



STATE OF NEW HAMPSHIRE

DEPARTMENT OF CORRECTIONS

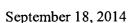
DIVISION OF ADMINISTRATION

P.O. BOX 1806 CONCORD, NH 03302-1806

603-271-5610 FAX: 603-271-5639 TDD Access: 1-800-735-2964 William L. Wrenn Commissioner

> Bob Mullen Director

Ketroactive



Her Excellency, Governor Margaret Wood Hassan and the Honorable Executive Council State House Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the New Hampshire Department of Corrections to exercise a **retroactive** inter-agency Memorandum of Understanding (MOU) with the New Hampshire Department of Safety which will establish reimbursement cost rates for the NH Department of Corrections, Correctional Industries Plate Shop's manufacture of motor vehicle number plates, beginning July 1, 2014 through June 30, 2015, effective upon Governor and Executive Council approval. 100% Agency Income.

Funds received are to be deposited into the following account: 02-46-46-462010-57310000, Department of Corrections, Prison Industries, and Correctional Industries Inventory.

EXPLANATION

This MOU is **retroactive** due to the time involved in the analysis of the Department of Corrections' direct and indirect costs associated with the manufacture of the license plates and the negotiations with the Department of Safety, Division of Motor Vehicles. Per RSA 228:25-I, the Commissioner of Safety shall, biennially, request the Commissioner of Administrative Services to review and approve the cost rates of vehicle number plates manufactured at the NH State Prison. Administrative Services has approved the negotiated rates for vehicle number plates of \$1.16 per plate, effective for SFY 2015.

Respectfully Submitted,

William L. Wrenn

Commissioner



State of New Hampshire

DEPARTMENT OF SAFETY OFFICE OF THE COMMISSIONER

33 HAZEN DR. CONCORD, NH 03305 603/271-2791

JOHN J. BARTHELMES COMMISSIONER

MEMORANDUM OF UNDERSTANDING

WHEREAS, the New Hampshire Department of Safety (hereinafter referred to as "DOS") has made the following agreement with the Department of Corrections (hereinafter referred to as "DOC").

DOS, in accordance with the provisions of New Hampshire RSA 228:25, shall reimburse the DOC for the manufacturing of reflectorized motor vehicle number plates the sum of \$1.16 per plate and shall be paid from the inventory fund.

This MOU shall be effective as of July 1, 2014, and shall replace and supersede any previously executed memorandum of understanding regarding this matter. This MOU shall end June 30, 2015, in order to align the agreement with the end of the current biennium.

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DEPARTMENT OF SAFETY	1 Bent O'Bu
	Tohn J. Barthelmes, Commissioner
	Date:
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	Richard C. Bailey, Jr., Director
	Division of Motor, Vehicles
	Date: 9/4/14
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DEPARTMENT OF CORRECTIONS	Williast Illr
	William L. Wrenn, Commissioner
	Date: 9/19/14/
DEPARTMENT OF ADMINISTRATIVE SERVICES	Jula M Hoffor
	Linda M. Hodgdon, Commissioner
	Date:
Approval by State of New Hampshire Attorney General as	to form, substance, and execution:
By: Mik. Rom, Assistant	10/7/11
, Assistant	Attorney General, on
Approval by State of New Hampshire Gover	nor and Executive Council:
By:, on	·



State of New Hampshire

DEPARTMENT OF SAFETY DIVISION OF ADMINISTRATION

JAMES H. HAYES BLDG. 33 HAZEN DR. CONCORD, NH 03305 (603) 223-8000

August 11, 2014

Linda Hodgdon, Commissioner State of New Hampshire Dept of Administrative Services 25 Capitol Street – Room 120 Concord, New Hampshire 03301

Re: Memorandum of Understanding between the NH Depts of Safety and Corrections

Dear Commissioner Hodgdon,

The Department of Safety (DOS) is respectfully requesting your approval of a Memorandum of Understanding between the DOS and the Department of Corrections (DOC), establishing reimbursement cost rates for the manufacturing of motor vehicle number plates, for FY2015.

According to RSA 228:25-I, the Commissioner of Safety shall ask the Commissioner of Administrative Services to review and approve cost rates of vehicle number plates manufactured at the state prison. Such a review was conducted by your Department and a rate of \$1.16 was deemed accurate and reasonable, as documented in a memo from you dated June 26, 2014. In addition, representatives of the Department of Safety and Department of Corrections met on May 30, 2014, to review DOC's methodology and calculation of the rate. We agree that the rate of \$1.16 is reasonable and request your approval to extend this rate to fiscal year 2015.

