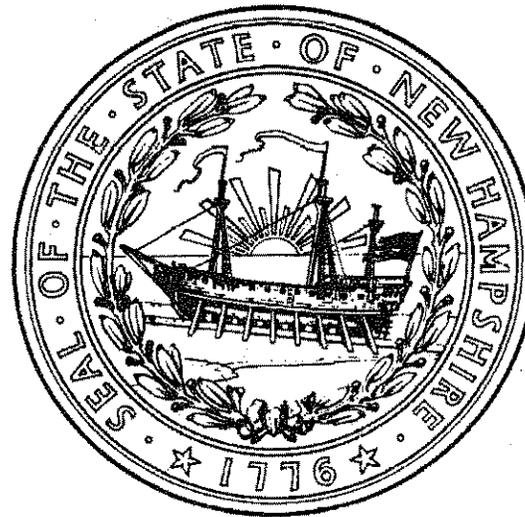


HOUSE COMMITTEE ON FINANCE
BUDGET BRIEFING - HOUSE BILL 1 & 2

MARCH 30, 2015



**OPERATING BUDGET FOR FISCAL YEARS ENDING
JUNE 30, 2016 AND 2017**

**2015-2016 SESSION
HOUSE FINANCE COMMITTEE**

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State of New Hampshire

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COMMITTEE ON FINANCE

March 30, 2015

To the Honorable Members of the House of Representatives:

This briefing document summarizes the House Finance Committee recommendations for the state budget for the FY 2016/17 biennium. It is a balanced budget, with no new or increased taxes, and is based on the unanimous House Ways and Means revenue estimates. Some of the changes were suggested by the Governor in HB 1 as introduced. Most of the changes were the result of careful review by the Finance Committee, after listening to public comments at three public hearings and accepting input from state departments and agencies.

The budget establishes what the state will do in the next two years. It sets the direction, priorities and limits for state agencies. HB 2 contains the necessary statutory changes to support the budget.

The budget appropriates \$11.159 billion in total funds for the next biennium, up 3.3% from the \$10.797 billion appropriated in the current biennium. Included in that total are \$2.732 billion in general funds, up 2.8% from the \$2.657 billion appropriated in the current biennium. While some appropriations were increased, a number of appropriations had to be reduced in order to live within our means. These reductions were difficult and painful for Finance Committee members to make.

This budget provides the services the people of this state want for the next two years: better roads, education funding, a pro-business atmosphere and care for the neediest among us. It represents a careful compromise between what we wanted to do and what we were able to do.

A number of major issues were addressed by the Finance Committee. In FY 2016, we recommend beginning the process of tapering down the education funding stabilization grant program, developed and funded in 2012 to assist schools in the transition to the new adequacy formula. These grants were designed as a stop-gap measure, not a permanent program. School districts with growing student populations and school districts with declining student populations will receive the amounts the

adequacy formula requires beginning in FY 2017. To ease the transition, no district will see its grant reduced by more than \$750,000.

State highways will continue to receive the maintenance they have in the past. The \$68 million shortfall in the Department of Transportation operating budget has been made up by a combination of substituting general funds for highway funds, unrestricting revenue dedicated for highway and bridge betterment, transferring monies from the Renewable Energy Fund, and level funding the University System. Municipal block grant aid and municipal bridge aid will continue at their current level, and funding for the widening of I-93 was not changed. The net result is that DoT is funded at a level that, for the next two years, will allow it to continue to perform its operations as it is currently. However, the decade-long period of temporary financial fixes -- a period that saw the state bond highway operating expenses and sell a portion of I-95 and the Piscataqua River bridge to the turnpike system to raise money for highway maintenance -- may very well be over.

The Medicaid expansion program will terminate on December 31, 2016, in accordance with current law, when the federal government will no longer pay the full cost of the program. However, the budget provides for medical and other services for the additional 12,000 individuals who enrolled in the state's on-going Medicaid program as a result of changed financial eligibility standards under the federal Affordable Care Act.

The budget avoids further harm to our state's economy by removing the Governor's proposals to increase taxes on tobacco products and on the state's businesses by tens of millions of dollars. It also removes the Governor's proposal to raise motor vehicle registration fees by 35%. By reducing government expansion, the state's economy should benefit.

The Finance Committee worked hard to build a budget that reflects the views and values of the people who elected us to represent them.

Neal M. Kurk

Representative Neal M. Kurk
Chairman

**HOUSE FINANCE COMMITTEE
EXECUTIVE BUDGET SUMMARY
FY 2016 - FY 2017**

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SECTION I
BUDGET HIGHLIGHTS

**State of New Hampshire
House Finance Committee Budget Highlights
FY 2016/2017**

OVERALL HIGHLIGHTS

In General

- The committee amendment is a balanced budget that provides \$11.2 billion from all funds, including \$2.7 billion in general funds, for the FY 2016-2017 biennium.
- The committee amendment appropriates \$75 million more in general funds, and \$362 million more in total funds than the previous budget.
- The committee amendment will leave a slightly larger balance in the Revenue Stabilization Account (“rainy day” fund) of \$10.1 million at the end of the biennium.

Revenues

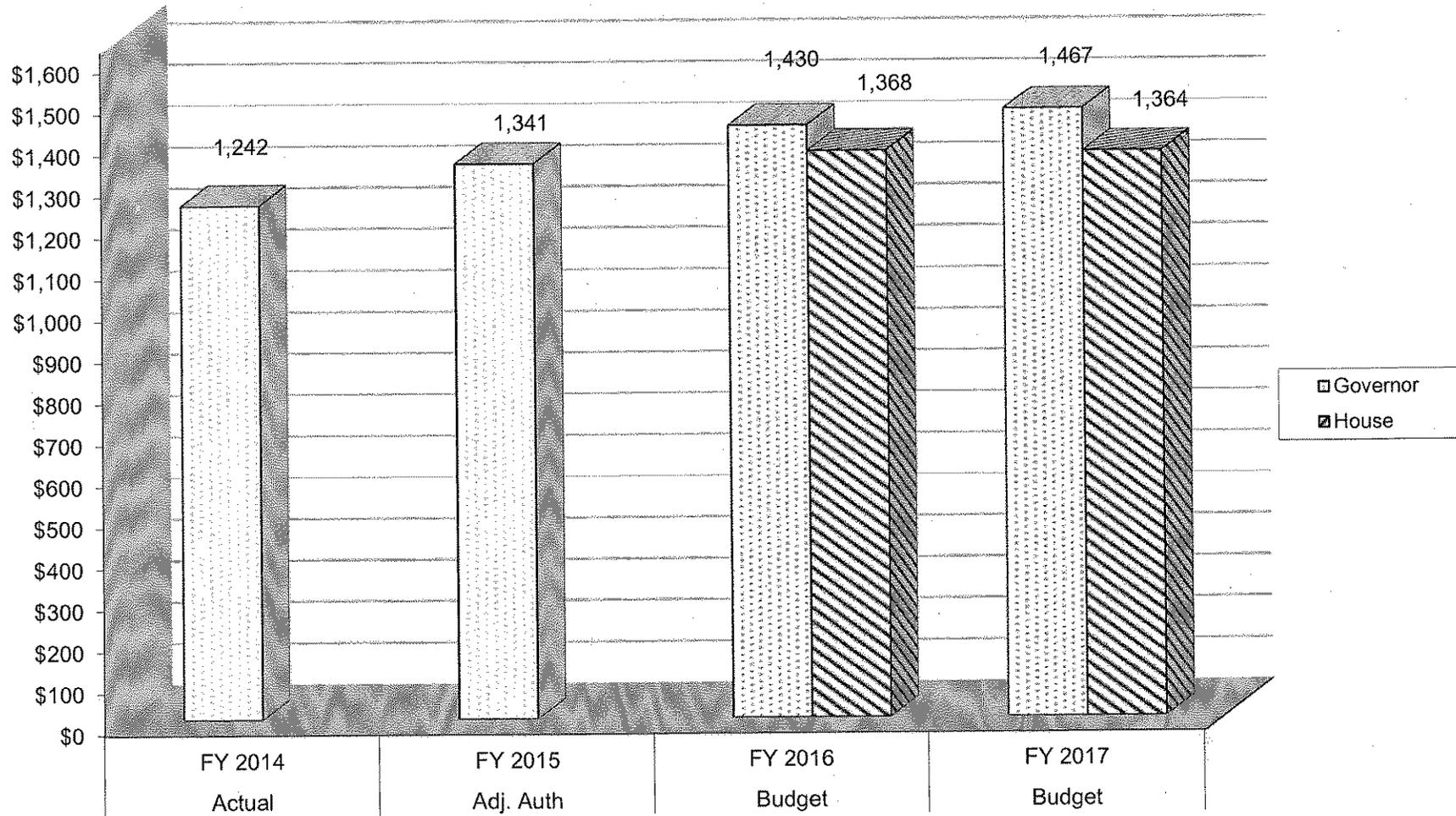
- The revenue projections from existing sources are those estimated by the House Ways and Means Committee.
- The House Finance Committee recommendation balances the budget using existing revenue sources, and does not rely on Keno revenue, business tax increases, tobacco tax increases, or motor vehicle registration fee increases.

