a road usage fee and making an appropriation therefor.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2020	FY 2021	FY 2022	FY 2023
Appropriation	\$330,000	\$0	\$0	\$0
Revenue	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source:	<input type="checkbox"/> General <input type="checkbox"/> Education <input checked="" type="checkbox"/> Highway <input checked="" type="checkbox"/> Other - Restricted Cost of Collections*			

*Pursuant to Part II, article 6-a of the New Hampshire constitution, any costs associated with the collection and administration of Highway Funds by the Department of Safety shall be deducted by the Department before such funds are credited to the Highway Fund as unrestricted revenue.

LOCAL:

Revenue	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase

METHODOLOGY:

This bill establishes an annual road usage fee for motor vehicles and will range from zero for vehicles that average less than 20 miles per gallon (MPG) up to \$111 for vehicles that average 51 MPG or more (including gasoline free vehicles). The road usage fee will be calculated as \$111 minus the estimated road toll paid per year based on 10,000 miles of travel for each vehicle. The base amount of \$111 based on a 20 MPG vehicle that travels 10,000 miles (\$0.222 road toll X 500 gallons). The Department of Safety states available data is insufficient to make an estimate on this bill's revenue impact at this time.

This bill allows for the retention of \$1 per each road usage fee collected by the registration agent within the municipality to cover the administrative cost of collecting the fee. Any revenue after the administrative cost is covered and 12 percent of total road toll and motor vehicle fees are distributed to cities and towns, pursuant to RSA 235:23 ("Apportionment A"), the remaining fee revenue is deposited into the highway fund. This provision of the bill will increase both state and local expenditures and revenue by an indeterminable amount depending on the total road usage fee revenue.

This bill includes a highway fund appropriation of \$330,000 in for the biennium ending FY 2021 for the Department of Safety for the purpose of implementing the provision of this act. The Department estimates this would be sufficient to cover start-up cost, mostly related to system modification and testing, required for the implementation of this bill. Local expenditures may also increase relative to programming costs associated with implementing the road usage fee.

AGENCIES CONTACTED:

Department of Safety