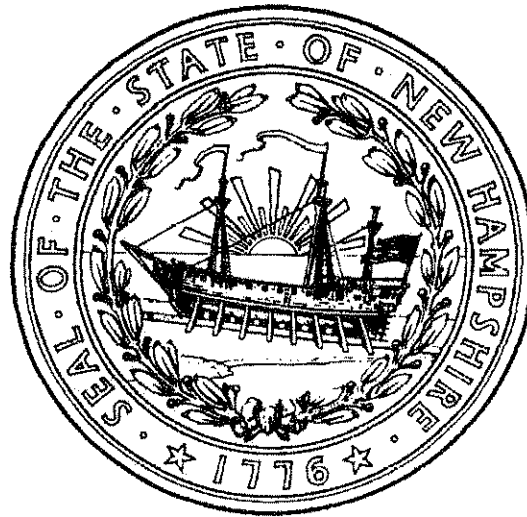


SENATE COMMITTEE ON FINANCE
BUDGET BRIEFING - HOUSE BILL 1 & 2

June 1, 2009



**OPERATING BUDGET FOR FISCAL YEARS ENDING
JUNE 30, 2010 AND 2011**

SENATE COMMITTEE ON FINANCE

Lou D'Allesandro, Chairman

Harold W. Janeway, Vice Chairman

Sylvia B. Larsen

Margaret W. Hassan

Kathleen G. Sgambati

John T. Gallus

Bob Odell

**SENATE FINANCE COMMITTEE
BUDGET BRIEFING – HOUSE BILL 1 & 2
FY 2010 - FY 2011**

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State of New Hampshire
Senate Finance Committee Budget Highlights
FY 2010/2011

OVERALL HIGHLIGHTS

In General

- This committee amendment is a balanced budget that provides \$11.616 billion from all funds, including \$3.262 billion in General Funds, to meet the state's responsibilities.
- The committee amendment is a balanced budget, within Senate Ways and Means Committee revenue estimates, and Senate Finance Committee enhancements.

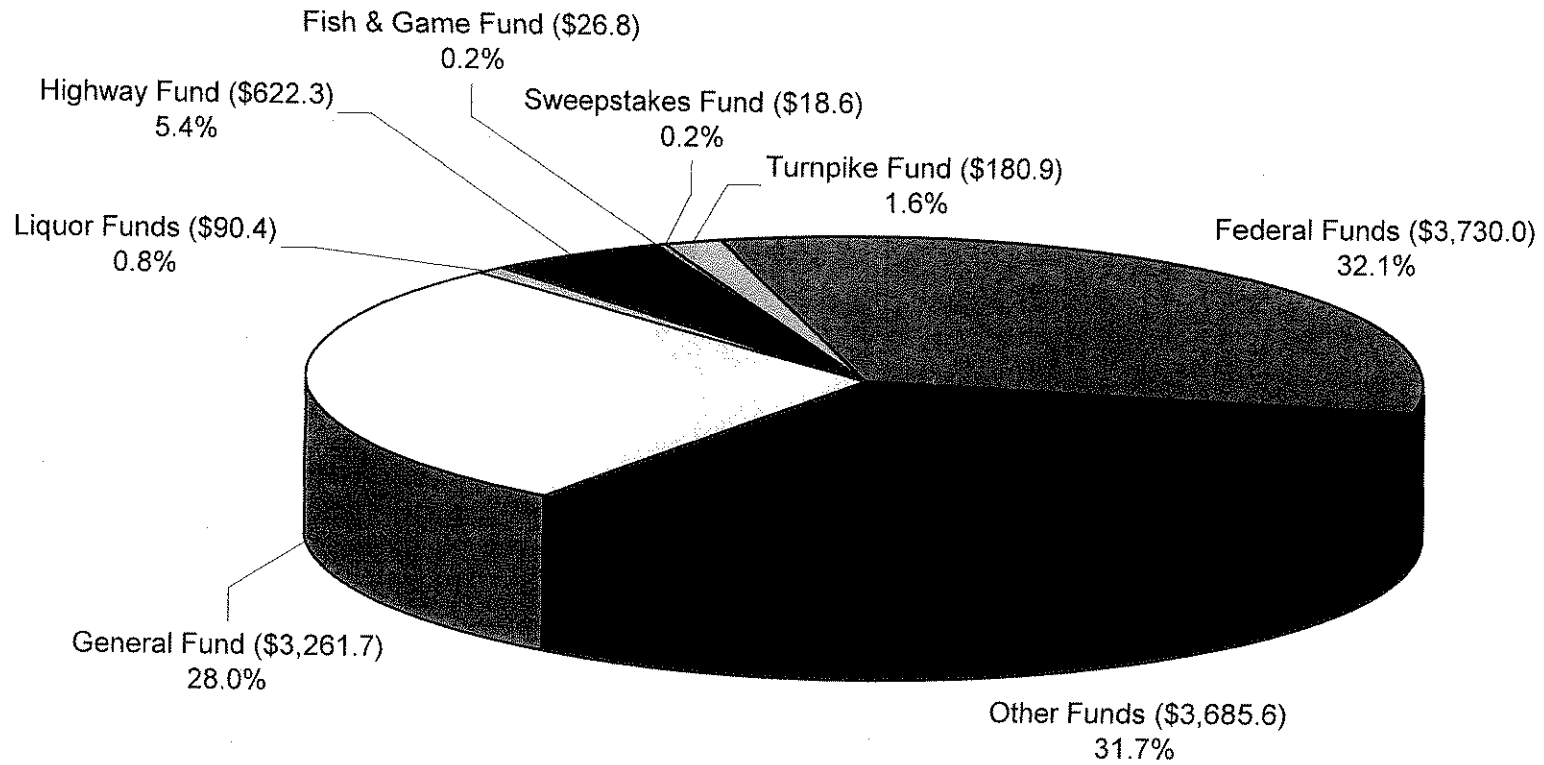
Revenues

- The revenue projections from existing sources are those estimated by the Senate Ways and Means Committee.
- Allows video lottery gaming at up to 2 licensees in the north country selected by the lottery commission and at existing pari-mutuel locations, distributing \$175 million over the biennium to the general fund, with additional proceeds going to municipalities and counties in which the video lottery gaming takes place, the department of health and human services for problem gambling, the department of resources and economic development, the police standards and training council fund, the fire standards and emergency medical services fund, and the racing and charitable gaming commission.
- Generates \$80 million over the biennium by suspending the credits allowed for business enterprise taxes against the business profits tax for a 2-year period, but allowing a 10 year carry forward period for such credits.
- Increases the tobacco tax by \$.45 to \$1.78 on July 1, 2009, and taxes tobacco products including smokeless tobacco, snuff, and cigars at current levels.
- Authorizes the commercializing the rest areas, welcome centers, and state liquor store sites along the highways and turnpikes.

