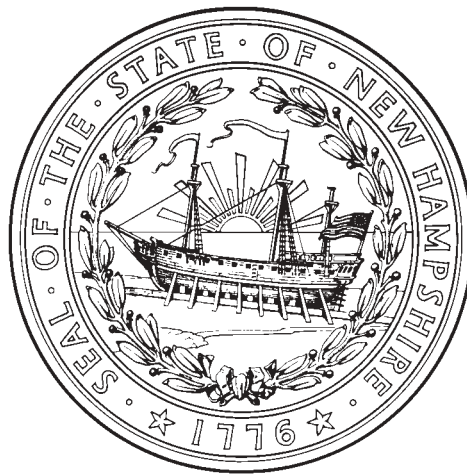


June 9, 2005
Nos. 20 - 21

STATE OF NEW HAMPSHIRE

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Legislative

SENATE JOURNAL

ADJOURNMENT - JUNE 2, 2005 SESSION
COMMENCEMENT - JUNE 9, 2005 SESSION

PART I

SENATE JOURNAL 20 (*Cont.*)

June 2, 2005

REPORT OF COMMITTEE ON ENROLLED BILLS

The Committee on Enrolled Bills has examined and found correctly Enrolled the following entitled House and/or Senate Bill(s):

HB 118, relative to bicycle helmet use by certain minors.

HB 174, relative to renewable energy transition service, extending a portion of the system benefits charge, and repealing laws relating to information provided to electric service consumers.

HB 244-FN, relative to statutory liens by the department of safety.

HB 275, defining farmers' market.

HB 346-L, relative to the procedure for withdrawal from a cooperative school district.

HB 362, relative to statutes to be posted at polling places.

HB 456-FN, relative to inhaling toxic vapors.

HB 584, relative to evidence of admissions of liability in medical injury actions.

HB 710-FN, relative to the 5-year valuation of municipal assessments, and relative to the total property valuation for the town of Roxbury.

SB 156-FN, relative to criminal trespass.

SB 203, relative to leases and contracts for buildings or lands owned by the fish and game department.

SB 224, relative to the committee on judicial conduct.

Senator D'Allesandro moved adoption.

Adopted.

REPORT OF COMMITTEE ON ENROLLED BILLS

The Committee on Enrolled Bills has examined and found correctly Enrolled the following entitled House and/or Senate Bill(s):

HB 59-FN-L, relative to municipal responsibility for septage disposal.

HB 78-FN-L, relative to state funding of regional vocational education centers.

HB 152-FN, establishing a committee to study the uses of biodiesel for home heating and vehicular transportation.

HB 157, establishing a committee to study procurement methods for public works projects by state and local government agencies.

HB 195, establishing a committee to study the department of insurance and awarding of the bids for health insurance for state employees.

HB 199, relative to fish and game department expenditures for marine fisheries, and relative to the membership and reporting date of the commission to study recommendations of the New Hampshire estuaries project management plan.

HB 236, relative to the time period for filing for rehearing or appeal of a zoning or planning decision.

HB 286, prohibiting the operation of pocket bikes upon ways.

HB 329, establishing the crime victim employment leave act.

HB 440, relative to hearing ear dogs, guide dogs, and service dogs.

HB 467, relative to naming private roads.

HB 487-FN, establishing a volunteer lake assessment program in the department of environmental services.

HB 547-FN, changing the funding limit for on-premise-use fuel oil storage facilities.

HB 568, establishing the greater Derry-Salem cooperative alliance for regional transportation.

HB 625-FN-L, authorizing borrowing from the state revolving loan fund for the Winnepesaukee river basin project.

HB 672-FN, relative to notaries public, justices of the peace, and adopting the Uniform Law on Notarial Acts.

SB 11-FN, extending the local property tax exemption for wooden poles and conduits.

SB 17, relative to the definition of educational institution for the purpose of higher education loans.

SB 30, establishing the Collaborative Practice for Emergency Contraception Act.

SB 39, relative to disinterment of dead bodies.

SB 85, relative to expenses of operating bingo games.

SB 93-FN, transferring the electricians' board to the department of safety.

SB 145-FN, establishing a medical/vision advisory board.

SB 150-FN, relative to application fees for certain bank incorporations.

SB 192, relative to service in a war or conflict qualifying for the veterans' tax credit.

SB 222-FN, relative to cumulative trauma under workers' compensation.

SJR 2, urging Congress to reject the Streamlined Sales Tax Project.

Senator D'Allesandro moved adoption.

Adopted.

REPORT OF COMMITTEE ON ENROLLED BILLS

The Committee on Enrolled Bills has examined and found correctly Enrolled the following entitled House and/or Senate Bill(s):

HB 246, establishing a committee to study the classification of employees as independent contractors.

