

Republican Review

A Publication of the New Hampshire House Majority Office

HHS COMMISSIONER: MEALS ON WHEELS WILL BE FUNDED

CONCORD - On March 26th, the House Finance Committee convened for the executive session on HB1 and HB2, the State budget bills. Prior to the vote, there were several discussions on areas of concern, including whether or not Meals on Wheels would be affected by a reduction in funding to non-medical services line in the Department of Health and Human Services budget, and whether or not funding for home delivered meals could be prioritized by the department in order to mitigate any potential reduction in service.

As it turns out, the commissioner of the Department was on hand for the executive session. He confirmed both verbally and in writing that it was within his capacity as commissioner and the capacity of the Department to ensure that the home delivered meals would not see a reduction and those funds would be prioritized to maintain service levels.

Commissioner Toumpas wrote the following:

“The Department of Health and Human Services will prioritize the home delivered meals services within the proposed funding level. The Department can and will get approval from the federal government or Fiscal committee if required.”

The letter was presented to the Chair of the House Finance Committee and was discussed at the executive session. As we’ve indicated in prior editions of the Republican Review Newsletter, and in numerous communications to House members, attacks on the House budget’s allocation for home delivered meals are misleading and inaccurate.

In summary, home delivered meals services are included in part of the budget that that became a smaller pie. Through these discussions, it was ensured that home delivered meals would become a bigger slice of the smaller pie.

Members of the House Finance committee made thoughtful and reasonable efforts to ensure this valuable service would be prioritized and sought out confirmation and a commitment from the Commissioner.

As a reminder, the House budget increases overall funding for the Department of Health and Human Services by \$141 million. In total, \$4.1 billion dollars will be allocated to the Department over the biennium, which represents almost 40% of the entire state budget.

The House budget proposal spends more on Health and Human Services than any other budget in New Hampshire history.

The next House session will be at the call of the chair.
It is not anticipated that there will be another session until June 3 or June 4, 2015.

STAT OF THE WEEK

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The number of bills vetoed by Governor Hassan as of Friday (5/8) afternoon.

SB101 - prohibiting the state from requiring implementation of common core standards.

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SPEAKER JASPER'S STATEMENT ON SB30 PASSAGE

The following statement was issued today by NH House Speaker Shawn Jasper following the passage by the House of SB 30-FN-L. The legislation would authorize the Business Finance Authority to guarantee bonds for projects in unincorporated towns in New Hampshire. The bill passed on a Roll Call vote, 293-57.

"By extending the local option for municipal economic development and revitalization districts to include our unincorporated towns, the door is now wide open for future development and job creation for the northern part of our state. With the assistance of the State of New Hampshire, many of the economically challenged rural areas that have been battling to stave off economic hardship for years can now look forward to the prospect of economic prosperity. The legislation that the House overwhelmingly passed today also creates a level playing field for the rural areas of the Granite State in attracting new business and creating jobs for their region. By increasing the BFA's bonding authority for the first time in over twenty years, this will also help the economic development for the entire state."

Excerpts of What Some House Republicans Said on the House Floor:

Rep. Leon Rideout (R-Lancaster):

"The State Treasurer has said raising this level will have no impact on the state's bond rating.

The Business Finance Authority has an excellent track record with only a 3.2% default rate in funding projects that have brought businesses and jobs to New Hampshire.

And that is what we ran on: To bring businesses and jobs to New Hampshire."

Rep. Fred Rice (R-Hampton):

"Since we are a state that is trying to increase its business base, and we are going so far as to say there other bodies that are trying to put money back in to entice business to come here...

We now have a mechanism before us that will enable the poorest part of our state to have a tremendous financial increase, why would we not want to support that economic incentive for the North Country?"

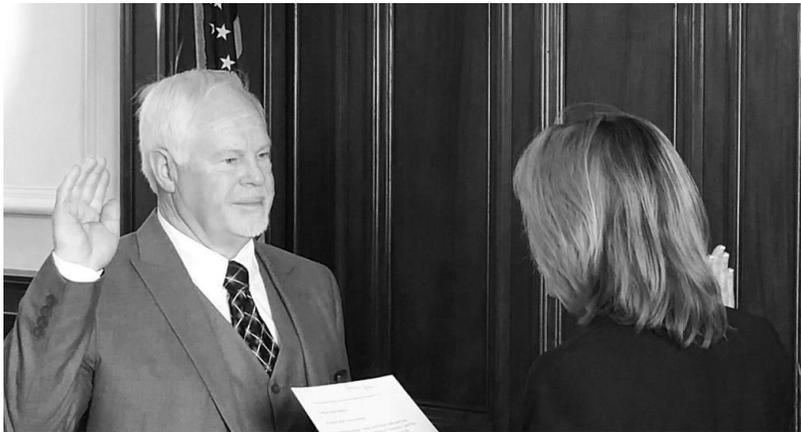
Rep. Tracy Emerick (R-Hampton):