Appropriations

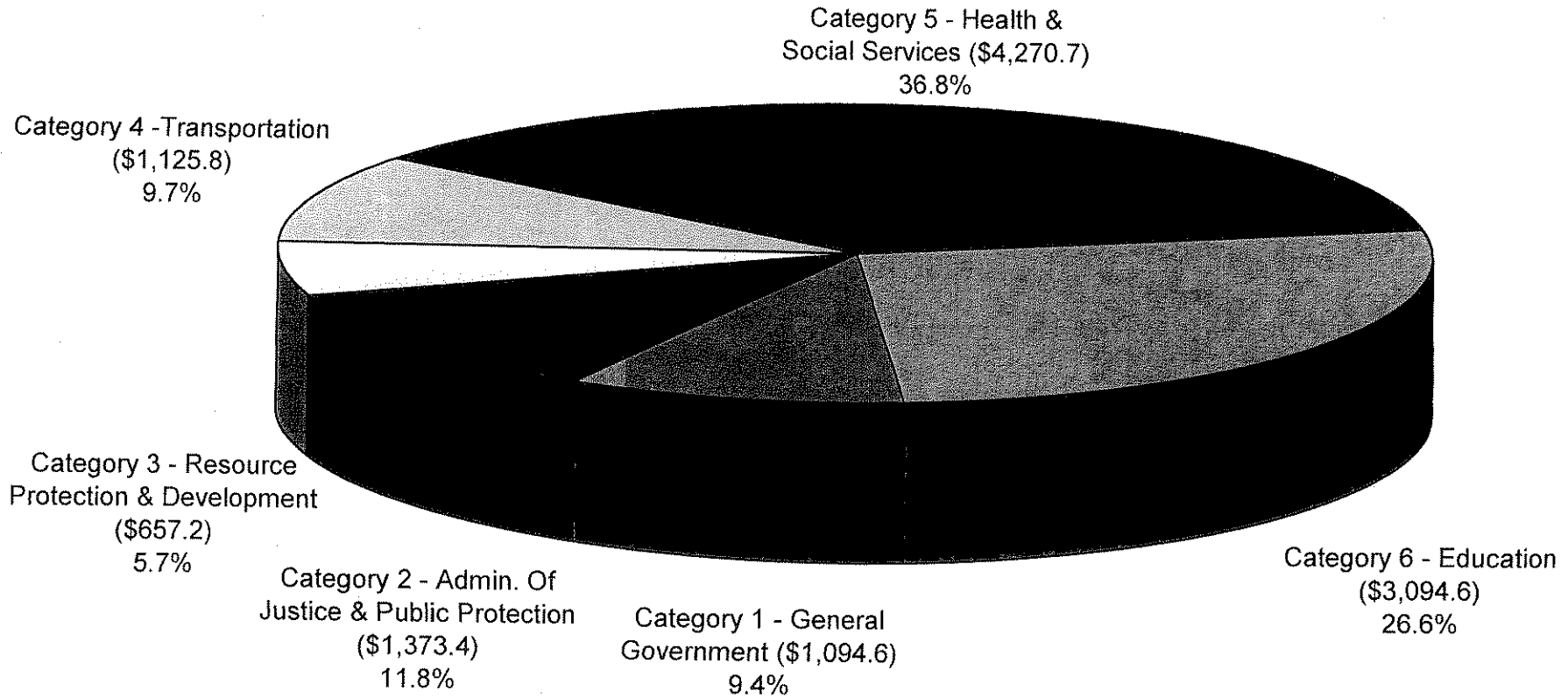
- Provides the Judicial Branch with appropriations of \$151.3 million over the biennium.
- Funds statewide property tax hardship grants at \$5 million in each year of the biennium.
- Provides funding for adequate education aid, fiscal capacity disparity aid, and transition aid at approximately \$941 million each year.
- Maintains funding of the University System of NH and the Community College System of NH at FY 2009 levels.
- Funds catastrophic aid at the Governor's recommended level of \$65 million over the biennium.
- Provides \$1 million over the biennium for the NH Comprehensive Cancer Plan.
- Appropriates \$7.6 million over the biennium to the Governors Commission on Alcohol & Drug Abuse Prevention, Intervention & Treatment.
- Provides \$40 million in total funds over the biennium for the developmentally disabled waitlist, and \$5.6 million in total funds over the biennium for the acquired brain disorder waitlist.
- Provides \$60 million over the biennium for block grants to cities and towns for road repair and improvements.
- Provides \$117.6 million over the biennium for the meals and rooms distribution to cities and towns.
- Provides \$91 million over the biennium for school building aid.

**HB1, AS AMENDED BY THE SENATE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 10/11
TOTAL APPROPRIATIONS BY SOURCE OF FUNDS \$11,616.3**