HB 288-FN, establishing a commission to effect the process for the town of Killington, Vermont to become part of the state of New Hampshire.

HB 299, establishing a committee to study state laws governing liens for labor and materials.

HB 332, relative to harassment by telephone.

HB 382, establishing a committee to develop a strategic capital plan for department of corrections' facilities.

HB 394, relative to real estate tax lien procedures for tax collectors.

HB 432-FN, relative to the septage handling and treatment facilities grant program and the septage and sludge land application restrictions.

HB 449-FN, relative to special wild turkey seasons and permits.

HB 619-FN, relative to skier safety and ski area responsibility.

Senator D'Allesandro moved adoption.

Adopted.

Out of Recess.

LATE SESSION

Senator Clegg moved that the Senate adjourn from the late session.

Adopted.

Adjournment.

SENATE JOURNAL 21

June 9, 2005

The Senate met at 9:00 a.m.

A quorum was present.

The Reverend David P. Jones, chaplain to the Senate, offered the prayer.

Let us pray: Enlighten, infirm and encourage these 24 today, Oh God, and even as their bodies get warm and their words get hot, may their wisdom and their courage run cool and deep throughout and all will be well.
Amen

Senator Morse led the Pledge of Allegiance.

INTRODUCTION OF GUESTS

SPECIAL ORDER

HB 170, relative to unemployment compensation. Banks and Insurance Committee. Inexpedient to Legislate, Vote 3-2. Senator Odell for the committee.

The question is on the motion of inexpedient to legislate.

A roll call was requested by Senator Estabrook.

Seconded by Senator Barnes.

The following Senators voted Yes: Johnson, Boyce, Flanders, Odell, Roberge, Eaton, Clegg, Letourneau, Morse.

The following Senators voted No: Gallus, Kenney, Burling, Green, Bragdon, Gottesman, Foster, Larsen, Gatsas, Barnes, Martel, D'Allesandro, Estabrook, Hassan, Fuller Clark.

Yeas: 9 - Nays: 15

Motion failed.

Senator Hassan moved ought to pass.

Adopted.

Ordered to third reading.

HB 350, relative to enforcement of the labor protection statutes, permitting certain wage deductions, and increasing the civil penalty in the department of labor. Banks and Insurance Committee. Ought to pass with amendment, Vote 5-1. Senator Foster for the committee.

Banks and Insurance

May 24, 2005

2005-1571s

06/05

Amendment to HB 350

Amend RSA 275:51,V as inserted by section 2 of the bill by replacing it with the following:

V. ~~[If an employee elects to file a wage claim under this section, the wage claim must be filed with the department no later than 18]~~ **A wage claim may be filed by an employee or by the department on its own motion no later than 36 months from the date the wages were due.** The commissioner shall notify the employer by serving upon the employer a copy of such claim and an order to file with the commissioner within 10 days from the receipt of such notice any objections to such claim specifying the grounds therefor. Service may be by certified mail with return receipt. If objection is not made within 10 days, the commissioner may order that payment be made in accordance with the claim. If requested, a hearing shall be afforded at which time any party may appear, with counsel if desired, and present evidence and cross-

examine opposing witnesses. Any party, at the party's own expense, may cause a record to be made of the hearing. A written decision shall be made within 30 days after the hearing stating the decision and specifying the facts and conclusions upon which the decision is based. If wages are found to be due, an order for payment shall issue. Any party aggrieved by the decision may appeal to the superior court not later than 20 days from the date thereof by petition, setting forth that the decision is erroneous, in whole or in part, and specifying the grounds upon which the decision is claimed to be in error. Upon the filing of an appeal, the commissioner shall transfer to the court the record of the proceeding or a certified copy thereof. The scope of review by the superior court shall be limited to questions of law. After hearing and upon consideration of the record, the court may affirm, vacate or modify in whole or in part the decision of the commissioner, or may remand the matter to the commissioner for further findings. In the absence of a seasonable appeal, the decision and order shall be final, shall be entered upon the docket of the superior court at the request of the prevailing party, may be enforced as a judgment of the court, and shall be a lien upon the property of the employer situated in the state for a period of 3 years from the time of the decision. It is a requirement of this chapter for purposes of RSA 275:52 that a final order be immediately satisfied by the employer.

Amend the bill by replacing section 3 with the following:

3 New Subparagraphs; Withholding of Wages; Deductions Allowed. Amend RSA 275:48, I by inserting after subparagraph (d)(2) the following new subparagraphs:

(3) Voluntary installment payments of legitimate loans made by the employer to the employee as evidenced by a document that includes the following:

(A) The time the payments will begin and end.

(B) The amounts to be deducted.

(C) A specific agreement regarding whether the employer is allowed to deduct any amount outstanding from final wages at the termination of employment.

