



New Hampshire Tax Collectors' Association

January 24, 2019

The Honorable Susan Almy, Chairman
House Committee on Ways and Means
Legislative Office Building, Room 202
Concord, NH 03301

Re: **HB 563**, An Act relating to the fees for failing to register a motor vehicle.

Dear Chairman Almy and Committee Members:

My name is Becky Benvenuti, Revenue Administrator & Tax Collector for the City of Portsmouth. I am here today as Chairman of the New Hampshire Tax Collectors Association's Legislative Committee. We respectfully ask that you vote in favor of HB 563.

It has become increasingly evident across our State that the number of NH residents (individuals and businesses) registering their trailers, campers and semi-trailers in the State of Maine and other states, rather than here in their own municipality and state, is increasing. Much to the frustration of NH municipalities and the NH Department of Motor Vehicles, as well as other states, the State of Maine allows non-governmental agents to issue multi-year, significantly discounted motor vehicle registrations to residents of any other state in the country. Maine agents have also begun registering any vehicle—not just trailers. This practice by NH residents represents a direction violation of NH RSA 261:40. Unfortunately, the current small fine (\$100) and the lack of enforcement of this statute, has not prevented, or even discouraged, our residents from registering their vehicles in Maine (or any other state, such as Indiana) who market these discounted plates.

This directly impacts NH municipalities' second largest revenue source: motor vehicle revenue. To provide you with just a sampling of examples, in Portsmouth one company who began registering 20 semi-trailers in the State of Maine just over a year ago, resulted in the loss of approximately \$15,000 in annual revenue to the City. Manchester has 6,000 'utility trailers registered, resulting in a total potential loss of \$300,000 in annual municipal revenue should these owners choose to use a Maine agent. Just three months ago, we learned that the small town of Boscawen lost a large fleet of vehicles to Indiana equating to a \$100,000 loss in their annual municipal motor vehicle revenue. In a town the size of Boscawen, \$100,000 represents a loss of just under one-third of their total motor vehicle revenue (\$322,000).

This past year, I reached out to counterparts in most of the other New England states, plus New York, seeking information about their experiences in this regard. All acknowledged loss of revenue due to this issue as well as the difficult aspects of addressing the problem. Some states have recently enacted new legislation; some are in the process of proposing legislation to address the problem. Connecticut seems

to have the most comprehensive legislation (Title 14-12), with fines of \$1,000 plus an amount designated for the infraction of failing to renew a previous registration.

We strongly believe that strengthening our statute with increased penalty amounts and/or increased enforcement would immediately and directly improve the ability of municipalities and the State to collect the revenues which have been specifically set forth in our statutes to fund our government services. As you know, in order to fund our local and state budgets, every dollar of revenue which is not collected through motor vehicle permit fees and registrations, must still be collected at the expense of all other residents through an increase in their property taxes.

This bill will help get ahead of the statewide revenue loss that is occurring before there is an even greater and more widespread loss of revenue for all vehicle types. We respectfully ask that you vote in favor of HB 563.

Sincerely,

A handwritten signature in black ink, appearing to read "Becky I. Benvenuti". The signature is fluid and cursive, with a large initial "B".

Becky I. Benvenuti, Chairman
NHTCA Legislative Committee