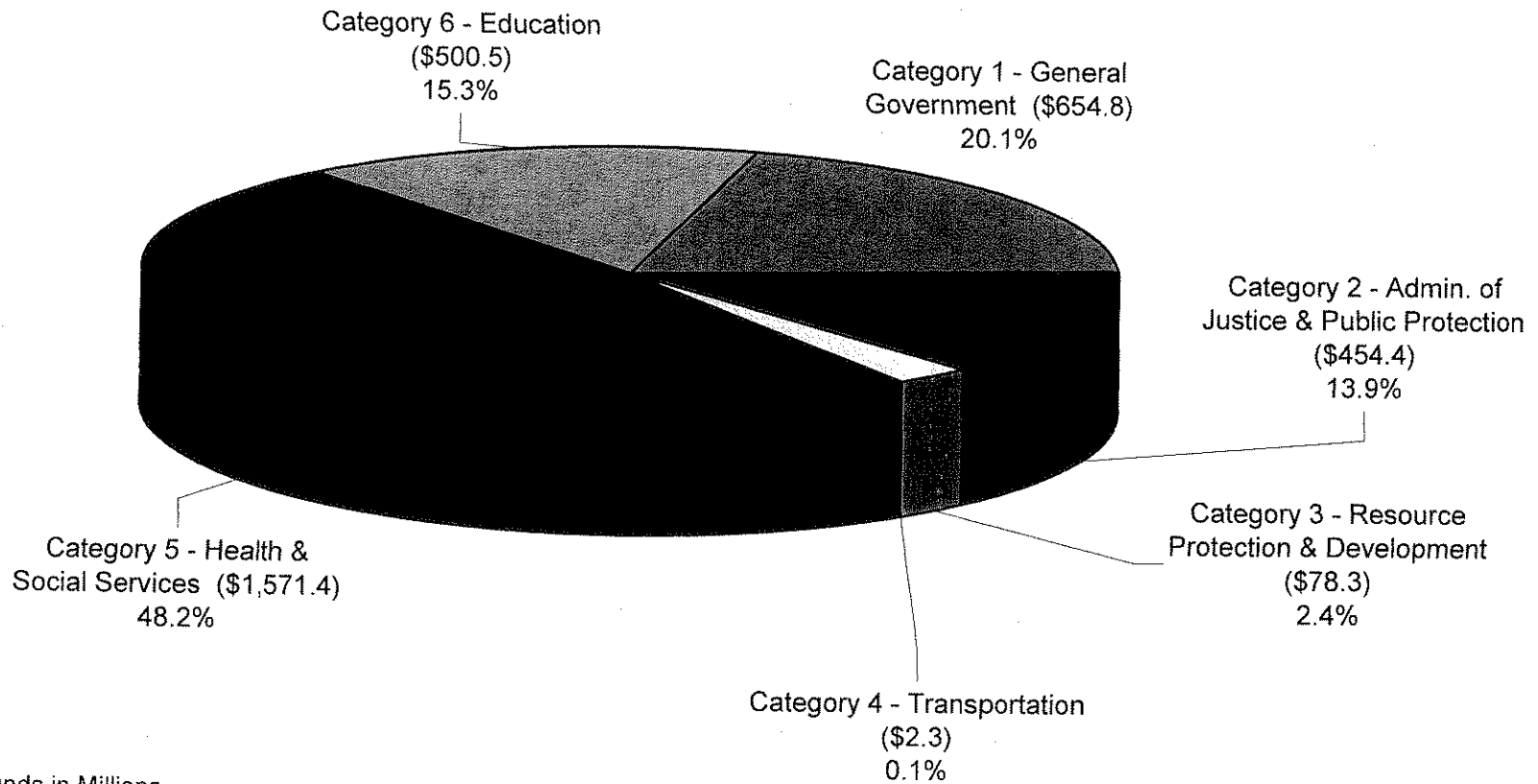
Amounts in Millions
LBAO
June 1, 2009

**HB 1, AS AMENDED BY THE SENATE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 10/11
TOTAL APPROPRIATIONS BY CATEGORY \$11,616.3**



Source of Funds in Millions
LBAO
June 1, 2009

**HB 1, AS AMENDED BY THE SENATE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 10/11
TOTAL GENERAL FUND APPROPRIATIONS BY CATEGORY \$3,261.7**



Source of Funds in Millions
LBAO
June 1, 2009

Administrative Services

- Establishes a monthly health insurance premium for State retirees under 65 years of age, set at \$65 for each retiree and an additional \$65 for each spouse, generating \$5.1 million over the biennium to help defray the cost of retiree health insurance to the State.
- Modifies and aligns the health insurance plans of State retirees and non-classified and unclassified active employees to achieve administrative efficiencies and to slow the growth in health care costs statewide.

Office of Energy and Planning (OEP)

- Achieves general fund savings of almost \$225,000 over the biennium by unfunding 2 vacant positions.

Department of Information Technology (DoIT)

- Achieves general fund savings of \$2.0 million over the biennium.

New Hampshire Retirement System

- Provides general fund savings of \$9.0 million in FY 2010 and \$18.7 million in FY 2011 by reducing the State share of the municipal normal contribution to 30% in FY 2010 and 25% in FY 2011.
- Increases contribution rates to 7% for all new state Group I employees participating in the Retirement System to generate potential general fund savings, once actuarially determined, over the biennium of \$1 million, with a long term goal of providing more financial stability to the trust fund.

Revenue Administration

- Achieves general fund savings of \$710,000 over the biennium by partially unfunding 8 vacant positions.

State Treasurer

- Suspends the revenue sharing distribution to cities and towns for the biennium, generating general fund savings of \$50.4 million.
- Provides \$117.6 million of general funds over the biennium for the meals and rooms distribution to cities and towns.
- Realizes debt service savings in the general fund of \$700,000 in FY 2010, due the refunding issuance on existing debt.

Board of Manufactured Housing

- Restores the Board of Manufactured Housing.

Department of Corrections

- Supports the Governor's recommendation to close the Lakes Region Facility, accelerate federal deportations of nonviolent illegal immigrants and reconfigure the Berlin prison to serve additional prisoners as part of the effort to reduce the Department's costs.
- Adds 20 corrections officers to the New Hampshire State Prison for Men in Concord to address overtime concerns. The funding of the additional officers was accomplished by reducing the overtime appropriations.
- Restores funding for 17 non-uniformed unfunded or abolished positions and funds an additional three nurse positions and a dental office supervisor position.
- Restores \$870,000 in FY 2010 and \$910,000 in FY 2011 for use in reducing the prison population through a newly established division of community corrections and the academy programs.

Liquor Commission

- Establishes a liquor commission fund, and allows the commission to close stores, establish agency stores, and increase flexibility to purchase and promote the sale of liquor and related products to maximize profitability.

Judicial Branch

- Supports the closure of districts courts in Hillsborough, New London, Milford, Claremont and Colebrook to help reduce judicial costs. Plaistow district court is left open on the condition that the state costs for lease will be forgiven over the biennium, and Keene district court is funded for 9 months.
- Establishes the Judicial Branch Information fund from entry fees and penalty assessments collected by the courts for the purpose of information technology maintenance and infrastructure renewal.

Judicial Council

- Transfers responsibility for representation in juvenile and abuse and neglect cases from DCYF to the Judicial Council to eliminate conflict and promote efficiency. The Judicial Council will receive a total of \$800,000 in general funds in each year of the biennium for this purpose.
- Provides an additional \$300,000 each year of the biennium for civil legal services.

Department of Agriculture, Markets and Food

- Establishes four new weights and measures inspectors to provide better consumer protections and increase general fund revenue by approximately \$1 million over the biennium.

Department of Safety

- Changes the allocation of revenue from motor vehicle fines paid by mail to agency revenue and those paid at court to highway fund revenue. This allocation will change the source of funding of various accounting units from general revenue to agency revenue.
- Moves eight filled trooper positions from a federal border grant that was not approved, to vacant and funded trooper positions within State Police Enforcement.
- Appropriates \$3.8 million of general funds for the state cost match for prior flood and storm emergency disasters.

- Appropriates \$650,000 of general funds in FY 2009 for the state cost match for the damage sustained by Allenstown during the “Mothers Day Flood” of May 2006 and the flood of April 2007.
- Increases the vanity plate fee by \$15.

Fish and Game Department

- Establishes a saltwater fishing license effective FY 2011 that will retain license fee revenue in New Hampshire that would have otherwise been paid to the federal government.
- Increases amounts allocated from the sale of various game management licenses and permits to the fish & game fund rather than dedicated accounts for the biennium.
- Purchases additional vehicles using federal and dedicated funds.
- Removes fish and game funded costs that would have been supported from additional un-refunded road toll revenues since the road toll rate increase was eliminated.

Department of Environmental Services

- Maintains funding to meet existing commitments to cities and towns for state aid grants under the water pollution division, landfill closure grants, and public water system grants.
- Establishes the motor vehicle air pollution abatement fund for the purpose of reducing air pollution in the state from motor vehicles registered for on-road use.
- Reduces general fund appropriations by approximately \$4 million over the biennium by establishing a dedicated funding source for the subsurface systems bureau.