(4) Voluntary payments for the recovery of accidental overpayment of wages when the following conditions are met:

(A) The recovery is agreed to in writing.

(B) The deduction for the overpayment begins one pay period following the date the parties execute the written agreement.

(C) The written agreement specifies:

(i) The date the recovery of the overpayment will begin and end.

(ii) The amount to be deducted, which shall be agreed upon by the employer and the employee but which shall, in no event, be more than 20 percent of the employee's gross pay in any pay period.

(iii) A specific agreement regarding whether the employer is allowed to deduct any amount outstanding from final wages at the termination of employment.

(5) Voluntary payments for the recovery of tuition for non-required educational costs paid by the employer for the employee to an educational institution when the specific deduction is authorized in writing prior to the deduction as evidenced by a document that includes the following:

(A) The time the payments will begin and end.

(B) The amounts to be deducted.

(C) A specific agreement regarding whether the employer is allowed to deduct any amount outstanding from final wages at the termination of employment.

Amend the bill by inserting after section 3 the following and renumbering the original sections 4 and 5 to read as 5 and 6, respectively:

4 New Subparagraph; Withholding of Wages; Deduction From Final Wages at Termination. Amend RSA 275:48, I by inserting after subparagraph (d) the following new subparagraph:

(e) The employer has a written request from the employee, made at the time of the original request without coercion or pressure, that authorizes the employer to deduct from the employee's final wages at the

termination of employment any amount the employee may owe for voluntary payments for vacation pay, paid time off pay, earned time pay, personal time pay, annual pay, sick pay, sick dependent pay, and bereavement pay made pursuant to a written employment policy as required by RSA 275:49, III, when the payments have been requested and paid to the employee in advance of eligibility.

Amendment adopted.

The question is on the adoption of the bill as amended.

Adopted.

Ordered to third reading.

HB 490, relative to law enforcement access to financial records under the New Hampshire right to privacy act. Banks and Insurance Committee. Ought to pass with amendment, Vote 6-0. Senator Foster for the committee.

Banks and Insurance

May 24, 2005

2005-1583s

01/09

Amendment to HB 490

Amend RSA 359-C:5, II-a as inserted by section 1 of the bill by replacing it with the following:

II-a. This section is not intended to prevent a financial institution from disclosing to the county attorney or the attorney general, *or either of their authorized designees*, the financial or credit records of a customer *or any other person*, or the information contained therein when the director, officer, employee or agent of the financial institution has reasonable cause to believe the customer, *or other person*, is utilizing the services of the institution to defraud the institution or any other person.

Amendment adopted.

The question is on the adoption of the bill as amended.

Adopted.

Ordered to third reading.

HB 542, making technical corrections to the uniform trust code. Banks and Insurance Committee. Ought to pass with amendment, Vote 4-0. Senator Gottesman for the committee.

Banks and Insurance

May 24, 2005

2005-1577s

09/04

Amendment to HB 542

Amend the bill by replacing section 14 with the following:

14 Discretionary Trusts; Effect of Standard. Amend RSA 564-B:5-504(c)-(d) to read as follows:

(c) To the extent a trustee has not complied with a standard of distribution or has abused a discretion:

(1) a distribution may be ordered by the court to satisfy a judgment or court order against the beneficiary for support of the beneficiary's child or for alimony for the beneficiary's spouse[;] or former spouse; and

(2) the court shall direct the trustee to pay to the child, spouse, or former spouse such amount as is equitable under the circumstances but not more than the amount the trustee would have been required to distribute to or for the benefit of the beneficiary had the trustee complied with the standard or not abused the discretion[;] *and with respect to alimony, only for and to the extent that the judgment or court order expressly specifies the alimony amount attributable to the most basic food, shelter and medical needs of the spouse or former spouse.*

(d) [This section] *Subsection (b)* does not limit the right of a beneficiary to maintain a judicial proceeding against a trustee for an abuse of discretion or failure to comply with a standard [for] *of* distribution.

(e) A creditor or assignee of a beneficiary may not compel a distribution to the beneficiary solely because the beneficiary is a trustee if the trustee's discretion is limited by an ascertainable

standard related to the beneficiary's health, education, maintenance, or support or if the beneficiary-trustee's discretion is exercisable only with the consent of a cotrustee or another person holding an adverse interest. Under such circumstances, the creditor or assignee may compel a distribution only to the extent the creditor or assignee otherwise may compel a distribution were the beneficiary not acting as trustee or cotrustee.

Amendment adopted.

Senator Barnes offered a floor amendment.