Appropriations

- Provides additional funding for uncompensated care payments to hospitals and community mental health services.
- Eliminates the cap and establishes a new floor on adequate education grants, and fully funds catastrophic aid for special education in FY 2017.
- Reduces the diversion of Highway Funds to the Department of Safety, restores funding to the Department of Transportation to continue to maintain state highways, and maintains funding for the widening of I-93.

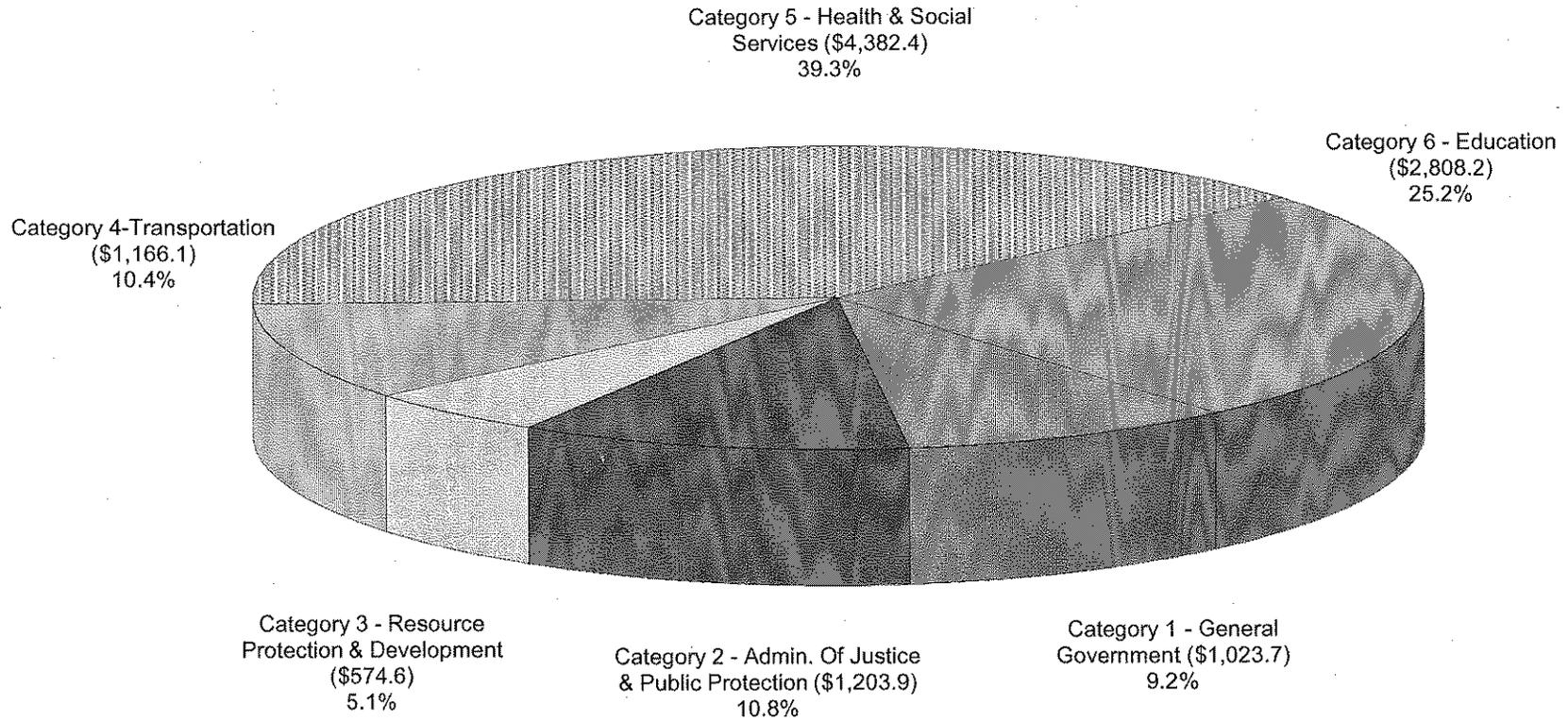
- Continues the State's commitment to municipalities by providing approximately \$2.2 billion in State Aid over the biennium, including maintaining meals and rooms distributions at the FY 2015 level, a proposal offered by the Governor for FY 2016, and extended by the committee through FY 2017.

Comparison of General Fund Actual Expenditures and Appropriations FY 2014 through FY 2017 (In Millions)