Department of Transportation

- Authorizes aggregation of the turnpike and interstate systems.

- Eliminates the proposed road toll rate increase.
- Restores funding of personnel and operating costs for rest areas and welcome centers, and funds these costs from the highway fund.
- Authorizes the commercializing of rest areas, welcome centers, and state liquor store sites along the highways and turnpikes.
- Sells a portion of Interstate 95 from the Highway Department to the Turnpike System.
- Authorizes the installation of open road tolling in Hampton.
- Authorizes a \$30 monthly cost cap and eliminates the 30% E-Z Pass discount to passenger vehicles.
- Increases vehicle registration fee by \$15 and dedicates \$10 of the increase to the highway and bridge betterment account.

Department of Health and Human Services (DHHS)

- Provides additional funding to address higher than anticipated caseload growth resulting from the current state of the economy.
- Requires the Department to reduce state general fund expenditures by approximately \$19.6 over the biennium. Direct services will be excluded from these reductions unless expressly approved by the Fiscal Committee of the General Court or Governor and Council.
- Assumes approximately \$145 million over the biennium from enhanced federal medical assistance percentages (FMAP) provided under the American Recovery and Reinvestment Act of 2009 (ARRA).
- Assumes distributions of approximately \$33 million over the biennium from enhanced FMAP under ARRA to county governments.

DHHS - Division for Children, Youth, and Families

- Increases the diversion incentive calculation percentage to 4.5% of out-of-home placement appropriations, which will provide an additional \$1.5 million over the biennium for diversion incentive programs aimed at encouraging cities, towns, and counties to develop and maintain prevention programs, court diversion programs and alternative dispositions for juveniles.
- Provides \$120,000 in each year of the biennium to fund Family Resource Centers.

DHHS - Division of Family Assistance

- Requires the Division to expend \$550,000 annually to fund the Home Visiting Program which provides prenatal nursing, education and other support services to at risk, low income pregnant women annually.
- Provides over \$30 million in total funds over the biennium to address increased caseloads, as well as maintain income and resource methodologies required under ARRA, for TANF, APTD (Aid to the Permanently and Totally Disabled), OAA (Old Age Assistance), ANB (Aid to the Needy Blind), and Non-TANF clients.

DHHS - Elderly & Adult Services

- Provides approximately \$1.2 million in general funds over the biennium in order to reinstate the Catastrophic Illness Program which provides assistance to residents with cancer and other chronic diseases.

DHHS - Division of Public Health Services

- Provides \$1 million in general funds over the biennium for the New Hampshire Comprehensive Cancer Plan.
- Provides an additional \$1.45 million in general funds over the Governor's Recommended budget for family planning programs over the biennium.
- Provides \$800,000 in general funds over the biennium to provide funding for AIDS Service Organizations.
- Increases food protection license fees to offset \$600,000 in general fund expenditures over the biennium.

Glenclyff Home

- Reduces general fund appropriations to the Glenclyff Home by \$300,000 in each fiscal year.

DHHS - Bureau of Behavioral Health

- Maintains \$80,000 in each year of the biennium to fund suicide prevention programs.
- Provides approximately \$1.2 million in total funds over the biennium to address increased Medicaid caseloads.

DHHS - Division of Developmental Services

- Provides \$40 million in total funds over the biennium for the developmental disabilities waitlist, and allows the appropriations to be non-lapsing over the biennium.
- Provides \$5.6 million in total funds over the biennium for the acquired brain disorder waitlist, and allows the appropriations to be non-lapsing over the biennium.

DHHS – Office of Program Support

- Increases health facility and community residence licensing fees consistent with fees charged by surrounding states. Increases will be used to offset approximately \$1.1 million in general fund expenditures over the biennium.

DHHS - Office of Medicaid and Business Policy

- Provides approximately \$30 million in total funds over the biennium to address increased Medicaid, SCHIP and Pharmacy Services caseloads.
- Provides \$1 million in total funds in each year of the biennium to increase funding for Children's Hospital at Dartmouth (CHaD) for pediatric specialty and sub-specialty services.
- Provides \$4.8M in total funds over the biennium for the Catastrophic Aid Program.

- Requires the Department to submit a Medicaid state plan amendment to assure uninterrupted access to maternity related labor and delivery services in Coos County.
- Requires the Department to develop a Medical Home pilot program.
- Requires prior authorization for ambulance services, wheelchair van services, methadone clinic services, and occupational therapy services which is estimated to save approximately \$4 million in total funds over the biennium.
- Requires the Department to solicit bids for the purchase of medical supplies and equipment which is estimated to save approximately \$3 million in total funds over the biennium.

DHHS- Division of Child Support Services

- Utilizes \$800,000 in incentive funds over the biennium to offset general fund expenditures.

DHHS- Division of Community Based Care

- Closes the Tobey School on September 1, 2009, and provides funding for students who will still require residential services.
- Provides approximately \$3.8 million in general funds in each fiscal year to the Governors Commission on Alcohol & Drug Abuse Prevention, Intervention & Treatment.

New Hampshire Veterans Home

- Provides funding to the Veteran's Home to allow for an increase in residents.

Department of Education

- Fully funds the provisions of SB 539 of the 2008 Session, which established a new formula for determining the cost of an adequate education and fiscal capacity disparity aid, as well as provided for a two-year transition period in FY 2010 and FY 2011

so that no school district receives less state education aid than it did in FY 2009 while limiting grant increases to 15% above FY 2009. Total appropriations for adequate education aid, fiscal capacity disparity aid, and transition aid to school districts are \$940,762,976 in FY 2010 and \$940,597,142 in FY 2011.

- Fully funds School Building Aid at \$44,943,448 in FY 2010 and \$46,260,234 in FY 2011.
- Provides a non-lapsing appropriation of \$3,600,000 to construct kindergarten classrooms in school districts that will be offering public kindergarten for the first time in the upcoming biennium.
- Supports the Governor's recommended total biennial appropriations for Catastrophic Aid (\$64,997,571), Tuition & Transportation Aid (\$14,884,707), and Dropout Prevention (\$3,500,000).
- Provides appropriations for chartered public school tuition and fiscal capacity disparity aid totaling \$4,719,467 in FY 2010 and \$5,273,291 in FY 2011, and limits enrollment growth in each fiscal year so that total state expenditures for chartered public schools do not exceed budgeted appropriations.

Community College System of New Hampshire

- Provides \$1,109,000 of federal stimulus funds to the System in FY 2010, which will maintain total state appropriations in both FY 2010 and FY 2011 at the FY 2009 level (approximately \$37,500,000 annually).

University System of New Hampshire

- Provides \$3,000,000 of federal stimulus funds to the System in FY 2010, which will maintain total state appropriations in both FY 2010 and FY 2011 at the FY 2009 level (\$100,000,000 annually).

