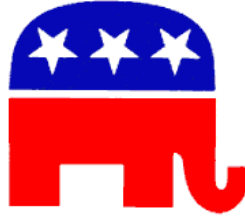


# Republican Report

*The government's view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it.—Ronald Reagan*



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## *A message from the Republican Leader.....*

Its that time of the year when the House is called upon to affirm the revenue estimates for the current fiscal year as well as the next biennium (2010-2011). Last Wednesday we voted to accept the House revenue projections contained in HR6 which represented the projections put together by the House Ways and Means committee. After reviewing these figures and comparing them to those of Governor Lynch, it is apparent that the governor is once again relying on inflated revenue projections to balance the budget.

During the last budget cycle the Democrats in the Legislature increased spending by 17% and then when the revenue stream fell well short of projections, they were forced to dramatically increase fees and taxes to balance the budget. Are we headed in the same direction?

According to HR 6, the revenue estimates for FY2010 are **\$62.6M lower** than those of Governor Lynch. For FY 2010 the governor's numbers are **\$73.1M higher**, for a total differential of **\$135.7M** over the biennium. It was just over a year ago that we warned that the governor and Democrats in the Legislature were "out of touch" with the real financial crisis facing the State of New Hampshire by continuing to ignore that fact that our first \$10 billion budget was based on inflated revenue projections. The economy has continued its downturn even further since the governor presented his projections so we haven't even seen the bottom yet. A year ago the economic indicators pointed to trouble the instant the overinflated revenue figures were passed by Democrats. Let's not let history repeat itself.

This week's House Calendar is light in comparison to last week. We have 41 bills on the Consent Calendar and only 26 on the Regular Calendar. There are a couple of Election Law bills special ordered to this week that are of concern.

## Revenue Estimates

FY2010 Gov. Estimate	FY2010 HR 6	FY2011 Gov. Estimate	FY2011 HR 6	Total
\$2,207,000	\$2,144,400	\$2,257,900	\$2,184,100	
<b>Difference</b>	\$62.6M		\$73.1M	\$135.7M

**HB 614**, pertaining to the domicile of students for voting purposes, is a nightmarish bill that will send us down the slippery slope of loosening our election laws at a time when we should be tightening them. This bill would result in "Drive-By Voting," where people working in this state on a temporary basis would be allowed to vote. There will be a request to recommit this bill to committee, we ask you to **SUPPORT** this motion— if that fails, we ask you to **OPPOSE** the report of OTP/A.

**HB 417** would completely change the way we elect our leaders, calling for NH electors to cast ballots based on the national popular vote rather than how the people of our state voted. It would tie the hands of our citizens with no assurance that any other state would fall under the same mechanism. Please **SUPPORT** the report of ITL.

With Town Meeting on Tuesday, we will not hold a caucus, however please plan on caucusing at 8:45 a.m. prior to the House Session on Wednesday (Rms. 305-07).

Handouts showing the Estimated FY 2010 Change in State Aid; The NH Retirement System Reform Legislation; and the Republican Bill Presentation Improvement are still available in our office. Stop by and pick up a copy of either document.

*Spencer Packard*



## *Legislative Update*

During the past few days, leadership has signed-in, testified and taken a position on a number of bills being heard in committee. Here is a complete list of those bills:

### **Commerce and Consumer Affairs**

**HB 561**—relative to insurance coverage for persons having deafness and hearing loss. (**Opposed**)

### **Executive Departments and Administration**

**HB 381**—prohibiting preferences in recruiting, hiring, promotion or admission by state agencies, the university system, the community college system, and the postsecondary education commission. (**Supported**)

**HB 673**—relative to withdrawal of political subdivisions from the New Hampshire retirement system. (**Supported**)

### **Science, Technology and Energy**

**HB 496**—establishing a limit on the amount of cost recovery for the emissions reduction equipment installed at the Merrimack Station. (**Opposed**)

### **State-Federal Relations and Veterans' Affairs**

**HCR 8**—urging the President and Secretary of Defense to withdraw all New Hampshire national guard troops from Iraq in the absence of a valid and subsisting Congressional mandate for such service, and withholding the consent of the governor and New Hampshire state legislature from any further deployment of the New Hampshire national guard to Iraq in the absence of such mandate. (**Opposed**)

### **Transportation**

**HB 179**—requiring automobile insurance to register a vehicle. (**Opposed**)

**HB 639**—relative to mandatory motor vehicle liability insurance. (**Opposed**)

### **Ways and Means**

**HB 664**—relative to taxation of capital gains under the interest and dividends tax. (**Opposed**)

**HB 166**—increasing the beer tax. (**Opposed**)

**HB 584**—establishing an income tax for the purpose of paying college tuition for emergency first responders, law enforcement officers, and dependents of emergency first responders and law enforcement officers. (**Opposed**)

**HB 642**—establishing a flat rate education income tax and relative to the statewide enhanced education tax and certain other taxes. (**Opposed**)

**CACR 1**—relating to taxes. Providing that all revenues raised by a state income tax shall be dedicated to funding public education. (**Opposed**)