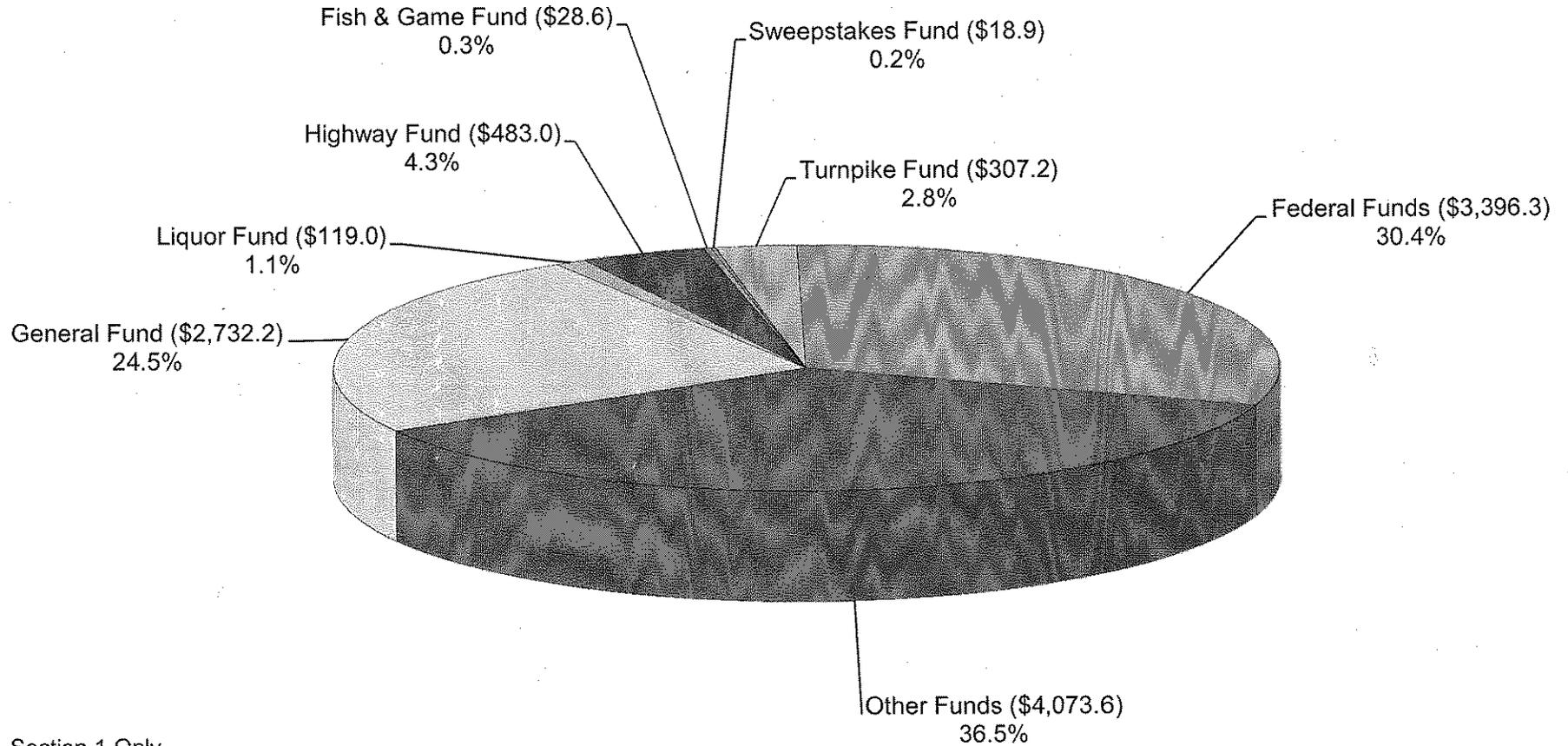
Note - Contains HB 1 section 1 appropriations only.

**HB 1, AS AMENDED BY THE HOUSE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 16/17
TOTAL APPROPRIATIONS BY CATEGORY \$11,159**



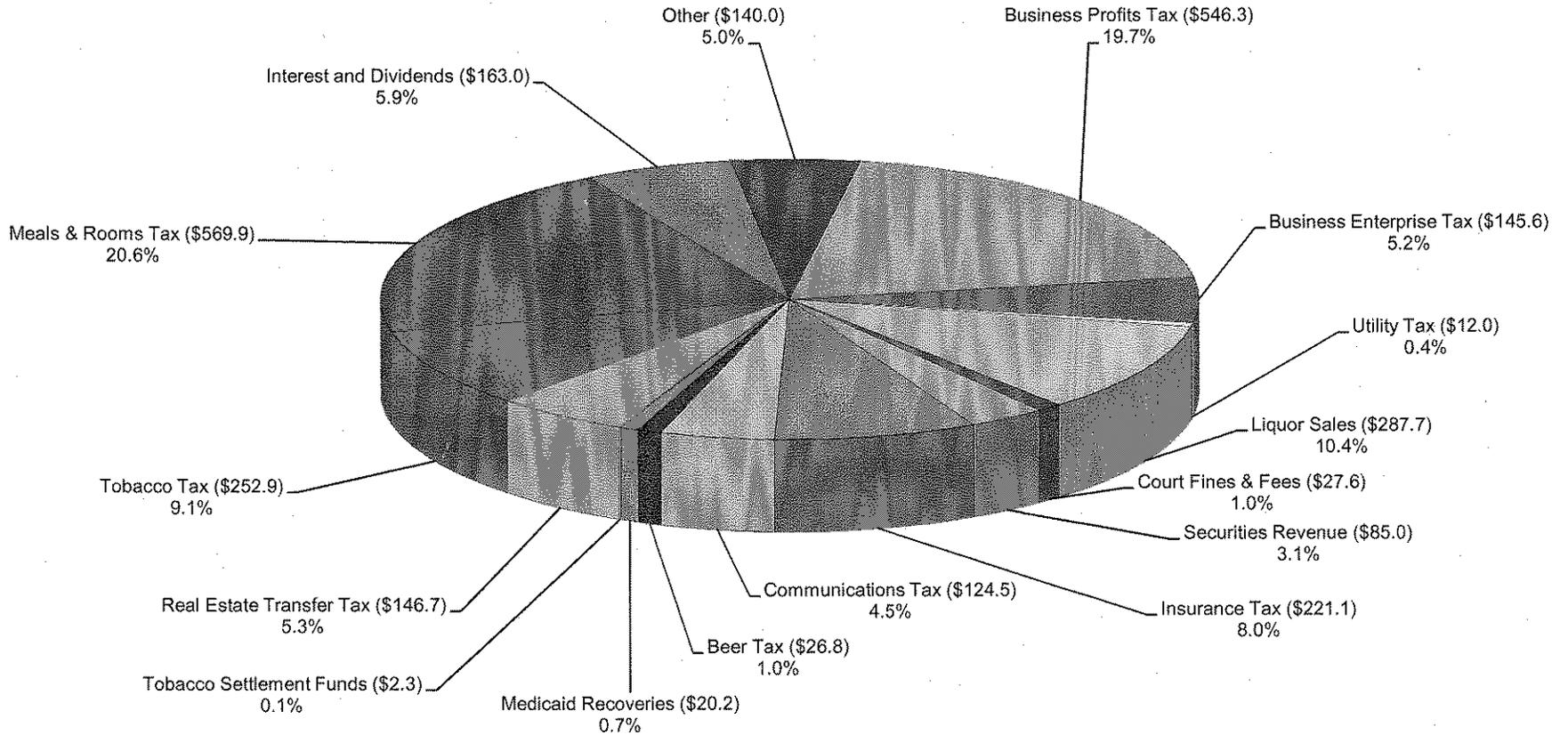
Section 1 Only
Amounts in Millions
LBAO
March 30, 2015

**HB1, AS AMENDED BY THE HOUSE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 16/17
TOTAL APPROPRIATIONS BY SOURCE OF FUNDS \$11,159**



Section 1 Only
Amounts in Millions
LBAO
March 30, 2015

**HB1, AS AMENDED BY THE HOUSE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 16/17
GENERAL FUND UNRESTRICTED REVENUE \$2,771.6**



Amounts in Millions
LBAO
March 30, 2015

DIVISION I

Department of Administrative Services

- Delays implementation of the Office of Operating Performance by one year, saving more than \$1 million over the biennium from the governor's recommended budget.
- Moves funding for retiree health for the Liquor and Racing and Charitable Gaming Commissions into the budgets for the Liquor and Lottery Commissions. Removes those costs from the DAS general fund budget and replaces them with agency income, resulting in general fund savings of \$3.54 million over the biennium from the governor's recommended budget.
- Retirees younger than 65 will pay 20% of health care costs, an increase from the current 12.5%. This change will save an estimated \$2.6 million in general funds over the biennium from the governor's recommended budget. The 74% of retirees age 65 and over will continue to receive health coverage without a premium.
-
- Removes \$77,000 per year budget for statehouse weekend security from the governor's recommended budget. This was to be a new service and was not funded in the FY 2014-2015 biennium.

