

# MAJORITY REPORT

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## *From the desk of the Majority Leader*



One of our major goals and objectives at the beginning of this session was to create a balanced budget that is fiscally sound, with realistic revenue and expenditure projections. We were initially faced with what seemed to be an insurmountable task of coming up with a budget that would keep government functioning over the next two years despite the loss \$150M in Medicaid funds.

It took a lot of hard work by many dedicated legislators to reach this goal and it is time now for us to come together in support of the work they accomplished on both the Operating (**HB 1 & HB 2**) and Capital budgets when they come to the floor of the House on Wednesday.

While there will always be some items in any budget that we as legislators may not be supportive of, it is important that we, as Republicans, step back and take a look at the big picture when it comes time to vote. On Wednesday, we will have before us a budget that contains \$43 million less in General Fund spending than the budget proposed by Governor Lynch. It also contains less General Fund appropriations than did the 2004-05 budget.

We now have a budget balanced with real dollars that will meet the needs of our citizens for the next biennium. General fund appropriations are down slightly (-2.8%) in FY06 from the FY05 authorized budget and total funds are up (4.4%) in 2006 over 2005 and up (1.2%) in 2007 over 2006. This budget provides pay raises for the state employees and fully funds their

benefits.

This budget also recognizes New Hampshire's continued obligation to provide funding for our citizens that receive support through Medicaid and other support programs. There is much uncertainty with potential changes being considered in Washington for all welfare programs, but for the next two years we have met our obligations.

Sufficient funding for our K-12 school children and to our universities and community college system is provided. This budget no longer requires that general fund dollars be used to support the Educational Trust Fund.

It is important that we also support House Bill Two, also known as the "Trailer Bill," which contains changes to the laws of New Hampshire necessary to support the state budget and contains the sections necessary to approve a balanced budget.

House Bill Two also presents a fiscally prudent way to manage our toll collection system by setting in place timetables for the E-Z Pass system. The State must be able to expand and properly maintain its turnpike system and this cannot be accomplished by managing three different toll collection methods at the same time.

**HB2** also contains language that begins the modernization of the Department of Health and Human Services and makes certain that all changes in his department will happen with Legislative oversight.

Also, the \$12.5M that was found in the Health & Human Services budget during the final hours of the committee of conference was

*(continued on page 3)*





—Desk (continued from page one)

Tax exemption repeal, which would have had a negative fiscal impact on the elderly and the low income citizens of our State.

Following a lengthy debate, the house conferees also approved a capital budget for the next two years that is fiscally responsible, while meeting the needs of our citizens. All of the critical projects in the house version remain intact in **HB25** as it was approved by the committee of conference.

There may also be an attempt to overturn a Committee of Conference Report on **HB 381-FN**, relative to special elections, voter lists, and conduct of elections. We ask that you support the recommendation of the committee to concur, with amendment.

If you have any questions with regard to the legislation that we will be voting on next Wednesday, please contact myself, Deputy Majority Leader Fran Wendelboe, Majority Whip Pam Price, or the Assistant Whip Mary Griffin. We will also have an important Republican Caucus on Wednesday morning at 9:15 in Representatives Hall.

There were many difficult decisions that had to be made over the past few days, and not every request for additional funding could be met. But this is a solid balanced budget and the Majority Office strongly encourages your support for the report of the Committees of Conference.

## HB 2

House Bill Two, also known as the “Trailer Bill,” contains support for House Bill One and, where necessary, makes statutory revisions for the budget bill.

House Bill Two:

- Presents a fiscally prudent approach to our toll collection system. It would be inappropriate for the State to continue to manage three different collection systems at the same time. Therefore, in order to properly manage traffic flow, contain costs, and provide a solid infrastructure, tokens will no longer be sold after Sept. 1 and will be phased out by Jan. 1. This is the only way that NH will be able to expand and properly maintain the turnpike system. The price of transponders will be raised to \$24—the exact cost to the State—on July 16. At that time New Hampshire will no longer subsidize the travel cost of residents of other states.
- Contains language that begins the modernization of the Department of Health and Human Services and makes certain that all changes in this department will happen with Legislative oversight.
- Takes the \$12.5M that was found in the Health & Human Services budget and, rather than using the money to further increase spending, it was used instead to prevent the removal of the Telephone Tax exemption repeal, which would have had a negative fiscal impact on the elderly and the low income of our State.



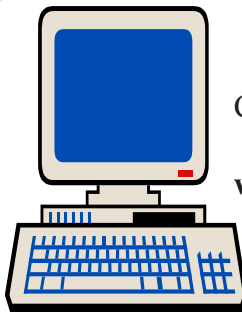
Please vote to SUPPORT  
the committee of conference reports!

## HB 25

The Capital Budget bill, making appropriations for capital improvements. The House Conferees, following a lengthy debate, have approved a capital budget for the next two years that is fiscally responsible, while meeting the needs of our citizens.

House Bill 25:

- Maintains general fund bonding authorization within acceptable parameters.
- Budgets \$85.7M for capital improvements, which is \$812,450 more than the House version.
  - The differential from the House and Senate versions is accounted for by reappropriation of money that was lapsed.
- Keeps all critical projects in the House version intact.
- Appropriates \$4.5M for building repairs and expansions for the University System (an additional \$105M is earmarked through 2013).
- Appropriates \$19M for repairs and renovations at the state's community technical colleges.
- Sets aside \$3M for improvements to the athletic facilities at UNH contingent upon the university raising \$30M on its own.



The **HOUSE FRESHMEN PHOTO** is now on-line!

Check out the Majority  
Office website at:  
[www.nhousegop.com](http://www.nhousegop.com)

The calendar of events is updated on a daily basis on the website...You will also be able to check out current weather in Concord, road conditions and the latest Majority Report.

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