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FAQ's on the Gas Tax Increase (SB367)

Whether or not you support the concept of a gas tax increase, we thought it would be helpful to clarify some of the misconceptions about SB367. With all due respect to the bill and its supporters, before jumping into one of the largest tax increases in recent history, we need to take a hard look at the intricacies of this bill and the system by which the revenue would be used.

We hope you find these points informative.

Misconception #1: This bill's sole purpose is to help improve infrastructure.

No. This bill, as written, removes tolls in Merrimack, which results in a loss of revenue to the Turnpike Fund. Many people believe toll planning should be solely the responsibility of the 10 year Highway Plan. Trying to attach such legislation to a tax bill is inappropriate. Consideration of the removal of tolls should be part of a broader review of our highway and turnpike systems, it's revenue, and how funds are allocated, to avoid any adverse or unintended consequence.

Misconception #2: All of this new tax revenue will be distributed to help fix secondary roads and bridges in NH.

No. This bill, as written, allocates 42% of revenue to the I-93 widening project. The I-93 widening was already allocated \$50 million as part of the 10 Year Highway Plan, HB2014, which has already passed the House and is currently in the Senate.

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Important Dates & Events

04/16/2014	Republican Caucus – 9am LOB 305-307
04/16/2014	House Session – 10am
04/23/2014	House Session – 10am
04/24/2014	Last Day to act on Senate Bills going to a 2 nd committee
06/16/2014	Committee to Elect House Republicans Golf Tournament

FAQ's on the Gas Tax Increase *(Continued from page 1)*

Misconception #3: A large portion of tax revenue will be distributed to cities and towns to immediately help repair municipal roads.

No. Municipal block grants will not commence until FY2016 and will be just 12% of the prior years' revenue. In FY2016, additional aid to towns and cities resulting from the tax increase will be just \$4 million per year statewide.

Once divided up, most NH towns will get <1% of that amount. Larger cities and towns may get 1%-6%.

Towns are not required to spend their block grant on infrastructure repair.

Misconception #4: The new revenue is in a "lock box" and can only be used by DOT for infrastructure improvements.

RSA 9:9-b allows the legislature to divert up to 27% of highway fund revenue to other state agencies above and beyond what those agencies are appropriated through the state budget.

The 2012-2013 budget violated RSA 9:9-b by diverting more than the specified amount. The 2014-2015 budget suspended RSA 9:9-b to divert even more than the previous budget.

Since RSA 9:9-b took effect in its current form, 2 out of the last 3 of state budgets have gone over the limit.

In the last 2 budgets alone, \$38 million has been diverted from the highway fund in excess of the allowable amount in RSA 9:9-b.

SB367 may state that the new revenue can only be used for specific purposes, but if the legislature can't even follow a reasonable standing law regarding highway funds, how can we say that the provision in SB367 won't be disregarded or suspended for future budget years?

A handout with this information will be available for download on NHHousegop.com

Bills of Interest for Wednesday's House Session

ELECTION LAW

SB 349, relative to the election of delegates to state party conventions. **OUGHT TO PASS. Vote 15-0.**

Rep. Kathleen M Hoelzel for Election Law: This bill would return to the decades-old tradition of electing Republican state convention delegates based on districts set out in statute. Two former state chairmen strongly supported the bill. There was concern expressed that without this bill small towns would lose their representation. There was no testimony in opposition to the bill.

There will be a floor amendment to SB349 to make a technical correction to the bill.

Support the floor amendment. Support OTP/A.

We'd like to note that we are opposing the following two bills from the Labor committee because we firmly believe that we should not be putting up road blocks or impeding New Hampshire businesses or businesses looking to move to our state. We should be fostering a positive business environment in New Hampshire, and these two bills are clearly anti-business.

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Bills of Interest for Wednesday's House Session (continued)

LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES

SB 295, prohibiting an employer from using credit history in employment decisions. MAJORITY: OUGHT TO PASS WITH AMENDMENT. **MINORITY: INEXPEDIENT TO LEGISLATE. Vote 10-8**

Rep. J. Tracy Emerick for the Minority of Labor, Industrial and Rehabilitative Services: The federal fair credit reporting act specifically states that credit history can be used when making employment decisions. This bill contradicts federal law. Employers, especially small business, should be allowed whatever resources that are available to protect the business and the business' customers. Taking away this resource could jeopardize the business owner's livelihood.

It's important to note that current law simply gives employers the option of reviewing credit history as a condition of employment. Killing this bill will not mandate every employer to discriminate based on credit history. Some jobs require a credit check. Most do not. Let's leave it up to the employers to do what they think is best for their business.

Oppose OTP/A.