Department of Revenue Administration

- Funds eleven additional auditor positions, generating \$8.05 million in revenue without raising taxes.
- Authorizes the Department to join the Multi-State Tax Commission, which will reduce the cost of multi-state audits.
- Provides funding for e-File, which will benefit businesses.

State Treasury

- Provides \$127.6 million to cities and towns for meals and rooms distribution over the biennium.
- Fully funds the Land and Community Heritage Investment Program (LCHIP) by appropriating \$7 million over the biennium.

Office of Professional Licensure and Certification

- Reorganizes the Joint Board, DHHS administratively attached boards, and three other individual boards and commissions into one Office of Professional Licensure and Certification to improve efficiency and customer service. The reorganization also achieves savings via cost avoidance, as five new positions requested by the individual boards were unnecessary as a result of the merger.

Office of Energy and Planning

- Redirects some functions of the Office of Energy and Planning to better-suited agencies, moving the Conservation Land Stewardship to the Land Management program at Fish and Game and the Census Bureau to the Department of Employment Security.

Department of State

- Exempts the Department of State from state personnel laws and rules in the performance of elections-related responsibilities, so that the Secretary of State can adequately enforce the state's elections laws.

Judicial Branch

- Decreases general fund appropriations by \$1 million over the biennium from the Governor's recommended budget, in part by not funding a proposed new superior court judge position and four proposed new part-time employees.
- Provides funding for the next phase of e-Court, which will result in long-term cost reductions for the State as well as increased functionality for citizens.
- Encourages the county sheriffs to work with the Judicial Branch to establish a memorandum of understanding which addresses the sheriff's responsibilities. Additionally, once the memorandum of understanding is completed the sheriff's will be reimbursed for court security at the rates provided in the collective bargaining agreements applicable to the Branch's per diem court security officers. This provides additional revenue for counties.

Department of Corrections

- Decreases the Department's appropriation by \$11.4 million from the Governor's recommended budget, including a \$7.9 million attributable to the delay in opening of the women's prison until FY 2018.

Judicial Council

- Appropriates funding for indigent defense at the level necessary to meet constitutional responsibilities.
- Increases support for civil legal services by appropriating \$1,200,000 in FY 2016 and \$1,200,000 in FY 2017, an increase of \$100,000 over the FY 2014-2015 biennium.

Department of Justice

- Reduces the Department's general fund appropriation by \$339,000 over the biennium from the Governor's recommended budget by staggering the establishment of three new attorney positions and one new criminal investigator position.
- Maintains support for the NH Child Advocacy Centers by appropriating a \$100,000 a year in funding.
- Supports the funding for the State's drug task force and the Cold Case Unit.

Department of Agriculture

- Decreases the Department's general fund appropriation by \$176,000 in each year of biennium and replaces this reduction with funds from the integrated pest management fund.
- Funds a new assistant state veterinarian to help meet the agricultural and farming needs of the State.
- Increases funding for Agriculture in the Classroom and Future Farmers of America to encourage youth involvement in agricultural activities.

Liquor Commission

- Decreases liquor fund appropriations by \$3,140,797 from the Governor's recommended budget by staggering the establishment of new positions and vacant funded positions throughout the biennium.
- Adds \$3,236,364 to the Commission's budget to accurately reflect retiree health costs associated with the Commission. This resulted in a corresponding decrease in general funds in the Department of Administrative Services.

Department of Resources and Economic Development

- Supports continued economic development by funding the innovation research center, small business development center and the office of international commerce.
- Provides funding for the new customer relations management system; providing another tool to the Department to attract individuals and businesses to the State.

Department of Environmental Services

- Reduces general fund appropriation by \$1.8 million from the Governor's recommended budget by not funding three new positions for the biennium, staggering when vacant positions would be funded, and removing the tier 2 state aid grants which municipalities have not received to date.
- Continues to provide approximately \$14.8 million in general funds for state aid grants to municipalities for clean water and landfill closure projects.
- Adds a budget footnote to the state aid grant lines that does not allow the appropriated funds to be transferred or expended for any other purpose, including meeting any other budget reduction or executive order requiring appropriation reductions.

DIVISION II

Department of Safety

- Appropriates highway funds to the Department of Safety and other agencies at levels compliant with RSA 9:9-b. Over the biennium, the Department's budget includes over \$65 million in general funds for functions historically funded by the highway fund.
- Aligns the budget with Part 2, Article 6-a, in that only revenue in excess costs of collection and administration of road tolls and motor vehicle fees collected by the Department should be credited to the highway fund.
- Reduces the Department's recommended budget from the Governor by approximately \$5 million over the biennium.
- Continues funding the State Police Detective Bureau without highway funds. The Bureau's budget counts on the revenue from a \$3 increase in vanity license plate fee and includes funding for two additional detectives in response to the State's growing opioid crisis.
- Merges Highway Safety Agency, currently a stand-alone state agency, into the Department of Safety to better coordinate federal funding.
- Addressed loss of revenue caused by the closure of Vermont Yankee used to fund the Division of Homeland Security and Emergency Management by implementing an assessment on insurers and public utilities.

Fish and Game Department

- Enables the Executive Director, after consultation with the Fish and Game Commission, to set various fees through the administrative rulemaking process, which requires approval of the Joint Legislative Committee on Administrative Rules (JLCAR).
- Provides \$600,000 in general funds over the biennium, with \$300,000 specifically for search and rescue overtime costs.

- Discontinues ability for Fish and Game Department to utilize funds from the wildlife habitat account and boat access fund to support staff costs.
- Keeps the Fish and Game Commission at 11 members.

Department of Transportation

- Reduces funding for new equipment purchases by \$8.5 million over the biennium.
- Appropriates nearly 85% of anticipated road toll and motor vehicle fees to the Department over the biennium.
- Avoids cuts in Department's operating activities by reallocating restricted revenue while keeping funding for the completion of I-93 unaffected.
- Maintains level of municipal block grant aid to cities and towns.
- Provides approximately \$14 million over the biennium for municipal bridge aid.

Department of Education

- Provides approximately \$15 million over the biennium in tuition and transportation assistance to local schools.
- Fully funds the payments to towns for existing school building aid projects.
- Eliminates four new general funded positions in the Governor's recommended budget.
- In response to an Office of Legislative Budget Assistant internal control review, funds one new position to help ensure proper controls with the determination, review, and distribution of adequate education aid grants to cities and towns.
- Increases catastrophic special education aid to schools to 100% of its estimated cost in FY 2017, an increase of \$7.5 million over current year funding.

- In FY 2016, increases the cap on adequate education grants from 108% to 115% of previous year grant, while reducing stabilization grants by a total of \$7 million statewide, as recommended by the Governor. In FY 2017, eliminates the cap on grants and reduces the stabilization grant, provided no municipality may have a reduction greater than \$750,000.
- Increases total funding to public charter schools. This includes additional per pupil aid from HB 563, funding for increased enrollment at existing charter schools, and the opening of four new schools over the biennium.

University System of New Hampshire

- Provides funding for the University System during the next biennium at the same levels provided in the current biennium.

Community College System of New Hampshire

- Increases state funding for the Community College System of New Hampshire by approximately \$4 million more than the current biennium.

Lottery Commission

- Merges the Racing and Charitable Gaming Commission into the Lottery Commission.
- Continues the successful employee incentive program to promote increased sales and compensate lottery sales representatives based upon performance.
- Authorizes the Lottery Commission to purchase its building rather than lease, which would reduce its costs resulting in more revenue transferred to the education trust fund annually.

