



THE STATE OF NEW HAMPSHIRE  
DEPARTMENT OF TRANSPORTATION



Victoria F. Sheehan  
Commissioner

August 10, 2017

William Cass, P.E.  
Assistant Commissioner

Robert Taylor, Chairman of Selectmen  
Town of Plainfield  
PO Box 380  
Meriden, NH 03770

**RE: SENATE BILL 38 LOCAL HIGHWAY AID**

Dear Mr. Taylor:

In recognition of the need for improvements to local transportation systems, Governor Sununu and the legislature adopted Senate Bill (SB) 38 which has provided an additional \$30 million to be distributed to the State's 234 municipalities for local highway aid. The Department distributed the funds as a one-time lump sum payment to the municipalities on August 2, 2017. The distribution resulted in a number of questions.

The purpose of this letter is to respond to those questions and provide clarification on the uses and process for receiving and expending the funds.

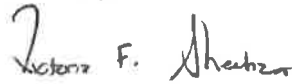
- The additional funding was distributed based on the same formula as Apportionment A of Highway Block Grant Aid as defined in RSA 235:2 Section I.
  - Half of the amount received was based on Class IV and V highway miles in each municipality in proportion to the total statewide municipal Class IV and V highway miles.
  - Half of the amount received was based on the municipal population in proportion to the total state population.
- The uses for SB 38 local highway aid are similar to the Highway Block Grant Aid Apportionments A and B for municipal highway construction, reconstruction or maintenance purposes.
- SB 38 local highway aid is specifically intended to be used for highway purposes that do not already have locally budgeted and approved funding. The funding is not to be used to supplant funds that are already locally budgeted and approved funds for road or bridge maintenance or construction activities.
- For example:
  - SB 38 funding can be used to do additional paving beyond what has approved funding.
  - SB 38 funding can be used for portions of local highways such as sidewalks, drainage, pavement markings, traffic signals, guardrail, bridges, etc.
  - SB 38 funding can be used as the match for municipal bridge projects or phases of projects that do not have local funding already approved.
  - SB 38 funding can be used for equipment necessary and totally dedicated to maintenance of local highways.
  - SB 38 funding cannot be used for municipal needs other than highways.
- The funds are non-lapsing.
- The Senate Bill 38 Distribution can be found at:  
<https://www.nh.gov/dot/business/documents/sb-38-bga-distribution071817.pdf>
- Additional information can be found in RSA 234:23 and 234:25 and at the Highway block Grant Aid Description that can be found at:  
<https://www.nh.gov/dot/business/documents/bgafunddescriptions.pdf>

SB 38 included provisions enabling municipalities to accept and expend the funds. The NH Department of Revenue Administration (NHDRA) issued the enclosed letter to provide additional information on those provisions and requirements.

NHDOT recommends that municipalities document how the SB 38 funds were expended in anticipation of reporting and/or auditing being required.

Hopefully, we have provided answers to questions you have as you move forward with expending the funds on local highway needs. If you have further questions, please contact the NHDOT Bureau of Planning and Community Assistance at 603-271-3344 or [bureau.462@dot.nh.gov](mailto:bureau.462@dot.nh.gov).

Sincerely,



Victoria F. Sheehan  
Commissioner

VFS/dmp  
Enclosure

cc: Honorable Christopher T. Sununu, Governor  
Honorable Chuck Morse, Senate President  
Honorable Shawn N. Jasper, Speaker of the House  
Judy Silva, NHMA Executive Director  
Stephen Hamilton, NHDRA  
William Watson, NHDOT



**State of New Hampshire  
Department of Revenue Administration**

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John T. Beardmore  
Commissioner

Lindsey M. Stepp  
Assistant Commissioner

MUNICIPAL AND PROPERTY  
DIVISION  
Stephan W. Hamilton  
Director

July 27, 2017

Josephine Belville  
Assistant Director

Judy A. Silva, Executive Director  
New Hampshire Municipal Association  
25 Triangle Park Drive  
Concord, New Hampshire 03301

RE: SB 38 additional appropriation of Highway Block Grant Funds

Dear Ms. Silva:

