The State of New Hampshire
Department of Environmental Services
Thomas S. Burack, Commissioner

Celebrating 25 years of protecting New Hampshire's environment.

January 19, 2012

The Honorable Stephen Stepanek, Chairman
House Ways and Means Committee
Legislative Office Building, Room 202
Concord, New Hampshire 03301

RE: House Bill 1144, establishing a commission to study taxation of alternate fuel and electric-powered motor vehicles

Dear Chairman Stepanek and Members of the Committee:

Thank you for the opportunity to comment on behalf of the Department of Environmental Services (DES) regarding HB 1144 relative to establishing a commission to study taxation of alternative fuel and electric-powered motor vehicles. DES supports the formation of this commission to study the impact on the highway fund from today's evolving vehicle mix that includes electric, hybrid, and alternative fuel cars.

Two previous commissions, the *Commission To Study Future Sustainable Revenue Sources For Funding Improvements To State And Municipal Highways And Bridges* and the *Commission To Study Alternate Fuel Vehicles*, both established in the 2009 session of the General Court, began this discussion, but no solution to this complex issue was agreed upon or enacted. It is necessary to continue the discussion regarding shortfalls in the State's highway fund resulting from reduced fuel consumption due to high fuel prices, as well as any inequities posed by alternative fuel and efficient vehicles. DES is pleased to be named a member of this commission.

While ultra efficient hybrid vehicles, clean natural gas vehicles, and emerging electric vehicles can help reduce air pollution, decrease our dependence on foreign petroleum, and save New Hampshire motorists and businesses money, they do not have a lower impact on the roads themselves. All vehicles traveling on the roadways necessarily contribute to the wear and tear of our transportation network and some mechanism should be developed to allow for equitable accounting of a vehicle's impact on the roads of the state.

DES has worked extensively to promote the use of advanced technology and alternative fuel vehicles through the Granite State Clean Cities Coalition, a public/private partnership of over 90 stakeholders statewide. We have also consistently supported actions that reduce the total number of vehicle miles traveled in the state through participation in regional planning commissions and metropolitan planning organizations.

DES, therefore, can provide a valuable perspective in support of the work of this commission and looks forward to participating.

Thank you again for the opportunity to comment on HB 1144. Should you have further questions or need additional information please feel free to contact Rebecca Ohler, Transportation and Energy Programs Manager, Air Resources Division (271-6749, rebecca.ohler@des.nh.gov).

Sincerely,

Thomas S. Burack
Commissioner

cc: HB 1144 sponsors