DIVISION III

Department of Health and Human Services (DHHS)

- Funds the Department of Health and Human Services at \$4.3 billion in total funds, and \$1.2 billion in general funds for the FY 2016-2017 biennium.
- Increases the total funding for the Department of Health and Human Services by \$141 million over the FY 2014 actual and FY 2015 adjusted authorized spending levels for the biennium when adjusted for higher uncompensated care payments. General funds increase by \$78.4 million above current biennial spending levels.
- Provides an additional \$123 million in general funds for expanded eligibility for traditional Medicaid in required by the Affordable Care Act, the cost of the mental health settlement, and additional payments to hospitals for uncompensated care under the Medicaid enhancement tax settlement.
- In accordance with current law, allows the New Hampshire Health Protection Program to sunset on December 31, 2016, when the federal payment for Medicaid benefits decreases, saving \$14.6 million of general funds in FY 2017 over the Governor's recommended budget.

DHHS – Division of Human Services

- Reduces the cost per youth of operating the Sununu Youth Services Center by limiting spending to \$9.8 and \$10.1 million for FY 2016 and FY 2017 respectively and provides the option for the Department to privatize operations or to send children to community service providers.
- Funds Child and Family Services programs at existing levels including the cost of additional services related to the increasing the age of minority for juvenile delinquency proceedings from 17 to 18 years of age.
- Provides funding for the Child Protection and Child Development Programs at existing levels.

DHHS – Office of Medicaid Business and Policy

- Increases general funds by \$1.6 million to reinstate the Medicaid Breast and Cervical Cancer program and Medicaid coverage for Low Income Pregnant Women program upon repeal of the New Hampshire Health Protection program.
- Allows Medicaid managed care organizations to use their own preferred drug lists to save \$2.5 million in general funds each year of the biennium.
- Repeals the Health Insurance Premium Program (HIPP) on July 1, 2015, reducing general fund expenditures by \$2.4 million over the biennium. Participants would receive coverage under the bridge to marketplace premium assistance program or the premium assistance program until December 31, 2016.
- Does not include the new Medicaid Substance Use Disorder Benefit, a proposed addition to the Medicaid program in FY 2017, thereby avoiding an additional annual general fund cost of \$3.3 million in FY 2017 and future years.
- Recognizes Medicaid managed care Step 2 savings of \$7.2 million in general funds in FY 2017.

DHHS – Elderly and Adult Services

- Suspends the ServiceLink program, which provides information and assistance to the elderly, but not direct services, saving approximately \$2.7 million in general funds over the biennium.
- Reduces general funds allocated to non-Medicaid social services by more than \$10.5 million from the level in the Governor's recommended budget over the biennium. The Department will prioritize home-delivered meals ("meals on wheels") within the proposed funding level.
- Reduces MQIP payments to nursing homes by 25 percent, retaining a portion of the Nursing Facility Quality Assessment revenue to replace almost \$19 million in general fund appropriations for Medicaid long-term care services.
- Removes the general fund grant of \$250,000 in each year for Crotched Mountain Rehabilitation Center which was included in the Governor's recommended budget.

DHHS – Division of Community Based Care Services

- Maintains funding for the Governor’s Commission on Alcohol and Drug Abuse Prevention, Treatment and Recovery. Removes \$6 million of additional general funds included in the Governor’s recommended budget designated for the Alcohol Abuse Prevention and Treatment Fund
- Provides over \$10 million for the Bureau of Drug and Alcohol Services, an increase above the actual and anticipated expenditures for the current biennium.

DHHS – Division of Public Health

- Saves \$2 million of general funds by reducing appropriations for community health centers.

DHHS – Division of Behavioral Health

- Supports the mental health settlement agreement while saving \$3 million in general fund costs for mental health infrastructure and non-direct services over the biennium.

DHHS – Developmental Services

- Combines Medicaid Waiver Service appropriations with the appropriations for the waiting lists to provide the Department more program flexibility to provide services.
- Provides \$237.4 million in general funds for the Division of Developmental Services in the FY 2016-2017 biennium, a decrease of \$426,000, when compared to FY 2014 actual and FY 2015 anticipated spending levels.

DHHS – New Hampshire Hospital

- Delays by one year opening of the new ten bed unit at the New Hampshire Hospital in recognition of the additional funding for community-based mental health services.

DHHS – Office of the Commissioner

- Reduces costs to the general fund by consolidating district offices saving \$2 million in operating costs over the FY 2016-2017 biennium.
- Requires the department to re-evaluate and re-scope projects related to Medicaid Management Information System (MMIS) to save \$500,000 in general funds for the FY 2016-2017 biennium.

NH Veterans Home

- Increases capacity at the Veterans Home by funding a new 25 bed unit.

NH Office of Veterans Services

- Funds the Office of Veterans Services at the current level in FY 2016 and supports an additional service officer in FY 2017 to enable the office to assist the increasing number of veterans and their families.

SECTION II
FINANCIAL DATA

STATE OF NEW HAMPSHIRE								
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS								
GENERAL FUND								
(Dollars in Thousands)								
	FY 2015		FY 2016		FY 2017			
	Governor	HF Recmnd	Governor	HF Recmnd	Governor	HF Recmnd		
1	Beginning Balance, July 1	\$ 21,890	\$ 21,890	\$ 13,000	\$ -	\$ 4,300	\$ (15,675)	1
2								2
3	Additions:							3
4	Revenue - Schedule 1	1,355,000	1,346,600	1,409,300	1,378,600	1,442,300	1,393,000	4
5	Revenue Adjustments - Schedule 2	13,000	-	48,200	41,054	52,400	32,921	5
6	Total Additions	1,368,000	1,346,600	1,457,500	1,419,654	1,494,700	1,425,921	6
7								7
8	Less Appropriations:							8
9	Appropriations Net of Estimated Revenue	(1,339,200)	(1,339,200)	(1,429,500)	(1,368,065)	(1,467,500)	(1,364,180)	9
10	Appropriation Adjustments - Schedule 2	25,803	27,587	(3,000)	(17,653)	(9,000)	(17,486)	10
11	Less Lapse Estimate	51,900	39,100	43,000	43,000	41,300	41,300	11
12	Lapse Percent	-3.95%	-2.98%	-3.00%	-3.10%	-2.80%	-2.99%	12
13	Net Appropriations	(1,261,497)	(1,272,513)	(1,389,500)	(1,342,718)	(1,435,200)	(1,340,366)	13
14								14
15	Adjustments:							15
16	GAAP and Other Adjustments	(14,563)	(12,000)	-	-	-	-	16
17	Total Adjustments	(14,563)	(12,000)	-	-	-	-	17
18								18
19								19
20								20
21	Current Year Balance (line6+13+17)	91,940	62,087	68,000	76,936	59,500	85,555	21
22								22
23	Cumulative Ending Balance, June 30 (line1+21)	113,830	83,977	81,000	76,936	63,800	69,880	23
24								24
25	Transfer (To)/From Fish & Game Fund	(893)	(893)	(800)	-	(800)	-	25
26	Transfer (To)/From Revenue Stabilization	(2,900)	(580)	-	-	(600)	(182)	26
27	Transfer (To)/From Education Trust Fund	(97,037)	(82,504)	(75,900)	(92,611)	(62,400)	(69,698)	27
28								28
29								29
30								30
31	June 30 Balance After Transfers (line23+25+26+27)	\$ 13,000	\$ -	\$ 4,300	\$ (15,675)	\$ -	\$ -	31
32								32
33								33
34								34
35	Revenue Stabilization Balance	\$ 12,212	\$ 9,892	\$ 12,212	\$ 9,892	\$ 12,812	\$ 10,074	35
36								36
37								37
38	Actual Revenue Stabilization Reserve Account (Rainy Day Fund) balance at 06/30/14 = \$9,312,000.							38