Respectfully submitted,

Elizabeth A. Bielecki Director of Administration

NH Dept. of Safety

cc: Robert Mullen, Director of Administration, NH DOC Richard Bailey Jr, Director, Division of Motor Vehicles

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TDD ACCESS: RELAY NH 1-800-735-2964

STATE OF NEW HAMPSHIR

Inter-Departmental Communication

RECEIVED JUL 03 **2014** NH DOC COMMISSIONER'S OFFICE

From:

Linda Hodgdon, Commissioner

Department of Administrative Services

Date: July 02, 2014

To:

John Barthelmes, Commissioner

Department of Safety

Subject: License Plates Cost Rate Review

In accordance with the provisions of RSA 228:25 – I, The Commissioner of Safety (Safety) shall biennially request the Commissioner of Administrative Services (DAS) to review and approve cost rates of vehicle number plates manufactured at the state prison. The Department of Safety made such request on March 11, 2014. A memo dated March 18, 2014, requested for the Department of Corrections (DOC) to provide current working papers demonstrating the plate shop's direct and indirect cost calculations used to determine the proposed rate charged to Safety for SFY 2014.

DOC appropriately responded via email on May 29, 2014 and the documents were reviewed by DOC and DAS at a meeting on May 30, 2014. At that review, it was determined revisions were necessary in order to accurately reflect the rate being charged. Revised working papers were submitted to DAS on June 25, 2014.

As a result of DAS' review of the revised working papers, it is of my opinion that the rate of \$1.16 charged to Safety for SFY 2014 is accurate and reasonable.

Section 228:25 Addition to Fund.

TITLE XX TRANSPORTATION

CHAPTER 228 ADMINISTRATION OF TRANSPORTATION LAWS

Commissioner, Deputy and Assistant Commissioners

Section 228:25

228:25 Addition to Fund. -

I. There is hereby established an inventory fund in the department of safety consisting of the initial appropriation of \$1,000,000 which sum is hereby authorized as a revolving fund comprised of funds in the highway fund that are not otherwise appropriated and into which shall be deposited additional revenues derived from the number plate manufacturing fee established in this paragraph. The fund shall be nonlapsing and continually appropriated to the department. The prison shall purchase such raw materials as may be required and agreed to by the commissioner of safety in order for the commissioner of safety to issue fully reflectorized motor vehicle number plates. This purchase shall be a charge against the inventory fund and the prison shall be responsible for the control and accountability of the raw materials so charged. Said number plates shall be manufactured at the state prison. The prison shall be furnished out of said inventory account the raw materials necessary to manufacture said plates and upon receipt of the finished plates by the department of safety shall be reimbursed for their direct and indirect costs. The commissioner of safety shall, biennially, request the commissioner of administrative services to review and approve said cost rates. Notwithstanding any other provision of law, the commissioner of safety shall charge, in addition to the regular motor vehicle registration fee, a number plate manufacturing fee of \$4.00 per plate at the time of issuing said reflectorized motor vehicle number plates or replacement reflectorized number plates. Said additional charge shall not give the registrant any title or other property interest in said plates. The commissioner of safety or assistant commissioner may request from time to time delivery of the number plates from the prison and shall reimburse the inventory fund by a transfer from revenue. At least 6 months prior to subsequent general issue, a transfer from revenue shall be made for all remaining finished plates in inventory. The commissioner of safety shall report to the governor, the president of the senate, and the speaker of the house of representatives, no later than 90 days after the close of the second fiscal year of each biennium, the year ending balance in the inventory fund and the department's recommendation as to when the next general issue of number plates should commence, the estimated cost of such a general issue, and the estimated annual cost to support routine plate issue and replacement without a new general issue.

II. [Repealed.]

III. In accordance with the provisions of paragraph I, replacement plates may be purchased from the inventory fund.

IV. If the state prison shop is unable to manufacture or deliver reflectorized motor vehicle plates in a timely manner because of an emergency interruption resulting from a riot or other unforeseen cause, as determined by the commissioner of corrections or the commissioner of safety, the commissioners shall submit a written report to the governor and council and shall request that an outside vendor be retained to manufacture said plates. If at any time the commissioner of safety or the commissioner of corrections determines that the prison cannot produce number plates at a competitive price or meet reasonable delivery schedules, the commissioner of safety shall report to the fiscal committee of the general court and the governor and council, and shall request that an outside vendor be retained to manufacture the plates. Upon approval of the governor and council, the commissioner of safety shall request the director of plant and property management to select an outside vendor in accordance with RSA 8:19.

V. The commissioner of safety, with approval of the governor, may charge the necessary expenses for the manufacture, storage, handling, issuance, and distribution of reflectorized motor vehicle number plates against the inventory fund provided under this section.

Source. RSA 229:6-d. 1977, 600:33. 1981, 54:3; 87:1; 568:63. 1985, 323:1, 2; 399:3, I. 1987, 404:1. 1997, 186:1, 4. 2002, 165:1. 2008, 158:1, eff. July 1, 2008.