"In Division I... the conclusion was that while philosophically some of us don't think we should be in this business, the wisdom of the 1992 legislature put us in this business, and it's done quite well for the state.

The Business Finance Authority is like the right hip of DRED. The Business Finance Authority is only arrow DRED has in its quiver to attract business. They can't offer tax incentives. They can't offer property incentives. They can't do anything that a lot of other states are doing. This is it. DRED was very supportive of having this one arrow remain."

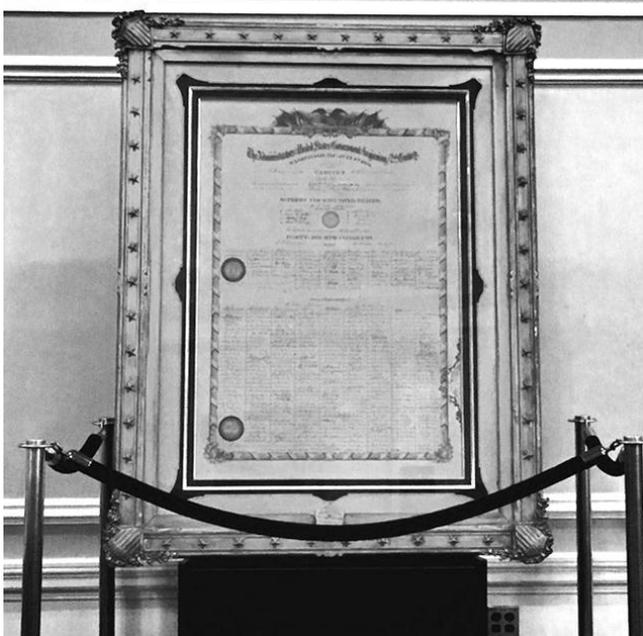
IMPORTANT DATES

May 19	Rockingham District 32 Special Election
May 28	Last day to report all remaining Senate Bills
June 4	Last day to act on Senate Bills
June 11	Last day to form Committees of Conference
June 18	Last day to sign Committee of Conference Reports
June 25	Last day to act on Committee of Conference Reports



REP. DENNIS GREEN OFFICIALLY SWORN IN

Newly elected Rep. Dennis Green of Hampstead (Rockingham-13) was sworn in Wednesday morning by Gov. Hassan. Rep. Green will be assigned to seat 4-74 in Representatives Hall. A committee appointment will be forthcoming.



HISTORIC DOCUMENT UNVEILED

After years of being missing, an historic document first presented to the New Hampshire House of Representatives in 1885 by Stilson Hutchins of Laconia is coming home. Speaker Shawn Jasper, himself a lifelong student of history, unveiled the document Wednesday at the State House prior to the regularly schedule House session.

“When I first learned of the discovery of this document I knew that we had to bring it back to its rightful place in the New Hampshire State House,” said Speaker Jasper. “When Mr. Hutchins first presented the document to the his colleagues in the House in 1885 it was with the hope that it would remain in our legislative chamber,” added the speaker.

On July 4, 1876, the Centennial of American Independence, a document signed by President Ulysses S. Grant was created by order of a special Act of Congress to honor the historic milestone. It was titled, “*The Administration of the 4th, 1876.*” It was then signed by the Cabinet members, Supreme Court justices, and members of the United States Congress. Only New Hampshire native and Vice President Henry Wilson’s name is missing because he had recently died while in office. On August 26, 1885, Representative Hutchins, who would one day publish what is now the Manchester Union Leader, presented a framed copy of this document to the New Hampshire House. Said Hutchins at the time of the presentation, “I have thought it would be a peculiarly appropriate addition to the historical treasures of the legislative chamber, where it has been placed by the seroeant-at-arms. and where I trust it will remain.”