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STATE OF NEW HAMPSHIRE		SCHEDULE 1						
COMPARATIVE STATEMENT OF REVENUE		FY 2015		FY 2016		FY 2017		
GENERAL FUND		Governor	HF Recmnd	Governor	HF Recmnd	Governor	HF Recmnd	
(Dollars in Thousands)								
1	Business Profits Tax	\$ 270,500	\$ 265,300	\$ 276,300	\$ 270,600	\$ 283,800	\$ 275,700	1
2	Business Enterprise Tax	72,100	70,700	79,700	72,100	80,300	73,500	2
3	Subtotal	\$ 342,600	\$ 336,000	\$ 356,000	\$ 342,700	\$ 364,100	\$ 349,200	3
4	Meals & Rooms	270,000	265,400	285,000	278,700	298,400	291,200	4
5	Tobacco Tax	120,800	127,400	122,000	126,800	123,200	126,100	5
6	Interest & Dividends Tax	82,600	81,500	84,200	81,500	85,500	81,500	6
7	Insurance Tax	113,600	115,100	117,600	116,800	115,700	104,300	7
8	Communications Tax	59,000	60,000	61,400	61,500	62,900	63,000	8
9	Real Estate Transfer Tax	77,700	72,800	83,900	71,900	89,700	74,800	9
10	Court Fines & Fees	13,500	13,500	13,800	13,800	13,800	13,800	10
11	Securities Revenue	41,600	41,800	42,200	42,200	42,800	42,800	11
12	Utility Consumption Tax	6,000	6,000	6,000	6,000	6,000	6,000	12
13	Beer Tax	13,400	13,400	13,400	13,400	13,400	13,400	13
14	Other	68,900	69,100	69,900	69,800	70,300	70,200	14
15	Transfers from Liquor Sales	136,900	136,900	141,800	141,400	146,100	146,300	15
16	Tobacco Settlement	2,200	2,300	2,300	2,300	-	-	16
17	Subtotal	\$ 1,348,800	\$ 1,341,200	\$ 1,399,500	\$ 1,368,800	\$ 1,431,900	\$ 1,382,600	17
18	Medicaid Recovery	6,200	5,400	9,800	9,800	10,400	10,400	18
19	Subtotal	\$ 6,200	\$ 5,400	\$ 9,800	\$ 9,800	\$ 10,400	\$ 10,400	19
20	Total	\$ 1,355,000	\$ 1,346,600	\$ 1,409,300	\$ 1,378,600	\$ 1,442,300	\$ 1,393,000	20
21								21
22								22

STATE OF NEW HAMPSHIRE ADJUSTMENTS - SCHEDULE 2 GENERAL FUND (Dollars in Thousands)		SCHEDULE 2						
		FY 2015		FY 2016		FY 2017		
		Governor	HF Recmnd	Governor	HF Recmnd	Governor	HF Recmnd	
1	REVENUE ADJUSTMENTS:							1
2	HB2:83 - Housed Finance - Intent to excavate administration & enforcement fee to the general fund	\$ -	\$ -	\$ -	\$ 54	\$ -	\$ 54	2
3	HB2:113-115 - introduced - Tax Amnesty	13,000	-	-	13,000	-	-	3
4	HB2:105-110 - introduced - Tobacco Tax increase	-	-	20,600	-	18,600	-	4
5	HB2:111-112 - introduced - BPT Reasonable Comp.	-	-	21,700	-	22,200	-	5
6	HB2:222 - House Finance - Lakes Region Facility Sale	-	-	2,000	2,000	-	-	6
7	HB2:100-104 - introduced - BPT Offshore Loophole	-	-	3,500	-	8,000	-	7
8	HB1 - Department of Revenue Administration - revenue from funding auditor positions	-	-	400	400	3,600	7,650	8
9	HB2:381 and 382 - House Finance - Renewable Energy Funds to the General Fund	-	-	-	25,600	-	25,217	9
10	TOTAL REVENUE ADJUSTMENTS	\$ 13,000	\$ -	\$ 48,200	\$ 41,054	\$ 52,400	\$ 32,921	10
11								11
12	APPROPRIATION ADJUSTMENTS:							12
13	Judicial Branch General Fund appropriation reduction - Ch143:9,L'13	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	13
14	Department of Health & Human Services General Fund appropriation reduction - Ch143:10,L'13	3,500	7,000	-	-	-	-	14
15	Department of Information Technology General Fund appropriation reduction - Ch143:11,L'13	-	25	-	-	-	-	15
16	Legislative Branch General Fund appropriation reduction - Ch143:12,L'12	1,000	1,000	-	-	-	-	16
17	Veterans Home General Fund appropriation reduction - Ch143:13,L'13	250	250	-	-	-	-	17
18	Department of Health & Human Services - Sununu Center General Fund appropriation reduction - Ch143:14,L'13	750	750	-	-	-	-	18
19	Department of Revenue Administration General Fund appropriation reduction - Ch143:15,L'13	500	500	-	-	-	-	19

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STATE OF NEW HAMPSHIRE ADJUSTMENTS - SCHEDULE 2 GENERAL FUND (Dollars in Thousands)		SCHEDULE 2						
		FY 2015		FY 2016		FY 2017		
		Governor	HF Recmnd	Governor	HF Recmnd	Governor	HF Recmnd	
20	Department of Administrative Services - Consolidation of Payroll/HR functions - Ch144:28,L'13	571	-	-	-	-	-	20
21	Compensation and Benefit cost reductions - Ch144:127,L'13	5,924	5,924	-	-	-	-	21
22	State employee contract - Ch144:175,L'13	(13,261)	(12,831)	-	-	-	-	22
23	Executive Order 2014-9	18,269	18,269	-	-	-	-	23
24	SB233 - Relative to state revenue and expenditures for FY15	3,300	-	-	-	-	-	24
25	HB2:8 and 257 - introduced - State employee contract	-	-	(3,000)	-	(9,000)	-	25
26	HB2:86 - House Finance - Department of Revenue Administration implement tax amnesty program (Gov not accounted for)	-	-	-	(50)	-	-	26
27	HB2:357 - introduced - Cost of Ch229,L14 disaster assistance match	-	-	-	-	-	-	27
28	HB2:359 - introduced - Fish & Game Department return general funds - Included in SB233	-	-	-	-	-	-	28
29	HB2:285 House Finance - Reduction in state self-insured health plan reserve	-	1,700	-	-	-	-	29
30	HB2:15 through 17- House Finance - Increase non Medicare eligible retiree health contribution from 12.5% to 20%	-	-	-	1,284	-	1,347	30
31	HB2:367 - House Finance - Department of Health & Human Services; Sununu Youth Center; Reduction in Appropriation	-	-	-	3,443	-	3,497	31
32	HB2:377 - House Finance - Department of Health & Human Services; Consolidation of District Offices	-	-	-	1,000	-	1,000	32
33	HB1:8 - House Finance - Department of Safety - Offset Highway Funds with General Funds	-	-	-	(23,030)	-	(23,030)	33
34	HB1 Department of Fish & Game - general funds to Fish & Game - search and rescue and F&G fund	-	-	-	(300)	-	(300)	34
35	TOTAL APPROPRIATION ADJUSTMENTS	\$ 25,803	\$ 27,587	\$ (3,000)	\$ (17,653)	\$ (9,000)	\$ (17,486)	35
36								36
37								37