STATE OF NEW HAMPSHIRE
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS
GENERAL FUND
(Dollars in Thousands)

SENATE FINANCE PROPOSED

	FY 2009			FY 2010			FY 2011		
	Governor	House	Senate	Governor	House	Senate	Governor	House	Senate
1 Beginning Balance, July 1	\$ 17,184	\$ 17,184	\$ 17,184	\$ -	\$ -	\$ -	\$ (100)	\$ (12,257)	\$ (11,034)
2									
3 Additions:									
4 Base Revenue	-	-	-	-	1,285,000	1,255,100	-	1,323,300	1,299,000
5 Revenue Enhancements-Schedule 2	-	-	-	-	86,200	173,863	-	122,500	214,900
6 Revenue-Schedule 1	1,381,100	1,380,500	1,379,300	1,389,800	1,371,200	1,428,963	1,457,200	1,445,800	1,513,900
7 Revenue Adjustments-Schedule 2	115,600	115,600	97,777	151,000	182,377	139,580	137,000	162,965	127,222
8 Total Additions	1,496,700	1,496,100	1,477,077	1,540,800	1,553,577	1,568,543	1,594,200	1,608,765	1,641,122
9									
10 Less Appropriations:									
11 Appropriations Net of Estimated Revenue	(1,655,800)	(1,655,800)	(1,653,584)	(1,493,700)	(1,602,801)	(1,611,390)	(1,553,000)	(1,636,125)	(1,650,347)
12 Less Lapse Estimate	15,000	15,000	15,000	22,100	23,724	23,849	22,800	24,049	24,260
13 Lapse Percent	0.89%	0.89%	0.89%	1.48%	1.48%	1.48%	1.47%	1.47%	1.47%
14 Net Appropriations	(1,640,800)	(1,640,800)	(1,638,584)	(1,471,600)	(1,579,077)	(1,587,541)	(1,530,200)	(1,612,076)	(1,626,087)
15									
16 Adjustments:									
17 Appropriation Adjustments-Schedule 2	137,150	137,150	133,580	33,100	49,245	20,247	41,700	50,957	20,359
18									
19									
20									
21 Current Year Balance (line 8+14+17)	(6,950)	(7,550)	(27,927)	102,300	23,745	1,249	105,700	47,646	35,394
22									
23 Cumulative Ending Balance, June 30 (line 1+21)	10,234	9,634	(10,743)	102,300	23,745	1,249	105,600	35,389	24,360
24									
25 Transfer (To)/From Rainy Day Fund	37,805	39,405	59,782	-	-	-	-	-	-
26 Transfer (To)/From Education Trust Fund	(48,039)	(49,039)	(49,039)	(102,400)	(36,002)	(12,283)	(100,100)	(34,649)	(6,670)
27									
28									
29									
30 June 30 Balance After Transfers (line 23+25+26)	\$ -	\$ -	\$ -	\$ (100)	\$ (12,257)	\$ (11,034)	\$ 5,500	\$ 740	\$ 17,690
31									
32									
33									
34 Revenue Stabilization Balance	\$ 51,241	\$ 49,641	\$ 29,264	\$ 51,241	\$ 49,641	\$ 29,264	\$ 51,241	\$ 49,641	\$ 29,264
35									
36 Revenue Stabilization Balance at 6/30/2008 = \$89,046,000									
37									

SCHEDULE 1

STATE OF NEW HAMPSHIRE									
COMPARATIVE STATEMENT OF REVENUE									
GENERAL FUND									
(Dollars in Thousands)									
	FY 2009			FY 2010			FY 2011		
	Governor	House	Senate	Governor	House	Senate	Governor	House	Senate
1 Business Profits Tax	\$ 256,400	\$ 238,700	\$ -	\$ 256,428	\$ 231,800	\$ 271,800	\$ 256,428	\$ 234,100	\$ 274,100
2 Business Enterprise Tax	62,800	70,800	-	62,800	68,800	68,800	62,800	69,500	69,500
3 Subtotal	\$ 319,200	\$ 309,500	\$ -	\$ 319,228	\$ 300,600	\$ 340,600	\$ 319,228	\$ 303,600	\$ 343,600
4 Meals & Rooms	204,800	206,300	-	237,500	227,500	228,000	248,800	232,800	232,700
5 Tobacco Tax	56,400	61,900	-	80,933	53,200	58,200	79,535	51,600	52,000
6 Liquor Sales	146,100	144,600	-	-	148,900	-	-	153,400	-
7 Interest & Dividends Tax	107,100	107,000	-	123,000	125,000	100,000	131,000	153,000	107,000
8 Insurance Tax	90,500	90,500	-	88,300	88,300	85,800	86,500	91,600	86,300
9 Communications Tax	82,900	82,600	-	87,000	82,000	82,000	89,600	85,000	85,000
10 Real Estate Transfer Tax	64,100	53,800	-	55,524	53,400	53,400	65,024	58,200	58,100
11 Court Fines and Fees	28,900	28,700	-	11,300	20,100	13,884	11,300	20,400	14,084
12 Securities Revenue	33,900	34,000	-	34,000	34,000	34,000	34,000	34,000	34,000
13 Utility Consumption Tax	6,300	6,100	-	6,600	6,000	6,600	6,600	6,000	6,600
14 Board and Care	19,000	19,000	-	19,934	19,900	19,900	20,545	20,500	20,500
15 Beer Tax	12,900	12,900	-	-	12,800	-	-	12,800	-
16 Horse and Dog Racing GOC	2,700	4,000	-	2,500	3,700	3,700	2,500	3,700	3,700
17 Other	75,100	84,000	-	56,362	54,600	71,779	55,965	54,300	71,916
18 Transfers from Lottery	-	-	-	-	-	-	-	-	-
19 Transfers from Pari-Mutuel	-	-	-	-	-	-	-	-	-
20 Transfers from Liquor Sales	-	-	-	122,200	-	117,300	147,600	-	127,900
21 Transfers from Beer Tax	-	-	-	12,800	-	12,800	12,800	-	12,800
22 Tobacco Settlement	13,000	13,000	-	9,400	9,400	9,400	9,959	10,000	10,000
23 Utility Property Tax	-	-	-	-	-	-	-	-	-
24 Estate Tax	-	-	-	-	-	-	-	10,000	-
25 Gaming	-	-	-	-	-	70,000	-	-	115,000
26 State Wide Property Tax	-	-	-	-	-	-	-	-	-
27 Subtotal	\$ 1,262,900	\$ 1,257,900	\$ -	\$ 1,266,581	\$ 1,239,400	\$ 1,307,363	\$ 1,320,956	\$ 1,300,900	\$ 1,381,200
28 Medicaid Enhancement	101,200	101,400	-	104,958	105,000	99,300	117,321	117,300	109,600
29 Medicaid Recovery	17,000	21,200	-	18,261	26,800	22,300	18,923	27,600	23,100
30 Subtotal	\$ 118,200	\$ 122,600	\$ -	\$ 123,219	\$ 131,800	\$ 121,600	\$ 136,244	\$ 144,900	\$ 132,700
31 Total	\$ 1,381,100	\$ 1,380,500	\$ 1,379,300	\$ 1,389,800	\$ 1,371,200	\$ 1,428,963	\$ 1,457,200	\$ 1,445,800	\$ 1,513,900