ROCKINGHAM 32 SPECIAL ELECTION**DEAN-BAILEY WORKING
TOWARDS VICTORY**

Yvonne Dean-Bailey, Republican nominee for the special election in Rockingham District 32 (Candia, Deerfield, Northwood, Nottingham) needs your help in the final weeks before election day on May 19th.

We can build on the momentum by helping Yvonne defeat Democrat Maureen Mann.

Do you have a spare afternoon or even a few hours to help contact voters in Yvonne's district? The NHGOP is coordinating grassroots voter outreach efforts.

To learn more about volunteer opportunities, call Todd at 603-225-9341 or via email at todd@nhgop.org.

**MAY 6TH SESSION RECAP**

SB30 - relative to the establishment of redevelopment districts in unincorporated places.

Passed 293-57

73% OF House Republicans supported
OTPA on SB30

SB105 - relative to child-resistant packaging for tobacco products and establishing a committee to study revising the indoor smoking act.

Killed 210-143

97% OF House Republicans supported
ITL on SB105

SB40- including a fetus in the definition of "another" for the purposes of certain criminal offenses.

Passed - 193-159

91% of House Republicans supported
OTPA on SB40

SB125 - relative to certification and licensure for mold assessment or remediation services.

Tabled - 206-147

95% of House Republicans supported
laying SB125 on the table.

BUSINESS TAX REVENUE REPORT NOT SO ROSY

According to New Hampshire's monthly revenue report that was released on Tuesday, "Business Tax collections for April totaled \$83.1 million, below the plan and prior year by \$7.6 million and \$4.3 million, respectively. On a YTD basis, revenue from business taxes are below plan by \$14.2 million (3%) and below prior year by \$2.2 million (1%)." In reaction, Greg Moore of Americans for Prosperity said, "With business taxes actually falling from last year, it's clear that the recovery that is taking place across some parts of the country is not happening here. New Hampshire simply needs to become more competitive if we want to see our economy – and our state revenues – grow in the future."

On March 21, the Union Leader's Garry Rayno wrote, "Gov. Maggie Hassan and Democrats have criticized the [Republican] budget reductions, saying Republicans are acting like the state is still in an economic crisis, when that is not the case."

Whether or not we are in a crisis, the latest revenue numbers suggest that Republicans' conservative revenue projections and budgeting may better reflect the reality that New Hampshire is not in a position to go on a spending spree. We will hope for better economic news, but will continue to support pro-business policies to help stimulate private sector growth.

Frequently Asked Questions on the NH Business Finance Authority and SB30

Where does the Business Finance Authority get its money?

The Business Finance Authority is self-funded. It charges clients fees for its services (bond issuance, guarantees and loans) and uses these funds to cover operations and any program losses.

Since its inception in 1992 the BFA has helped 4725 businesses access over \$1.5 billion; \$473 million through their various loan guarantee and insurance programs and the rest through bond issuance.

Is any taxpayer money being appropriated as a result of SB 30?

No, SB30 involves no appropriation of funds. SB30 does, however, increase the amount of State-backed guarantees the BFA may issue by \$20 million and authorizes the BFA to provide a State guarantee for up to \$30 million in bonds issued for redevelopment projects, including those in unincorporated areas.

Is any taxpayer money used in any Business Finance Authority loan guarantees or bond financing?

What happens in the case of a default?

The State backs the loan guarantees provided by the BFA. In the case of a loss, the collateral for the loan is liquidated first and the proceeds used to reduce the loan balance. If there is still a remaining unpaid loan balance, then the BFA must pay its portion to the lender. The BFA has historically made these payments from Authority reserves, which currently total over \$10 million, but if the BFA could not honor a guarantee the State Treasurer would have to step in and make the payment.

To date, the BFA has always covered any losses on guarantees. The State Treasurer has never made any payments to cover BFA defaults.

Are staff and employees of the Business Finance Authority employees of the state?

The BFA's 5 staff members are not employees of the State. They are paid from BFA revenue derived from clients.

Is SB30 specific to any one project?

No. There is no reference to any specific project in the bill. There is no reference to any one unincorporated place in the bill.

As a result of discussions about a specific project, it was discovered that any business requesting BFA assistance in any of the state's 25 unincorporated places would be out of luck.

This bill applies to a business plan for a lumber manufacturing facility in Success or Kilkenny (both unincorporated places in Coos County) as much as any hospitality related development in Hale's Location (Carroll), Livermore (Grafton), Dixville (Coos), etc.