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STATE OF NEW HAMPSHIRE							
COMPARATIVE STATEMENT OF FUND BALANCE							
EDUCATION TRUST FUND							
(Dollars in Thousands)							
	FY 2015		FY 2016		FY 2017		
	Governor	HF Recmnd	Governor	HF Recmnd	Governor	HF Recmnd	
1 Beginning Balance, July 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	1
2							2
3 Additions:							3
4 Revenue - Schedule 3	864,700	864,200	871,100	861,800	881,900	868,700	4
5 Revenue Adjustments - Schedule 4	-	-	8,000	-	18,000	-	5
6 Total Additions	864,700	864,200	879,100	861,800	899,900	868,700	6
7							7
8 Appropriations:							8
9 Adequate Education Aid	(572,464)	(572,464)	(561,185)	(561,065)	(563,095)	(535,653)	9
10 State Property Tax raised & retained locally	(363,600)	(363,600)	(363,100)	(363,100)	(363,100)	(363,100)	10
11 Total Adequacy	(936,064)	(936,064)	(924,285)	(924,165)	(926,195)	(898,753)	11
12 Hardship Grants	(2,900)	(2,900)	(2,150)	(2,150)	(2,150)	(2,150)	12
13 Charter School Tuition	(21,078)	(21,078)	(26,597)	(26,115)	(30,207)	(33,250)	13
14 Charter School Tuition - New Schools	(1,695)	(1,695)	(1,968)	(1,981)	(3,748)	(4,245)	14
15 Total Appropriations	(961,737)	(961,737)	(955,000)	(954,411)	(962,300)	(938,398)	15
16							16
17 Adjustments:							17
18 Adjustments - Schedule 4	-	15,033	-	-	-	-	18
19 Total Adjustments	-	15,033	-	-	-	-	19
20							20
21							21
22							22
23 Current Year Balance (line6+15+19)	(97,037)	(82,504)	(75,900)	(92,611)	(62,400)	(69,698)	23
24							24
25 Cumulative Ending Balance, June 30 (line1+23)	(97,037)	(82,504)	(75,900)	(92,611)	(62,400)	(69,698)	25
26							26
27 Transfer (To)/From General Fund	97,037	82,504	75,900	92,611	62,400	69,698	27
28							28
29							29
30							30
31 June 30 Fund Balance After Transfers (line25+27)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	31
32							32
33							33
34							34

STATE OF NEW HAMPSHIRE COMPARATIVE STATEMENT OF REVENUE EDUCATION TRUST FUND (Dollars in Thousands)		SCHEDULE 3						
		FY 2015		FY 2016		FY2017		
		Governor	HF Recmnd	Governor	HF Recmnd	Governor	HF Recmnd	
1	Business Profits Tax	\$ 57,400	\$ 56,300	\$ 60,800	\$ 57,400	\$ 62,100	\$ 58,500	1
2	Business Enterprise Tax	146,500	143,700	144,700	146,600	148,000	149,300	2
3	Subtotal	\$ 203,900	\$ 200,000	\$ 205,500	\$ 204,000	\$ 210,100	\$ 207,800	3
4	Meals & Rooms	8,000	8,400	8,000	8,800	8,800	9,200	4
5	Tobacco Tax	94,200	87,800	95,200	87,400	96,100	86,900	5
6	Real Estate Transfer Tax	38,800	42,000	41,900	41,500	44,900	43,200	6
7	Transfer from Charitable Gaming/Pari-Mutuel	3,000	3,000	3,000	2,500	3,000	2,500	7
8	Transfer from Lottery	70,900	77,100	73,100	73,200	75,100	75,200	8
9	Tobacco Settlement	40,000	40,000	40,000	40,000	39,000	39,000	9
10	Utility Property Tax	42,500	42,500	41,300	41,300	41,800	41,800	10
11	Statewide Property Tax	363,400	363,400	363,100	363,100	363,100	363,100	11
12	Total	\$ 864,700	\$ 864,200	\$ 871,100	\$ 861,800	\$ 881,900	\$ 868,700	12
13								13
14								14

STATE OF NEW HAMPSHIRE ADJUSTMENTS - SCHEDULE 4 EDUCATION TRUST FUND (Dollars in Thousands)		SCHEDULE 4						
		FY 2015		FY 2016		FY 2017		
		Governor	HF Recmnd	Governor	HF Recmnd	Governor	HF Recmnd	
1	REVENUE ADJUSTMENTS:							1
2	Keno	\$ -	\$ -	\$ 8,000	\$ -	\$ 18,000	\$ -	2
3	TOTAL REVENUE ADJUSTMENTS	\$ -	\$ -	\$ 8,000	\$ -	\$ 18,000	\$ -	3
4								4
5	APPROPRIATION ADJUSTMENTS:							5
6	Excess appropriation - Adequate Education Aid and Public Charter School Aid	\$ -	\$ 15,033	\$ -	\$ -	\$ -	\$ -	6
7	TOTAL APPROPRIATION ADJUSTMENTS	\$ -	\$ 15,033	\$ -	\$ -	\$ -	\$ -	7
8								8
9								9

STATE OF NEW HAMPSHIRE								
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS								
HIGHWAY FUND								
(Dollars in Thousands)								
	2015		2016		2017			
	Governor	H Finance	Governor	H Finance	Governor	H Finance		
1	Beginning Balance, July 1 (Budgetary)*	\$ 55,613	\$ 55,613	\$ 38,913	\$ 22,047	\$ 33,313	\$ 26,346	1
2								2
3	Additions:							3
4	Revenue:							4
5	Road Toll	125,600	121,800	122,900	121,200	122,900	120,600	5
6	Motor Vehicle Fees & Fines	111,700	110,000	129,000	106,300	135,100	112,900	6
7	Miscellaneous	15,600	15,000	600	1,300	600	900	7
8	Total Revenue	252,900	246,800	252,500	228,800	258,600	234,400	8
9	Revenue Adjustments:							9
10	Additional Title Fee Revenue (Ch. 262, L'14)	-	-	-	1,500	-	2,000	10
11	Dept. of Safety Costs of Collection/Administration (HB 1)	-	-	-	(27,818)	-	(28,652)	11
12	Dept. of Safety Costs of Coll./Admin. Lapse Estimate	-	-	-	1,110	-	1,142	12
13	Fine Revenue from Penalty Assessment Clarification (HB 2)	-	-	-	950	-	950	13
14	Total Revenue Adjustments	-	-	-	(24,258)	-	(24,560)	14
15	Total Additions	252,900	246,800	252,500	204,542	258,600	209,840	15
16								16
17	Less Appropriations:							17
18	Appropriations (HB 1)	(275,325)	(275,325)	(264,000)	(238,908)	(269,000)	(244,067)	18
19	Appropriation Adjustments:							19
20	FY 2015 Appropriation Adjustments	(4,075)	(4,075)	-	-	-	-	20
21	Transfers from Highway Surplus (RSA 228:12)	(1,200)	(10,066)	-	-	-	-	21
22	Dept. of Safety Appropriation Reduction (HB 1)	-	-	-	23,030	-	23,030	22
23	Dept. of Transportation Appropriation Reduction (HB 1)	-	-	-	10,000	-	4,763	23
24	Employee Pay Raise (HB 2)	-	-	(1,000)	-	(3,100)	-	24
25	Retiree Health Cost Savings (HB 2)	-	-	-	435	-	455	25
26	Total Appropriation Adjustments	(5,275)	(14,141)	(1,000)	33,465	(3,100)	28,248	26
27	Lapse Percent	-5.0%	-4.2%	-3.7%	-4.0%	-3.7%	-4.0%	27
28	Less: Lapse Estimate	14,000	12,100	9,900	8,200	10,200	8,600	28
29	Net Appropriations	(266,600)	(277,366)	(255,100)	(197,243)	(261,900)	(207,219)	29
30	Other Debits	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	30
31	Total Deductions	(269,600)	(280,366)	(258,100)	(200,243)	(264,900)	(210,219)	31
32								32
33								33
34								34
35	Current Year Balance	(16,700)	(33,566)	(5,600)	4,299	(6,300)	(379)	35
36								36
37	Balance, June 30 (Budgetary)*	\$ 38,913	\$ 22,047	\$ 33,313	\$ 26,346	\$ 27,013	\$ 25,967	37
38								38
39								39
40								40
41	GAAP Adjustments	(21,995)	(21,995)	(24,995)	(24,995)	(24,995)	(24,995)	41
42								42
43	Balance, June 30 (GAAP)	\$ 16,918	\$ 52	\$ 8,318	\$ 1,351	\$ 2,018	\$ 972	43