Thank you for your recent inquiry regarding the additional appropriation of Highway Block Grant Funds made by the legislature in adopting Senate Bill 38. The Department of Revenue understands that this action has inspired a number of questions which I hope can be answered with the following information:

- The provisions of SB 38 include specific language that allows municipalities to accept and expend these funds under the process provided in RSA 31-95-b regardless of whether they have adopted this local option provision;
- There are specific procedural requirements for accepting that include:
  1. Pursuant to RSA 31:95-b, II (a) the board of selectmen is required to hold a public hearing if the amount of the funds received is \$10,000 or greater;
  2. For amounts less than \$10,000 "the board of selectmen shall post notice of the funds in the agenda and shall include notice in the minutes of the board of selectmen meeting in which such moneys are discussed." See RSA 31:95-b, II (b); and,
  3. "The acceptance of unanticipated moneys under this subparagraph shall be made in public session of any regular board of selectmen meeting." See RSA 31:95-b, II (b). (Emphasis added).
- RSA 32:7, IV, provides that money from a state grant for a specific purpose is non-lapsing;
- The money being provided to the municipalities are additional grants under RSA 235:23, I;
- RSA 235:25, provides in pertinent part that, ". . . the unused balance may be carried over to the following municipal fiscal year and expended for highway construction, reconstruction or maintenance purposes." (Emphasis added);
- This amount of additional grant should not be reported as "Highway Block Grant Revenue" on the municipalities 2017 MS-434 Report of Revised Estimated Revenue;
- As dedicated grant funds, the additional grant will not become part of the unassigned fund balance; and,
- Cities and towns are encouraged to inquire of their accountant or accounting firm to determine the appropriate fund where the money will be placed.

Please let me know if you have any further questions or concerns, and please feel free to circulate this letter to your members.

Sincerely,

Stephan W. Hamilton, Director  
Municipal and Property Division

TDD Access: Relay NH 1-800-735-2984

*Individuals who need auxiliary aids for effective communication in programs and services of the Department of Revenue Administration are invited to make their needs and preferences known to the Department.*

