

Senate Commerce Committee

Aaron Jones 271-2609

AMENDMENT # 2025-1243s, repealing the requirement that vehicle funding loan contracts have successive periodic payments that are substantially equal in amount to HB 382, relative to authority for municipalities to regulate mandatory on-site parking requirements.

Hearing Date: April 15, 2025

Time Opened: 10:42 a.m.

Time Closed: 10:51 a.m.

Members of the Committee Present: Senators Innis, Ricciardi, Murphy, McGough, Fenton and Reardon

Members of the Committee Absent : None

Bill Analysis: This bill amends the amount of accessory parking that municipalities can require for residential units.

Sponsors:

Rep. Sweeney

Rep. Alexander Jr.

Rep. Berry

Rep. Grill

Rep. A. Murray

Rep. Osborne

Who supports the amendment: Dan Bennett (NH Auto Dealers Association), Michelle Elder (Ford Motor Company), Vince Talia (Ford Motor Company), Tom Bouchard (Ford Motor Company), Curtis Howland, James Gardner, Sayre Moskwa, Anne Marie Skinner, Jason Sorens, Sandra Bravo, Aubrey Freedman

Who opposes the amendment: Representative Tom Schamberg, Sarahlynn Williams, Carol Schutte, Rachel Webb, Lisa Haagen, Catherine Tarnowski, Roger Murray, Sharon Monahan, Roy Schweiker, Leah Van Ryen, Todd Selig (Town of Durham), Stephen MacLeod, Jo Beth Dudley (Dalton Select Board), Helen Lloyd-Davies, Maura Annette Chappelle, Loretta Laurenitis

Who is neutral on the amendment: No one

Summary of testimony presented in support:

Senator Daniel Innis

- Amendment 25-1243s would repeal the requirement that vehicle funding loan contracts have successive periodic payments that are substantially equal in amount.
- Under existing statute, payments must be equal over the course of a loan. As society has advanced, however, different financing opportunities have arisen that do not have equal payments over the life of a contract.

Dan Bennett, New Hampshire Automobile Dealers Association

- The Association supported the amendment.
- Flex payment plans are an innovative tool that can be used by dealers.
- Mr. Bennett said this would not help dealers sell more cars, but it was a nice offering.
- Since these plans cannot be offered, dealers said they were at a competitive disadvantage with dealers in Massachusetts who can.

Michelle Elder, Regional Director for State Government Affairs, Tom Bouchard, and Vince Talia, Regional Manager for Motor Credit, Ford Motor Company

- Under the New Hampshire retail installment sales of motor vehicle statute, motor vehicle installment sales contracts must have payments in substantially equal amounts. As a result, dealers and consumers are prohibited from using flexible payment options, such as Ford Credit's Flex Buy program.
- Ms. Elder said consumers in New Hampshire are uniquely restricted from accessing innovative financing programs.
- The Flex Buy Program is offered in 43 states; however, New Hampshire is one of seven outlying jurisdictions.
- Unlike standard financing, the program offers a payment structure that provides lower payments for the first 36 months of the contract. Mr. Talia said this provided consumers with greater flexibility in managing their budgets.
- The program is like traditional retail contracts with fixed rates throughout the term, but it has an unequal payment structure with lower payments for the first 36 months, which increase in month 37 to ensure the balance is paid off.
- As vehicle prices have increased, payment affordability has become a concern.
- As an individual's income increases, they can afford higher payments.
- Often, Mr. Talia said consumers will trade in their vehicle as payments increase.
- Mr. Talia said this amendment would put New Hampshire in alignment with a majority of other states.
- The playing field would be leveled for consumers by providing them with the freedom to determine payment amounts that meet their needs.

- This amendment would not remove consumer protections. These contracts are designed to ensure consumers are aware of their payment obligations.
- Ford's data analytics team has tracked the performance of this program and standard financing. They have found very similar results between both options across 43 states.
- Mr. Bouchard said this provided consumers with another option to purchase their vehicle.
- Ms. Elder asked the Committee to pass this amendment, so New Hampshire residents could have options to finance their vehicles that fit their unique circumstances.

Summary of testimony presented in opposition: None

Neutral Information Presented: None

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Date Hearing Report completed: April 18, 2025