* Beginning FY 2015 budgetary balance and GAAP adjustments do not include \$295,005,000 of bonds authorized and unissued

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STATE OF NEW HAMPSHIRE								
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS								
FISH AND GAME FUND								
(Dollars in Thousands)								
	2015		2016		2017			
	Governor	H Finance	Governor	H Finance	Governor	H Finance		
1	Beginning Balance, July 1 (Budgetary)	\$ 2,187	\$ 2,187	\$ 887	\$ 1,694	\$ 987	\$ 1,296	1
2								2
3	Additions:							3
4	Revenue:							4
5	Fish and Game Unrestricted Revenues	10,200	11,000	11,600	10,300	11,700	10,300	5
6	Total Revenue	10,200	11,000	11,600	10,300	11,700	10,300	6
7								7
8	Revenue Adjustments:							8
9	Other Credits (Unrefunded Road Toll)	1,400	1,400	1,500	1,500	1,500	1,500	9
10	Transfer from General Fund (HB 2)	900	899	800	-	800	-	10
11	\$5 Surcharge on Boat Registrations (HB 2)	-	-	-	-	-	-	11
12	Authority for Executive Director to Set Fees (HB 2)	-	-	-	1,100	-	1,100	12
13	Total Revenue Adjustments	2,300	2,299	2,300	2,600	2,300	2,600	13
14	Total Additions	12,500	13,299	13,900	12,900	14,000	12,900	14
15								15
16	Less Appropriations:							16
17	Operating Budget Appropriations (HB 1)	(13,962)	(13,962)	(14,100)	(14,130)	(14,500)	(14,493)	17
18	Appropriation Adjustments:							18
19	FY 2015 Appropriation Adjustments	(238)	(230)	-	-	-	-	19
20	General Fund Appropriation Savings (HB 1)	-	-	-	150	-	150	20
21	Retiree Health Cost Savings (HB 2)	-	-	-	32	-	34	21
22	Employee Pay Raise (HB 2)	-	-	(100)	-	(200)	-	22
23	Lapse Percent	2.82%	2.82%	2.82%	4.66%	2.72%	4.54%	23
24	Less: Lapse Estimate	400	400	400	650	400	650	24
25	Net Appropriations	(13,800)	(13,792)	(13,800)	(13,298)	(14,300)	(13,659)	25
26								26
27								27
28								28
29	Current Year Balance	(1,300)	(493)	100	(398)	(300)	(759)	29
30								30
31	Balance, June 30 (Budgetary)	\$ 887	\$ 1,694	\$ 987	\$ 1,296	\$ 687	\$ 537	31
32								32
33								33
34								34
35	GAAP Adjustments	(500)	(500)	(500)	(500)	(500)	(500)	35
36								36
37	Balance, June 30 (GAAP)	\$ 387	\$ 1,194	\$ 487	\$ 796	\$ 187	\$ 37	37

SCHEDULE OF STATE AID TO CITIES, TOWNS, AND SCHOOL DISTRICTS

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2016	FY 2017
AID BY CATEGORY	Actual	Budget	Gov Rec	Gov Rec	H Finance	H Finance
EDUCATION						
1 Adequate Education Aid	929,874,227	936,064,198	924,165,465	926,051,919	924,165,465	898,752,659
2 Building Aid	44,178,887	42,800,000	42,800,000	37,000,000	42,800,000	37,000,000
3 Court Ordered Placements	1,168,277	2,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4 Driver Education	-	-	-	-	-	-
5 Dropout Prevention	373,782	600,000	600,000	600,000	600,000	600,000
6 Kindergarten Aid ¹	-	-	-	-	-	-
7 Kindergarten Construction Aid	-	-	-	-	-	-
8 Local Education Improvement	-	-	-	-	-	-
9 Reading Recovery	-	-	-	-	-	-
10 Retirement Normal Contribution - Teachers ³	-	-	-	-	-	-
11 School Breakfast	122,053	184,000	184,000	184,000	184,000	184,000
12 School Lunch	832,003	832,003	832,003	832,003	832,003	832,003
13 Catastrophic Aid (Special Education)	22,552,381	22,637,308	22,400,000	22,400,000	22,400,000	29,900,000
14 Tuition & Transportation	7,422,619	7,400,000	7,400,000	7,400,000	7,400,000	7,400,000
Education Total	1,006,524,229	1,013,017,509	999,881,468	995,967,922	999,881,468	976,168,662
ENVIRONMENTAL						
15 Flood Control	787,898	787,898	825,000	825,000	825,000	825,000
16 Landfill Closure Grants	1,080,206	954,316	792,116	776,245	792,116	776,245
17 Public Water System Grants	1,170,678	1,202,272	903,592	771,750	903,592	771,750
18 State Aid Grants - Pollution Control	6,519,872	7,006,698	6,349,067	6,105,316	5,922,493	5,705,957
19 Water Supply Land Protection Grants	-	-	-	-	-	-
Environmental Total	9,558,654	9,951,184	8,869,775	8,478,311	8,443,201	8,078,952
OTHER GEN. FUNDS						
20 Meals & Rooms Distribution	58,805,057	63,805,057	65,377,080	73,740,828	63,805,057	63,805,057
21 Railroad Tax ²	35,822	35,822	35,822	35,822	35,822	35,822
22 State Revenue Sharing	-	-	-	-	-	-
23 Retirement Normal Contribution ³	-	-	-	-	-	-
less: Teacher Normal Contribution	-	-	-	-	-	-
Net Police & Fire Normal Contribution	-	-	-	-	-	-
Other General Funds Total	58,840,879	63,840,879	65,412,902	73,776,650	63,840,879	63,840,879
HIGHWAY FUNDS						
24 Block Grants	30,233,035	30,000,000	30,868,000	32,100,000	26,868,000	28,100,000
25 Block Grants Apportionment A - SB 367	-	-	4,017,357	4,005,706	4,017,357	4,005,706
Highway Funds Total	30,233,035	30,000,000	34,885,357	36,105,706	30,885,357	32,105,706
GRAND TOTAL	1,105,156,797	1,116,809,572	1,109,049,502	1,114,328,589	1,103,050,905	1,080,194,199
NOTES:						
1 Beginning in FY 2014, kindergarten aid is now included as part of adequate education aid.						
2 Amounts for FY 2015, FY 2016, FY 2017 is estimated based on FY 2014 actual expenditure.						
3 This contribution is no longer made.						

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