**SB 38 Anticipated Additional Block Grant Funds**

Town	Amount		Town	Amount		Town	Amount
ACWORTH	\$ 72,086.46		CONWAY	\$ 217,101.73		HAMPTON FALLS	\$ 58,096.79
ALBANY	\$ 32,933.31		CORNISH	\$ 85,333.36		HANCOCK	\$ 78,547.86
ALEXANDRIA	\$ 72,658.34		CROYDON	\$ 33,002.10		HANOVER	\$ 248,393.71
ALLENSTOWN	\$ 76,856.98		DALTON	\$ 52,929.77		HARRISVILLE	\$ 50,369.83
ALSTEAD	\$ 81,774.93		DANBURY	\$ 74,654.37		HARTS LOCATION	\$ 1,792.47
ALTON	\$ 165,571.33		DANVILLE	\$ 94,048.36		HAVERHILL	\$ 151,249.73
AMHERST	\$ 280,493.03		DEERFIELD	\$ 126,130.50		HEBRON	\$ 23,796.90
ANDOVER	\$ 86,062.34		DEERING	\$ 81,627.38		HENNIKER	\$ 147,118.94
ANTRIM	\$ 81,164.40		DERRY	\$ 578,085.30		HILL	\$ 44,427.71
ASHLAND	\$ 48,654.35		DORCHESTER	\$ 21,594.75		HILLSBOROUGH	\$ 149,282.02
ATKINSON	\$ 136,793.59		DOVER	\$ 510,718.15		HINSDALE	\$ 83,438.37
AUBURN	\$ 137,228.26		DUBLIN	\$ 67,861.74		HOLDERNESS	\$ 61,807.53
BARNSTEAD	\$ 152,093.03		DUMMER	\$ 15,012.22		HOLLIS	\$ 192,344.55
BARRINGTON	\$ 185,620.26		DUNBARTON	\$ 85,002.15		HOOKSETT	\$ 260,243.87
BARTLETT	\$ 89,588.71		DURHAM	\$ 255,707.79		HOPKINTON	\$ 162,889.34
BATH	\$ 63,020.88		EAST KINGSTON	\$ 45,044.75		HUDSON	\$ 465,327.21
BEDFORD	\$ 487,073.81		EASTON	\$ 7,383.99		JACKSON	\$ 35,018.26
BELMONT	\$ 165,695.70		EATON	\$ 36,300.66		JAFFREY	\$ 138,878.11
BENNINGTON	\$ 37,913.09		EFFINGHAM	\$ 69,100.27		JEFFERSON	\$ 39,659.10
BENTON	\$ 12,851.15		ELLSWORTH	\$ 4,949.05		KEENE	\$ 417,356.69
BERLIN	\$ 203,779.42		ENFIELD	\$ 122,160.33		KENSINGTON	\$ 48,895.45
BETHLEHEM	\$ 92,464.87		EPPING	\$ 162,218.13		KINGSTON	\$ 146,515.92
BOSCAWEN	\$ 73,268.85		EPSOM	\$ 110,869.90		LACONIA	\$ 294,633.74
BOW	\$ 189,508.60		ERROL	\$ 4,138.04		LANCASTER	\$ 91,162.53
BRADFORD	\$ 76,730.84		EXETER	\$ 254,066.33		LANDAFF	\$ 25,021.00
BRENTWOOD	\$ 101,752.61		FARMINGTON	\$ 141,656.25		LANGDON	\$ 36,534.81
BRIDGEWATER	\$ 45,016.78		FITZWILLIAM	\$ 86,568.00		LEBANON	\$ 273,615.37
BRISTOL	\$ 80,398.83		FRANCESTOWN	\$ 81,510.08		LEE	\$ 95,184.52
BROOKFIELD	\$ 28,058.28		FRANCONIA	\$ 45,704.63		LEMPSTER	\$ 57,185.66
BROOKLINE	\$ 121,255.95		FRANKLIN	\$ 176,447.66		LINCOLN	\$ 31,043.34
CAMPTON	\$ 110,563.26		FREEDOM	\$ 74,308.73		LISBON	\$ 67,230.37
CANAAN	\$ 135,406.88		FREMONT	\$ 99,049.55		LITCHFIELD	\$ 172,648.92
CANDIA	\$ 96,707.76		GILFORD	\$ 191,147.01		LITTLETON	\$ 151,304.77
CANTERBURY	\$ 81,550.75		GILMANTON	\$ 131,713.87		LONDONDERRY	\$ 519,823.38
CARROLL	\$ 22,623.63		GILSUM	\$ 27,668.43		LOUDON	\$ 150,484.12
CENTER HARBOR	\$ 34,105.14		GOFFSTOWN	\$ 364,762.56		LYMAN	\$ 41,972.66
CHARLESTOWN	\$ 133,664.36		GORHAM	\$ 53,385.76		LYME	\$ 82,896.45
CHATHAM	\$ 11,847.45		GOSHEN	\$ 26,532.71		LYNDEBOROUGH	\$ 73,510.00
CHESTER	\$ 122,044.18		GRAFTON	\$ 76,764.90		MADBURY	\$ 46,425.84
CHESTERFIELD	\$ 129,263.03		GRANTHAM	\$ 57,836.53		MADISON	\$ 86,930.03
CHICHESTER	\$ 77,562.26		GREENFIELD	\$ 65,489.72		MANCHESTER	\$ 1,735,513.41
CLAREMONT	\$ 277,379.33		GREENLAND	\$ 72,684.30		MARLBOROUGH	\$ 64,956.48
CLARKSVILLE	\$ 17,826.33		GREENVILLE	\$ 37,076.27		MARLOW	\$ 38,313.61
COLEBROOK	\$ 81,270.73		GROTON	\$ 22,365.19		MASON	\$ 65,097.24
COLUMBIA	\$ 35,694.10		HAMPSTEAD	\$ 171,402.52		MEREDITH	\$ 182,156.66
CONCORD	\$ 749,030.26		HAMPTON	\$ 267,543.46		MERRIMACK	\$ 499,328.45