STATE OF NEW HAMPSHIRE ADJUSTMENTS - SCHEDULE 2 GENERAL FUND (Dollars in Thousands)										
	FY 2009			FY 2010			FY 2011			Comments
	Governor	House	Senate	Governor	House	Senate	Governor	House	Senate	
1 REVENUE ENHANCEMENTS:										
2 Meals & Room Increase (.75%)	\$ -	\$ -	\$ -	\$ -	\$ 19,500	\$ 20,000	\$ -	\$ 20,000	\$ 20,000	
3 Tobacco Tax Increase	-	-	-	-	30,600	35,200	-	26,200	30,800	House-\$0.35/Senate-\$0.45
4 Insurance Premium Tax Delay	-	-	-	-	-	-	-	5,100	-	
5 Estate Tax	-	-	-	-	-	-	-	10,000	-	
6 Interest & Dividends - Capital Gains	-	-	-	-	25,000	-	-	50,000	-	
7 Wine Discount	-	-	-	-	3,100	-	-	3,200	-	
8 Pharmacy Rebates	-	-	-	-	8,000	-	-	8,000	-	
9 BET credit deferral	-	-	-	-	-	40,000	-	-	40,000	
10 Sale of gaming licenses, gaming revenues	-	-	-	-	-	70,000	-	-	115,000	
11 Additional revenue from existing state taxes	-	-	-	-	-	-	-	-	-	
12 Agriculture - Weights & Measures licensing fees	-	-	-	-	-	356	-	-	783	
13 Environmental Services - Subsurface fees changed general fund revenue to agency income	-	-	-	-	-	(1,229)	-	-	(1,231)	HB 1 - appropriations changed from general fund to agency income
14 Judicial Branch - fee increases	-	-	-	-	-	1,984	-	-	1,984	
15 Judicial Branch - fee for fine time payments	-	-	-	-	-	300	-	-	300	
16 Labor - new labor inspector revenue	-	-	-	-	-	300	-	-	300	
17 LCHIP - 50% of certain registry of deeds fees to general fund	-	-	-	-	-	2,250	-	-	2,250	
18 OPEB funding to general fund	-	-	-	-	-	9,000	-	-	9,000	
19 Safety - increase vanity plate fee by \$15	-	-	-	-	-	2,500	-	-	2,500	
20 Safety - increase out-of-state concealed weapon license	-	-	-	-	-	854	-	-	854	
21 Safety - fines changed from general fund revenue to agency income	-	-	-	-	-	(9,000)	-	-	(9,000)	HB 1 - appropriations changed from general fund to agency income
22 Safety - Inspection sticker fee increase (\$0.25)	-	-	-	-	-	350	-	-	350	
23 Secretary of State - Election Fees & Fines to general fund	-	-	-	-	-	998	-	-	1,010	
24 TOTAL REVENUE ENHANCEMENTS	\$ -	\$ -	\$ -	\$ -	\$ 86,200	\$ 173,863	\$ -	\$ 122,500	\$ 214,900	
26 REVENUE ADJUSTMENTS:										
27 Executive Orders (USNH,CCSNH,other)	\$ 15,600	\$ 15,600	\$ 15,600	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
28 FMAP Stimulus	50,000	50,000	32,177	113,000	107,528	91,200	69,000	63,116	53,951	
29 JUA	50,000	50,000	50,000	30,000	30,000	30,000	30,000	30,000	30,000	
30 Sale/Lease Liquor Assets	-	-	-	-	-	-	-	25,000	25,000	
31 Unallocated State Fiscal Stabilization Fund	-	-	-	-	36,849	18,380	-	36,849	18,271	
32 Gaming Tax	-	-	-	8,000	8,000	-	8,000	8,000	-	
33 TOTAL REVENUE ADJUSTMENTS	\$ 115,600	\$ 115,600	\$ 97,777	\$ 151,000	\$ 182,377	\$ 139,580	\$ 137,000	\$ 162,965	\$ 127,222	
35 APPROPRIATION ADJUSTMENTS:										
36 Pending Budget savings	\$ 3,200	\$ 3,200	\$ 730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
37 Building Aid bonding	40,000	40,000	40,000	-	-	-	-	-	-	
38 Executive Order 2008-8	8,000	8,000	8,000	-	-	-	-	-	-	
39 Executive Order 2008-9	26,900	26,900	26,900	-	-	-	-	-	-	
40 Executive Order 2008-10	41,000	41,000	41,000	-	-	-	-	-	-	
41 Executive Order 2008-11	5,000	5,000	5,000	-	-	-	-	-	-	
42 Governors Additional Recommended savings	11,700	11,700	11,250	-	-	-	-	-	-	
43 Retiree Healthcare savings	3,100	3,100	3,100	-	-	-	-	-	-	HB 30/Chapter 1, L'09
44 HB 30 reduction to highway fund transfer	(1,750)	(1,750)	(1,750)	-	-	-	-	-	-	

