HB 1328-FN - AS INTRODUCED

2018 SESSION

18-2135
03/10

HOUSE BILL ***1328-FN***

AN ACT relative to motor vehicle inspections.

SPONSORS: Rep. Dickey, Hills. 5

COMMITTEE: Transportation

ANALYSIS

This bill changes the annual motor vehicle inspection requirement to a biennial requirement. This bill also raises the fee for inspection stickers from $3.25 to $6.50.

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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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

18-2135
03/10

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eighteen

AN ACT relative to motor vehicle inspections.

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

1 Vehicle Inspection; Frequency. Amend RSA 266:1, II to read as follows:

II. Any vehicle registered under this title, except an OHRV, snowmobile, moped, or other exempt vehicle, shall be inspected once [~~a~~] ***every second*** year, during the month in which the birth date of the owner is observed, if the owner is a natural person. [~~An inspection sticker shall be valid for the same duration as the vehicle's registration, which shall not exceed 16 months. If the month in which the anniversary of the owner's birth occurs will be one of the next 4 months, an inspection sticker may be issued, with an expiration date of the birth month in the following year, of the first person named on the title application.~~] Nothing in this paragraph shall require any person who has registered and had inspected a vehicle with temporary plates to have the vehicle reinspected upon receipt of permanent motor vehicle plates. An inspection sticker shall not expire when a vehicle is transferred to a licensed dealer.

2 Motor Vehicle Inspections; Dates. Amend RSA 266:1, III to read as follows:

III. If the owner of the vehicle is a company or corporation or other than a natural person, the [~~annual~~] ***biennial*** inspection shall be made during the month designated by the director as the registration month for such legal entity. [~~Vehicles registered as antique motor vehicles and antique motorcycles and which are 40 years old and over shall be inspected biennially.~~] Antique motor vehicles and custom vehicles shall be inspected in the month of April. Without regard to the owner's birth date or registration month, motorcycles, autocycles, and recreational vehicles shall be inspected [~~annually~~] by July 1 ***of every second year***.

3 Motor Vehicle Inspections; Fees. Amend RSA 266:2 to read as follows:

266:2 Fees. The fee for inspection stickers shall be [~~$3.25~~] ***$6.50*** for each sticker furnished an approved inspection station. The division shall transfer [~~$.25~~] ***$.50*** of each fee collected under this section to the motor vehicle air pollution abatement fund established by RSA 125-S:3 and [~~$.25~~] ***$.50*** of each fee collected under this section to the general fund. All unused stickers returned by the approved inspection station to the division shall be refundable at the rate of [~~$3.25~~] ***$6.50*** each, except that unused stickers purchased from the division for a fee of $2.50 shall be refundable at the rate of $2.50 each ***and unused stickers purchased from the division for a fee of $3.25 shall be refundable at the rate of $3.25 each***.

4 Effective Date. This act shall take effect January 1, 2019.

LBAO
18-2135
10/30/17

HB 1328-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to motor vehicle inspections.

FISCAL IMPACT: [X] State [ ] County [X] Local [ ] None

	Estimated Increase / (Decrease)			
STATE:	**FY 2019**	**FY 2020**	**FY 2021**	**FY 2022**
Appropriation	$0	$0	$0	$0
Revenue	$2,275,000	$0	$0	$0
Expenditures	Indeterminable Increase	$231,000	$0	$0
Funding Source:	[X] General [ ] Education [X] Highway [X] Other - Motor Vehicle Air Pollution Abatement Fund and 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	$0	$231,000	$0	$0
Expenditures	$0	$0	$0	$0

METHODOLOGY:

This bill changes the required motor vehicle inspection frequency from every year to every second year, while also doubling all related inspection fees to reflect the reduced frequency of inspection. Although in the long-term there will be no net impact on state revenue relative to this proposed change, there will be an increase in revenues realized in FY 2019 due to the effective date of this bill (01/01/19) falling in the middle of the fiscal year, as illustrated below.

	FY 2019 (After 01/01/19, Six Months Only)
<u>Current Law</u>	
Estimated Annual Inspection Stickers	700,000
Sticker Price	$3.25
Total Revenue	**$2,275,000**
MV Air Pollution Abatement Fund ($0.25)	*$175,000*
General Fund ($0.25)	*$175,000*
Restricted - Cost of Collections ($2.75)	*$1,925,000*
<u>Proposed</u>	
Estimated Annual Inspection Stickers	700,000
Sticker Price	$6.50

Total Revenue	**$4,550,000**
MV Air Pollution Abatement Fund ($0.50)	*$350,000*
General Fund ($0.50)	*$350,000*
Restricted - Cost of Collections ($5.50)	*$3,850,000*
Difference	
Total Revenue	**$2,275,000**
MV Air Pollution Abatement Fund	**$175,000**
General Fund	**$175,000**
Restricted - Cost of Collections	**$1,925,000**

Also, pursuant to RSA 235:23, not less than 12 percent of the total motor vehicle fee revenue collected in the previous year is distributed to municipalities as highway block grants. Therefore, this bill would result in an increase in state highway fund expenditures and local revenue in FY 2020 of $231,000 ($1,925,000 X 12%), based on the above estimates.

This bill will also require Division of Motor Vehicles system reprogramming, which will increase state expenditures by an indeterminable amount.

AGENCIES CONTACTED:

Department of Safety