**SB 38 Anticipated Additional Block Grant Funds**

Town	Amount		Town	Amount		Town	Amount
MIDDLETON	\$ 52,422.56		RANDOLPH	\$ 14,428.19		WAKEFIELD	\$ 116,009.33
MILAN	\$ 39,924.08		RAYMOND	\$ 208,978.67		WALPOLE	\$ 119,999.51
MILFORD	\$ 278,330.86		RICHMOND	\$ 48,366.95		WARNER	\$ 111,248.88
MILTON	\$ 110,217.34		RINDGE	\$ 151,906.73		WARREN	\$ 31,964.87
MONROE	\$ 28,751.55		ROCHESTER	\$ 530,588.40		WASHINGTON	\$ 53,479.93
MONT VERNON	\$ 79,380.02		ROLLINSFORD	\$ 49,829.42		WATERVILLE VALLEY	\$ 11,246.51
MOULTONBOROUGH	\$ 125,625.98		ROXBURY	\$ 15,190.14		WEARE	\$ 237,654.30
NASHUA	\$ 1,363,049.37		RUMNEY	\$ 44,975.93		WEBSTER	\$ 61,243.04
NELSON	\$ 37,112.88		RYE	\$ 116,403.92		WENTWORTH	\$ 48,486.27
NEW BOSTON	\$ 172,728.33		SALEM	\$ 552,996.47		WESTMORELAND	\$ 71,440.94
NEW CASTLE	\$ 16,860.27		SALISBURY	\$ 58,171.98		WHITEFIELD	\$ 67,763.70
NEW DURHAM	\$ 96,699.83		SANBORNTON	\$ 118,042.57		WILMOT	\$ 71,639.23
NEW HAMPTON	\$ 89,565.91		SANDOWN	\$ 139,710.51		WILTON	\$ 107,455.42
NEW IPSWICH	\$ 127,554.54		SANDWICH	\$ 96,322.60		WINCHESTER	\$ 119,854.35
NEW LONDON	\$ 116,424.76		SEABROOK	\$ 152,200.37		WINDHAM	\$ 285,146.34
NEWBURY	\$ 100,501.82		SHARON	\$ 17,496.18		WINDSOR	\$ 3,647.04
NEWFIELDS	\$ 36,604.32		SHELBURNE	\$ 11,078.93		WOLFEBORO	\$ 153,088.07
NEWINGTON	\$ 32,300.87		SOMERSWORTH	\$ 195,014.44		WOODSTOCK	\$ 25,429.67
NEWMARKET	\$ 154,378.12		SOUTH HAMPTON	\$ 19,688.47			
NEWPORT	\$ 153,815.88		SPRINGFIELD	\$ 50,713.24		<b>TOTAL</b>	<b>\$ 30,000,000.00</b>
NEWTON	\$ 91,992.34		STARK	\$ 36,943.29			
NORTH HAMPTON	\$ 87,772.48		STEWARTSTOWN	\$ 55,045.52			
NORTHFIELD	\$ 108,614.25		STODDARD	\$ 30,910.23			
NORTHUMBERLAND	\$ 43,970.39		STRAFFORD	\$ 108,294.38			
NORTHWOOD	\$ 87,444.57		STRATFORD	\$ 18,449.97			
NOTTINGHAM	\$ 128,171.96		STRATHAM	\$ 147,929.13			
ORANGE	\$ 18,920.02		SUGAR HILL	\$ 43,644.01			
ORFORD	\$ 54,779.91		SULLIVAN	\$ 33,289.92			
OSSIPEE	\$ 153,081.10		SUNAPEE	\$ 104,429.79			
PELHAM	\$ 272,071.37		SURRY	\$ 22,142.85			
PEMBROKE	\$ 141,062.92		SUTTON	\$ 95,299.14			
PETERBOROUGH	\$ 163,965.41		SWANZEY	\$ 161,803.33			
PIERMONT	\$ 31,534.59		TAMWORTH	\$ 109,293.20			
PITTSBURG	\$ 54,064.71		TEMPLE	\$ 62,218.06			
PITTSFIELD	\$ 99,212.55		THORNTON	\$ 89,162.43			
PLAINFIELD	\$ 99,290.51		TILTON	\$ 54,428.79			
PLAISTOW	\$ 132,005.19		TROY	\$ 47,471.58			
PLYMOUTH	\$ 126,577.32		TUFTONBORO	\$ 70,710.48			
PORTSMOUTH	\$ 369,065.05		UNITY	\$ 73,795.06			