HB 510 Raising Vehicle Registration Fees to Provide Funding to NH DOT Road and Bridge Maintenance including Noise Abatement for Portsmouth's Pannaway Manor Neighborhood

No one in NH likes to pay more in taxes or fees. However, it is a fact of life that we have to pay for what we use or receive in services. The often-unspoken truth about our state's financial situation is that we are chronically underfunded by 10-25% compared to what the state is already obligated to do by law, or is responsible to deliver in services, either now or in the future. Unless our state changes the way we raise revenue, e.g. by implementing a sales or income tax, this situation is not going to change.

This is true in the social services areas like education funding, child welfare, mental health services, but also when it comes to funding state pensions and the benefits that NH residents are entitled to by law. When it comes to our state's maintenance and repair obligations administered by NHDOT it is particularly true, as I have discovered during my last 2 years serving as a Portsmouth State Representative.

As I have explored trying to find a way to obtain noise abatement measures for the Pannaway Manor neighborhood, I have discovered that while this neighborhood may have been waiting for such action since the 1980s, and is recognized as entitled to them, 48 other locations in our state are also waiting. But there is no current, or future funding available. In addition, NHDOT has a long backlog of projects in need of attention, including an increasing number of red-listed bridges, which likewise are waiting for funding to appear. To fund such projects our state only has 3 significant sources of revenue: 1) the tolls on our highways, 2) the 22 cents gas tax on each gallon of gasoline, and comparable revenue from diesel fuels, and 3) the fees collected for registering a automobile or truck.

Currently, the legislature seems unwilling to raise the gas tax on fuels, even though our state is losing revenue because cars and trucks are becoming more fuel-efficient and purchasing fewer gallons of fuel. Last year the Executive Council was ready to raise the tolls on our highways, but Governor Sununu blocked that effort.

That is way, under these circumstances, I have sponsored a bill, HB510 that would adjust the state registration fee for cars and trucks, based on their weight, and use 25% of the additional new revenue to fund noise abatement projects, while providing 75% of the additional new revenue to the Betterment Fund, used for NHDOT's unfunded needs, such as our secondary state roads. My bill only deals with the state registration fee and not the fee collected by local municipalities. In the case of my vehicle, Portsmouth collects \$413 from me, while the state is collecting only \$43.20. The state registration fee has not been changed for over 11 years. Also, despite the fact that heavier vehicles (especially heavy trucks) cause more damage to our roadways than average or lighter cars, the registration fee for heavier vehicles is only slightly more than that for lighter vehicles. My bill does not single out any particular type of vehicle, whether it is a pick-

up truck, an electric vehicle, a hybrid vehicle or a conventional combustion engine vehicle. If it weighs something, it pays something.

My bill would make the following changes: 1) the number of weight categories would increase, 2) the registration fee for the middle level weight category of automobiles would be adjusted upward to reflect both inflation or CPI and the increased MPG (miles per gallon) national average during the last 11 years, 3) using this adjusted fee, the fees for all categories would be adjusted upward, however, fees for lighter vehicles would go up less and fees for heavier vehicles would go up more (proportional to the vehicles weight), 4) finally, all of these fees would be adjusted annually based on the changes of the MPG and the CPI, this would avoid large increases in the future. Two examples of how automobiles would be affected by my bill are: a light-weight vehicle of 3000 lbs. would pay \$34.35 instead of \$31.20, while a vehicle weighing 8000 lbs. would pay \$95.69 instead of \$55.20.

Initial reports in the Portsmouth Herald quoted incorrect numbers, which they corrected 2 days later. The numbers in the paper initially mentioned the new fees and suggested that they were the increases and NOT the final new fees. I can provide a spreadsheet upon request which shows the old and new state registration fees proposed by my bill. However, these may be rejected or changed by the NH House committee hearing this bill, so that they are not yet the final numbers.

I understand that no one is happy to pay more for anything, if it is avoidable. However, our state must either <u>learn not to overpromise</u>, or <u>raise the needed revenues</u>, as fairly as possible to fulfill the promises made to NH residents. This was my motivation for drafting and submitting this bill.