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BEA New Hampshire Department of BUSINESS AND ECONOMIC AFFAIRS

October 13, 2021

The Honorable Karen Umberger, Chairwoman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 14:30-a VI, authorize the Department of the Business and Economic Affairs (BEA) to accept and expend $503,003 of American Rescue Plan (ARP) State and Local Fiscal Recovery Funds (FRF) to fund the CDL Licensing Marketing and Communications, effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. This is an allowable use of ARP FRF funds under Section 602 (c)(1)(A) to respond to the public health emergency or its negative economic impacts. **100% Federal Funds.**

Funds are to be budgeted in FY2022 in the following account:

03-022-022-221010 – Division of Travel and Tourism
24900000 - ARP Workforce Marketing Program as follows:

03-022-022-221010-24900000[1] ARP Workforce Marketing Program		**FY2022**		**FY2022**
CLASS	**DESCRIPTION**	**ORIGINAL BUDGET**	**REQUESTED CHANGE**	**ADJUSTED BUDGET**
040 - 501587	Indirect Cost	$2,500	$2,500	$5,000
041 – 500801	Audit Fund Set Aside	$1,003	$503	$1,506
069 - 500567	Promotional Marketing Expense	$1,000,000	$500,000	$1,500,000
	TOTAL EXPENSES	**$1,003,503**	**$503,003**	**$1,506,506**
SOURCE OF FUNDS				
000 - 400338	Federal Funds	$1,003,503	$503,003	$1,506,506
	TOTAL REVENUE	**$1,003,503**	**$503,003**	**$1,506,506**

[1] *All direct program costs will be accounted for using activity 00FRF602PH2202A and all administrative and indirect costs will be accounted for using activity 00FRF602PH2202Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.*

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Funds are budgeted as follows:

Class 040 – Indirect Costs
Class 041 – Audit Fund Set-Aside - .001 of federal funds payable to DAS for audit fees
Class 069 – Marketing expenses contracted to develop marketing/communications program

EXPLANATION

The Department of Business and Economic Affairs (BEA) is requesting to accept and expend American Rescue Plan (ARP) State and Local Fiscal Recovery Funds (FRF) to support a CDL Licensing Marketing and Communications program. The program will support the state's commercial transportation and logistics industries by retaining and attracting new drivers and increasing the availability of resources to ensure those candidates have a clear pathway. BEA will work in conjunction with the Division of Motor Vehicles (DMV) to support the state's commercial transportation industry.

The COVID-19 pandemic has changed the way consumers and businesses acquire products, changing the shipping industry and putting massive pressure on the logistics industry nationwide. A shortage of commercially licensed drivers and changing federal rules in 2022 will likely accelerate these serious issues across a wide range of transportation needs, including tractor-trailers, heating oil/propane delivery tankers, public and school buses, box trucks, and hazardous materials transports.

$500,000 in funding would be allocated for post COVID-19 development and execution of a strategic marketing and communications plan for both recruiting new CDL drivers and communicating changes to CDL licensing, by developing creative assets, including training videos, social ads, TV/radio ads, printed resources and more. Implementation of tracking mechanisms will ensure that the resources being deployed are effective.

In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,

Taylor Caswell, Commissioner
Department of Business and Economic Affairs