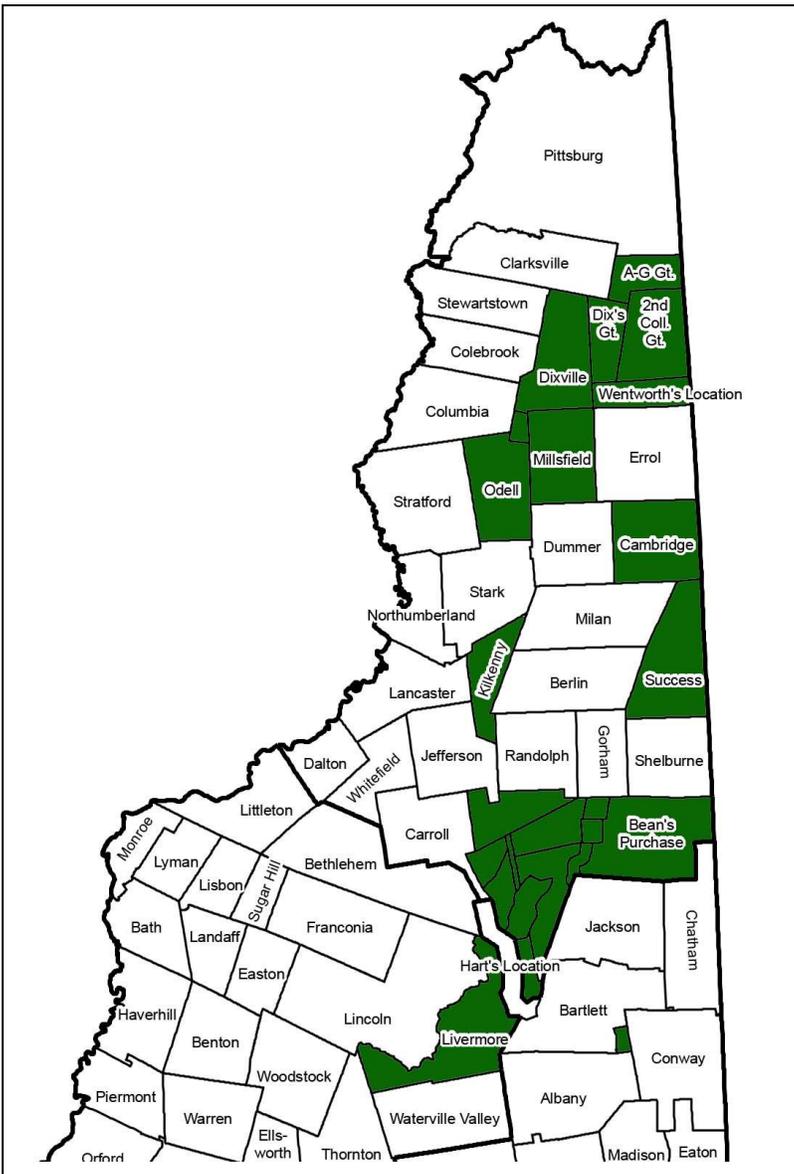
If the Balsams' application were to be approved by the BFA, would the project be entirely funded by the BFA?

No. The Balsams plan has a projected price tag of \$143 million. They are asking for \$28 million in bond financing. This would constitute about 19.5% of the total project cost. The rest would come mostly from private investment.

Under the terms discussed publicly, the developer would need to secure all of the other financing prior to receiving any BFA assistance.

If the Balsams' application were to be approved by the BFA, would the state be issuing a loan to the developers?

The BFA will issue a bond which will be guaranteed by the State and purchased by a bank or similar private entity. The bond proceeds will be loaned by the BFA to the developer for the construction of improvements. Repayment of the bond will be secured by a first mortgage lien on the property and a special assessment on the development property. No State funds will be provided to the developer.



New Hampshire's Unincorporated Places

- Atkinson & Gilmanton Academy Grant
- Bean's Grant
- Bean's Purchase
- Cambridge
- Chandler's Purchase
- Crawford's Purchase
- Cutt's Grant
- Dixville
- Dix's Grant
- Erving's Location
- Green's Grant
- Hadley's Purchase
- Hale's Location
- Kilkenny
- Livermore
- Low and Burbank's Grant
- Martin's Location
- Millsfield
- Odell
- Pinkham's Grant
- Sargent's Purchase
- Second College Grant
- Success
- Thompson & Meserve's Purchase
- Wentworth's Location