SB 390, prohibiting discrimination against employees who are victims of domestic violence and establishing a committee to study the protection of employees from domestic violence. MAJORITY: OUGHT TO PASS. **MINORITY: INEXPEDIENT TO LEGISLATE. Vote 10-8**

Rep. Gary L. Daniels for the Minority of Labor, Industrial and Rehabilitative Services: This bill is another instance of the legislature dictating to employers who they must hire, and then controlling the employment practices under which these protected employees can be discharged or disciplined. New Hampshire is a work-at-will state, meaning you can be hired or fired for any or no reason. As such, an employer could simply state that an applicant is not a good fit for the company, or choose to give no reason at all for rejecting an applicant, and that would be perfectly legal. Regardless of any legal reason for rejection, if there was one, this bill opens the door to allow rejected applicants to make claims of discrimination against an employer if the applicant has been a victim of domestic violence, harassment, sexual assault, or stalking. This in turn results in employers having to spend time and money to defend themselves against frivolous allegations. Contrary to the bill's intent, the way it is written, not only will Section 1 of the bill not help the victim, but it also victimizes the employer, a lose/lose situation for all.

Oppose OTP.

More Bills on the Regular Calendar Wednesday

SB 220, relative to the regulation of electricians by the electricians' board.

SB 405, requiring the registration of radon mitigation system installers with the board of home inspectors.

SB 311, authorizing the executive director of the fish and game department to execute an agreement allowing reciprocal snowmobile riding privileges with the states of Vermont and Maine.

SB 357, naming a scenic overlook and the visitor center on the northbound side of I-93 in Hooksett in honor of Raymond S. Burton.



Reminder!

Wednesday, April 16th is Tartan Day!
Remember to wear your tartan to House Session!

How New Hampshire's Paltry Rainy Day Fund Stacks Up

New Hampshire's Rainy Day Fund - sometimes called the Revenue Stabilization Account and in other states may be called the Budget Reserve Account - was tapped by previous legislatures under Democrat control to maintain or increase spending levels in the down economy.

Under the 2012-2013 Republican budget, New Hampshire was left with a surplus. While most of the money in the surplus was used to help fund the 2014-2015 budget, there is about \$15 million left over.

What should we do with the money? Republicans in the House and Senate agree that we need to begin rebuilding our Rainy Day Fund. In a presentation to the Senate Finance Committee in January, then State Treasurer Cathy Provencher agreed. She said in order to maintain New Hampshire's credit rating, we should strive to have a balance equal to 5%-10% of unrestricted general fund revenue.

5% = \$70 million, 10% = \$140 million. Our current balance of \$9.3 million equals just 0.7% of General Fund Unrestricted Revenue.

House Democrats have passed a bill, HB 1411, that spends a large portion of the surplus. They have also passed a bill, HB 1635, that spends some of the projected surplus from the current budget.

We decided to take a quick look to see how New Hampshire stacks up to our New England neighbors when it comes to financial security. As it turns out, New Hampshire ranks last in both overall balance, and when balance is compared to the overall population of the state. Here are the results, given the more recent information we could find.

STATES	RESERVE FUND BALANCE	\$ PER CAPITA
Massachusetts	\$1.369 Billion	\$205
Connecticut	\$270 Million	\$75
Rhode Island	\$176 Million	\$168
Maine	\$60 Million	\$45
Vermont	\$62.5 Million	\$100
New Hampshire	\$9.3 Million	\$7

It's time to bring New Hampshire back from the brink. SB415, a bill that would deposit the entire \$15 million surplus into the Rainy Day fund, will be before the House soon. We have the chance to begin to rebuild New Hampshire's financial security. \$15 million may not get us to our goal, but it is a small and important step.

A handout with this information will be available for download on NHHousegop.com

SENATE SESSION PREVIEW

HOUSE HEARING PREVIEW

HB 562	relative to title loans.	SB 317	relative to trafficking persons
HB 439	relative to weekly workers' compensation payments.	SB 318	establishing the crime of domestic violence
HB 1244	relative to the disclosure of the names of lottery winners.	SB 203	relative to permissible uses of electronic benefit transfer cards
HB 1411	relative to restoring moneys to the department of health and human services and depositing the balance of the surplus into the revenue stabilization reserve account.	SB 212	relative to the Honor and Remember Flag as an official symbol to recognize and honor fallen members of the armed forces
HB 1125	repealing the crime of adultery.	SB 246	relative to penalties for speeding
HB 1170	repealing the death penalty in NH	SB 247	ignition interlock device violations and interlock device removal protocols

Note from the Republican Leader:

House Republicans,

Guess what, it's that time again...The filing period for House candidates is now less than 60 days away! We are doing our best to connect with each incumbent to make sure you are running again.

If you're not running again, and we haven't connected with you, please let us know as soon as possible. Also, if you're not running, we ask that you help us find someone to fill your shoes. We look forward to teamwork and cooperation to help find candidates for as many of our 400 seats as possible.

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WENTWORTH
BY THE SEA
COUNTRY CLUB

We are excited to announce that Rep. Gene G. Chandler and the Committee to Elect House Republicans will be hosting their golf tournament on Monday, June 16th at Wentworth by the Sea, Rye, NH.

Registration is at 12noon, tee off is at 1pm, and the cost is \$150 per player. Please stay tuned for additional details on sponsorship opportunities etc.

The House Republican Office would like to wish a very Happy Birthday to Rep. Norm Major who celebrated his 80th birthday on Wednesday!