STATE OF NEW HAMPSHIRE ADJUSTMENTS - SCHEDULE 2 GENERAL FUND (Dollars in Thousands)											
	FY 2009			FY 2010			FY 2011			Comments	
	Governor	House	Senate	Governor	House	Senate	Governor	House	Senate		
45	Allenstown FEMA match (SB 10)	-	-	-	-	-	-	-	-	-	
46	Board of Tax & Land Appeals position	-	-	100	-	-	100	-	-	-	HB 1 - moved to section 1
47	CCSNH reduction	-	-	5,900	-	1,000	7,700	-	-	1,000	HB 1 - moved to section 1
48	Department of Cultural Affairs reduction	-	-	-	-	150	-	-	-	150	HB 1
49	DH&HS reduction	-	-	-	-	-	-	-	-	-	HB 1 - see row 50, 51
50	DH&HS reduction - TANF utilization option	-	-	4,500	4,500	7,359	9,300	9,300	12,200	-	HB 2 - see row 49
51	DCYF - Office of the Director reduction	-	-	-	2,563	-	-	2,601	-	-	HB 2 - see row 49
52	Glenciff Home reduction	-	-	-	276	-	-	299	-	-	HB 2 - see row 49
53	Department of Environmental Services - Subsurface & Subdivisions Plans	-	-	-	300	300	-	300	300	-	HB 1
54	Executive Council lapse	-	-	-	1,000	-	-	1,000	-	-	HB 2 - moved to HB 1, section 1
55	Department of Information Technology reduction	-	-	-	15	-	-	-	-	-	HB 1
56	Judicial Branch reduction	-	-	-	6,154	1,000	-	6,917	1,000	-	HB 1
57	Judicial Branch technology (change in funding source)	-	-	11,700	-	1,000	15,600	-	1,000	-	HB 1 - moved to section 1
58	Department of Justice reduction	-	-	-	1,836	-	-	994	-	-	HB 1 - moved to section 1
59	Department of Labor - dedicated fund lapse	-	-	-	325	-	-	651	-	-	HB 1
60	Legislative Branch reduction	-	-	-	-	500	-	-	-	-	HB 2
61	Liquor Commission lapse	-	-	500	478	478	-	-	-	-	HB 1
62	Department of Revenue Administration reduction	-	-	2,400	-	-	3,200	-	-	-	HB 1 - moved to section 1
63	Retirement System reduction Medical Subsidy	-	-	-	460	460	-	-	250	-	HB 1
64	Health Insurance changes un/non-classified	-	-	3,000	3,000	3,000	3,000	3,000	3,000	-	HB 2
65	Change retirement contribution from 5% to 7% for new hires	-	-	-	-	-	2,300	2,300	959	-	HB 2
66	Change retirement contribution rates for all employees	-	-	500	-	500	500	-	500	-	HB 2 - (see row 66, 67)
67	Adjusted state share of municipal normal contribution	-	-	-	4,700	-	-	4,900	-	-	HB 2 - (see row 65, 67)
68	Reduce self-insurance 1 month reserve to 5% of annual claims	-	-	-	6,198	-	-	5,397	-	-	HB 2 - (see row 65, 66)
69	Across the board reduction	-	-	4,500	4,500	4,500	-	-	-	-	HB 2
70	Continuation of Executive Order 2008-1 and 2008-8	-	-	-	12,920	-	-	13,298	-	-	HB 1
71	TOTAL APPROPRIATION ADJUSTMENTS	\$ 137,150	\$ 137,150	\$ 133,580	\$ 33,100	\$ 49,245	\$ 20,247	\$ 41,700	\$ 50,957	\$ 20,359	

STATE OF NEW HAMPSHIRE
COMPARATIVE STATEMENT OF FUND BALANCE
EDUCATION TRUST FUND
(Dollars in Thousands)

	FY 2009			FY 2010			FY 2011		
	Governor	House	Senate	Governor	House	Senate	Governor	House	Senate
1 Beginning Balance, July 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2									
3 <u>Additions:</u>									
4 Revenue - Schedule 3	849,700	848,700	848,700	854,715	859,400	861,800	859,915	861,500	867,800
5 Stimulus - Education - SFSF	-	-	-	-	61,500	80,078	-	61,500	80,078
6 Total Additions	849,700	848,700	848,700	854,715	920,900	941,878	859,915	923,000	947,878
7									
8 <u>Appropriations:</u>									
9 Adequate Education Aid	-	-	-	-	(497,096)	(497,096)	-	(497,096)	(497,096)
10 State Property Tax raised & retained locally	-	-	-	-	(363,000)	(363,000)	-	(363,000)	(363,000)
11 Total Adequacy	-	-	-	-	(860,096)	(860,096)	-	(860,096)	(860,096)
12 Hardship Grants	-	-	-	-	(5,000)	(5,000)	-	(5,000)	(5,000)
13 Charter School Tuition	-	-	-	-	(4,755)	(4,755)	-	(5,336)	(5,336)
14 Fiscal Disparity - School Districts	-	-	-	-	(37,010)	(37,010)	-	(37,010)	(37,010)
15 Kindergarten Adequacy	-	-	-	-	(3,678)	(3,678)	-	(3,678)	(3,678)
16 Education Transition Aid	-	-	-	-	(43,657)	(43,657)	-	(43,491)	(43,491)
17 Fiscal Disparity - Charter Schools	-	-	-	-	(2,706)	(2,706)	-	(3,038)	(3,038)
18 Total Appropriations	(897,739)	(897,739)	(897,739)	(957,115)	(956,902)	(956,902)	(960,015)	(957,649)	(957,649)
19									
20 <u>Appropriation Adjustments:</u>									
21 Charter School Enrollment Limit	-	-	-	-	-	2,741	-	-	3,101
22 Total Appropriation Adjustments	-	-	-	-	-	2,741	-	-	3,101
23									
24									
25									
26 Current Year Balance	(48,039)	(49,039)	(49,039)	(102,400)	(36,002)	(12,283)	(100,100)	(34,649)	(6,670)
27									
28 Cumulative Ending Balance, June 30 (line 1+22)	(48,039)	(49,039)	(49,039)	(102,400)	(36,002)	(12,283)	(100,100)	(34,649)	(6,670)
29									
30 Transfer (To)/From General Fund	48,039	49,039	49,039	102,400	36,002	12,283	100,100	34,649	6,670
31									
32									
33									
34 June 30 Fund Balance After Transfers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35									
36									

SCHEDULE 3

STATE OF NEW HAMPSHIRE										
COMPARATIVE STATEMENT OF REVENUE										
EDUCATION TRUST FUND										
(Dollars in Thousands)										
	FY 2009			FY 2010			FY 2011			
	Governor	House	Senate	Governor	House	Senate	Governor	House	Senate	
1 Business Profits Tax	\$ 55,000	\$ 51,300	\$ -	\$ 55,000	\$ 49,800	\$ 49,800	\$ 55,000	\$ 50,400	\$ 50,400	1
2 Business Enterprise Tax	125,800	141,800	-	125,800	137,700	137,700	125,800	139,100	139,100	2
3 Subtotal	\$ 180,800	\$ 193,100	\$ -	\$ 180,800	\$ 187,500	\$ 187,500	\$ 180,800	\$ 189,500	\$ 189,500	3
4 Meals & Rooms	8,200	6,700	-	7,000	7,000	7,000	7,200	7,200	7,300	4
5 Tobacco Tax	120,000	118,600	-	119,100	132,400	137,000	115,500	125,100	133,800	5
6 Real Estate Transfer Tax	32,000	26,800	-	27,700	26,600	26,600	32,500	29,000	29,100	6
7 Transfer from Charitable Gaming/Pari-Mutuel	1,500	1,300	-	1,315	1,300	-	1,315	1,300	-	7
8 Transfer from Lottery	76,200	75,600	-	87,800	76,600	75,700	91,600	80,400	79,100	8
9 Tobacco Settlement	40,000	40,000	-	40,000	40,000	40,000	40,000	40,000	40,000	9
10 Utility Property Tax	28,000	23,600	-	28,000	25,000	25,000	28,000	26,000	26,000	10
11 State Wide Property Tax	363,000	363,000	-	363,000	363,000	363,000	363,000	363,000	363,000	11
12 Total	\$ 849,700	\$ 848,700	\$ 848,700	\$ 854,715	\$ 859,400	\$ 861,800	\$ 859,915	\$ 861,500	\$ 867,800	12

