



The State of New Hampshire
Department of Environmental Services



Thomas S. Burack, Commissioner

March 31, 2015

The Honorable Nancy Stiles, Chair
Senate Transportation Committee
Legislative Office Building, Room 103
Concord, New Hampshire 03301

RE: House Bill 460, an act establishing a commission to study revenue alternatives to the road toll for the funding of the state's highways and bridges

Dear Chair Stiles and Members of the Committee:

Thank you for the opportunity to comment on behalf of the Department of Environmental Services (DES) regarding HB 460 relative to establishing a commission to study revenue alternatives to the road toll for funding the State's highways and bridges. DES supports the formation of this commission and appreciates our inclusion, but regrets the broad scope of the initially proposed commission has been narrowed to focus only on electric-powered and hybrid vehicles.

Establishing a commission to address one or two specific vehicle technologies may be short-sighted by not addressing the root causes of declining revenues. This is a complex issue and not one that is likely to be solved by a commission that expires before the end of this year. As originally presented, House Bill 460 proposed a non-lapsing commission that would report annually on their progress.

Federal fuel economy standards, long in existence for light duty cars, also now apply to medium and heavy duty vehicles¹. As a result, the fuel efficiency of all motor vehicles is improving, thus reducing the road toll collected per vehicle mile. By 2025 the average fuel economy of passenger cars will be over 54 miles per gallon, and the new medium and heavy-duty standards are projected to reduce petroleum use in the United States by over 530 million barrels per year.

Fuel economy standards will significantly improve air quality in New Hampshire and around the country, will reduce greenhouse gas emissions, and will save consumers

¹ <http://www.epa.gov/otaq/climate/documents/420f11031.pdf> - starting with model year 2014, fuel economy and greenhouse gas emission standards apply to combination tractors; heavy-duty pickup trucks and vans; and vocational vehicles.

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money through lower fuel bills. This is all good news. However, as a result, revenue to both the New Hampshire and the federal highway funds on a “per mile traveled” basis will decline over time. Combined with changing demographic trends that show both aging Baby Boomers and younger generations driving less, there will be even fewer funds available for maintaining and improving our transportation system.

All vehicles traveling on the roadways contribute to the wear and tear of our transportation network. The State needs to develop a mechanism to allow for equitable accounting of and payment for a vehicle’s impact on the roads, but the concept of equity goes beyond electric and hybrid vehicles. Such a mechanism should not create a disincentive for the adoption of cleaner, more efficient vehicles, but fairly assess a fee for the use of our transportation infrastructure.

In summary, DES concurs that all users of the state’s roadways should contribute toward the cost of maintaining the system. However, it is critical to be equitable in that assessment and to balance state policies relative to road toll income with those that seek to encourage fuel efficiency and advanced technologies due to the economic and environmental benefits of reduced use of petroleum fuels. Establishment of a long term, broadly focused commission will best address this complex issue.

Thank you again for the opportunity to comment on HB 460. Please contact Rebecca Ohler, Administrator, Technical Services Bureau (Rebecca.ohler@des.nh.gov, 603-271-6749), or Felice Janelle, Supervisor, Mobile Sources (felice.janelle@des.nh.gov, 603-271-4848) if you have any questions or would like further information.

Sincerely,



Thomas S. Burack
Commissioner

cc: HB 460 sponsors
John Barthelmes, Commissioner, DOS