SCHEDULE OF STATE AID TO CITIES, TOWNS AND SCHOOL DISTRICTS

AID BY CATEGORY	FY 1999 Actual	FY 2000 Actual	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Budget	FY 2010 Budget Senate Finance	FY 2011 Budget Senate Finance
1 Building Aid	18,548,866	18,944,900	19,505,100	23,461,337	25,273,513	31,052,475	35,995,812	37,770,926	41,735,035	46,487,244	44,068,069	44,943,448	46,260,234
2 Adequate Education Aid		824,657,539	824,657,539	880,657,284	896,869,535	895,141,619	804,800,238	836,204,501	836,147,136	890,426,556	890,360,565	940,762,976	940,597,142
3 Court Ordered Placements	2,709,739	3,050,757	3,840,248	5,050,390	5,203,336	5,152,012	4,566,482	3,468,627	2,578,967	1,379,288	1,000,000	1,500,000	1,500,000
4 Driver Education	1,604,400	1,494,850	1,402,100	1,476,550	1,548,289	1,801,513	1,802,985	1,681,172	1,659,150	1,599,575	2,313,380	1,900,000	2,000,000
5 Dropout Prevention						722,400	265,200	246,032	297,176	956,918	1,750,000	1,750,000	1,750,000
6 Foundation Aid	68,505,188												
7 Kindergarten Aid	6,540,000	725,057	926,057	1,534,800	1,086,000	722,400	265,200	567,600	750,000	850,800	957,600	3,677,700	3,677,700
8 Kindergarten Construction Aid	4,462,695	2,970,615	6,138,635	5,874,933	2,123,206	995,110	1,190,659	208,469	2,402,060	1,131,221		3,600,000	
9 Local Education Improvement	316,491	491,519	2,711,893	284,107	258,844	(4,089)	525,333	90,268	427,535	368,419	500,000	485,000	500,000
10 Reading Recovery	306,736	248,084	369,914	277,753	359,445	200,921	415,303	341,780	342,035	318,306	400,000	1	1
11 Retirement Normal Contribution - Teachers¹									18,588,116	30,196,769	32,072,981		
12 School Breakfast²									85,890	87,967	200,000	194,000	200,000
13 School Lunch	832,003	832,003	832,003	832,003	832,003	832,003	832,003	832,003	832,003	832,003	832,003	832,003	832,003
14 Special Education	15,138,490	16,278,187	17,855,087	19,400,630	17,861,880	19,299,990	20,374,363	28,355,251	30,442,213	32,012,334	34,587,167	32,358,454	33,230,117
15 State Revenue Sharing - District Allocation	22,083,928												
16 Tuition & Transportation	3,780,421	3,903,407	3,494,567	3,634,824	3,843,531	4,150,191	4,779,745	5,159,555	5,393,771	6,552,172	8,055,689	7,329,018	7,555,689
Education Total	144,828,957	873,596,918	881,733,143	942,494,611	955,259,582	960,066,545	875,813,323	914,926,184	941,681,087	1,013,197,572	1,017,097,454	1,039,332,600	1,038,102,886
ENVIRONMENTAL													
17 Flood Control	571,480	585,496	585,496	573,274	573,274	659,150	659,150	729,712	729,712	912,884	751,603	775,000	775,000
18 Landfill Closure Grants	1,540,374	1,483,552	2,244,724	1,929,971	1,906,773	1,413,182	2,292,073	2,067,751	2,030,802	1,944,036	2,000,000	1,020,234	943,713
19 Public Water System Grants	1,914,358	1,774,908	1,722,368	1,743,275	1,720,503	1,706,979	1,644,905	1,484,682	1,741,982	1,494,664	1,368,221	1,276,848	1,208,646
20 State Aid Grants - Pollution Control	14,247,045	12,977,710	12,648,021	12,373,846	12,720,836	12,485,769	12,891,357	11,826,356	12,195,029	10,820,000	11,500,000	8,375,720	5,471,844
21 Water Supply Land Protection Grants				1,353,125	483,446	1,696,811	92,200	577,301	373,750	1,398,942	1,000,000		
Environmental Total	18,273,257	16,821,666	17,400,609	17,973,491	17,404,832	17,961,891	17,579,685	16,685,702	17,071,275	16,570,526	16,619,824	11,447,802	8,399,203
OTHER GEN. FUNDS													
22 Meals & Rooms Distribution	17,427,183	22,427,183	27,427,183	32,200,710	35,889,124	37,722,807	42,686,666	47,104,777	50,903,052	55,513,020	60,903,053	58,805,057	58,805,057
23 Railroad Tax³	176,545	171,436	183,330	182,102	167,164	119,137	137,013	127,218	46,520	101,460	101,460	101,460	101,460
24 State Revenue Sharing	47,300,000	25,216,057	25,216,057	25,216,057	25,216,057	25,216,057	25,216,057	25,216,057	25,216,054	25,216,054	25,216,057		
less: District Allocation	(22,083,928)												
Net State Revenue Sharing	25,216,072	25,216,057	25,216,057	25,216,057	25,216,057	25,216,057	25,216,057	25,216,057	25,216,054	25,216,054	25,216,057		
25 Retirement Normal Contribution	12,338,672	14,544,763	15,097,784	14,739,079	18,141,136	22,717,956	25,917,965	32,917,007	35,091,224	50,229,497	55,554,921	53,784,857	46,837,853
less: Teacher Normal Contribution									18,588,116	30,196,769	32,072,981		
Net Retirement Normal Contribution	12,338,672	14,544,763	15,097,784	14,739,079	18,141,136	22,717,956	25,917,965	32,917,007	16,503,108	20,032,728	23,481,940	53,784,857	46,837,853
Other General Funds Total	55,158,472	62,359,439	67,924,354	72,337,948	79,413,481	85,775,957	93,957,701	105,365,059	92,668,734	100,853,262	109,702,510	112,691,374	105,744,370
HIGHWAY FUNDS													
26 Block Grants	22,637,086	23,433,173	25,012,047	25,586,257	27,292,299	27,238,546	29,450,081	28,819,381	28,456,617	29,600,000	29,500,000	29,990,000	29,952,000
GRAND TOTAL	240,897,772	976,211,196	992,070,153	1,058,372,307	1,079,370,194	1,091,042,939	1,016,800,790	1,065,796,326	1,079,877,713	1,160,231,360	1,172,919,788	1,193,461,776	1,182,198,469
NOTES:	1 Specific amounts distributed to school districts and municipalities are currently available for FY 2007, FY 2008, and FY 2009 only. For FY 1999 - FY 2006 and FY 2010-FY 2011, the teacher contribution is not distinguished from the police & fire contribution. 2 Program established in FY 2007. 3 Amounts for FY 2009-2011 are estimates based on FY 2008 actual expenditure.												