Sen. Barnes, Dist. 17

June 9, 2005

2005-1883s

06/09

Floor Amendment to HB 542

Amend the title of the bill by replacing it with the following:

AN ACT making technical corrections to the uniform trust code and declaring October 27, 2004 to be Boston Red Sox Day and declaring September 8, 2005 to be New England Patriots Day.

Amend the bill by inserting after section 35 the following and renumbering the original sections 36 and 37 to read as 37 and 38, respectively:

36 Boston Red Sox Day and New England Patriots Day.

I. The general court finds that:

(a) After defeating the Anaheim Angels, the Boston Red Sox played the New York Yankees in the American League Championship series;

(b) After trailing 3 games to none, the Boston Red Sox engineered the greatest comeback in the history of professional sports by defeating the New York Yankees 4 games to 3;

(c) After dispatching their arch rival New York Yankees, the Boston Red Sox advanced to the 2004 World Series to play the St. Louis Cardinals;

(d) The Boston Red Sox were defeated by the St. Louis Cardinals in the World Series in 1946 and 1967;

(e) The Boston Red Sox exorcised their World Series ghosts by sweeping the St. Louis Cardinals 4 games to none to become the 2004 World Series champions;

(f) Through their World Series championship, the Boston Red Sox have ended 86 years of suffering in New England;

(g) After avenging a regular season loss to the Pittsburgh Steelers, the New England Patriots defeated the Pittsburgh Steelers in the American Football Conference Championship Game;

(h) The New England Patriots defeated the Philadelphia Eagles 24-21 in Super Bowl XXXIX to win their second championship in a row;

(i) The New England Patriots, in the 2001, 2003, and 2004 seasons, have won 3 of the last 4 Super Bowls;

(j) Through their hard work, dedication, and team-first attitude, the New England Patriots have won 34 games in back-to-back championship seasons, including a record-tying 9 straight playoff games, and a record-setting 20 wins in a row at home;

(k) The talents and tireless preparation of coach Bill Belichick, and the entire coaching and support staff, have resulted in excellence and superb play by the New England Patriots season after season;

(l) The outstanding example set by the New England Patriots players demonstrates that selfless team play leads to success.

II. The general court therefore declares:

(a) That October 27, 2004 be declared to be Boston Red Sox Day in New Hampshire and be commemorated with appropriate celebratory events; and

(b) That September 8, 2005, be declared New England Patriots Day in New Hampshire and be commemorated with appropriate celebratory events; and

(c) That copies of section 36 of this bill be sent by the house clerk to the Boston Red Sox organization with the request that it be prominently displayed in Fenway Park, and to the New England Patriots organization with the request that it be prominently displayed in Gillette Stadium.

2005-1883s

AMENDED ANALYSIS

This bill makes technical corrections to the uniform trust code.

This bill also declares October 27, 2004 to be Boston Red Sox Day and declares September 8, 2005 to be New England Patriots Day.

Floor amendment adopted.

The question is on the adoption of the bill as amended.

Adopted.

Ordered to third reading.

HB 404, permitting employees to request a wage deduction for contributions to a political action committee. Internal Affairs Committee. Inexpedient to Legislate, Vote 4-0. Senator Boyce for the committee.

The question is on the motion of inexpedient.

A roll call was requested by Senator Larsen.

Seconded by Senator Burling.

The following Senators voted Yes: Johnson, Kenney, Boyce, Flanders, Odell, Roberge, Eaton, Bragdon, Barnes, Morse.

The following Senators voted No: Gallus, Burling, Green, Gottesman, Foster, Clegg, Larsen, Gatsas, Martel, Letourneau, D'Allesandro, Estabrook, Hassan, Fuller Clark.

Yeas: 10 - Nays: 14

Motion failed.

Senator Martel moved ought to pass.

Adopted.

Ordered to third reading.

COMMITTEE REPORTS

HB 616-FN-L, relative to the education property tax and the education equity index. Finance Committee. Ought to pass with amendment, Vote 4-3. Senator Morse for the committee.

Senate Finance

June 2, 2005

2005-1796s

04/09

Amendment to HB 616-FN-LOCAL

Amend the title of the bill by replacing it with the following:

AN ACT relative to education funding.

Amend the bill by replacing all after the enacting clause with the following:

1 Commissioner's Warrant. Amend RSA 76:8 to read as follows:

76:8 Commissioner's Warrant.

I.(a) The commissioner shall annually determine a municipality's tax base for the statewide [enhanced] education tax by subtracting from the total equalized valuation of all property, as determined under RSA 21-J:3, XIII for the preceding year, property that was then taxable under RSA 82 and RSA 83-F. In determining the tax base, the value of any utility property that was not taxable under RSA 83-F in the preceding year but is taxable under RSA 83-F in the current year shall also be subtracted, provided the sum value represents at least 5 percent of the total equalized value of all property, except property taxable under RSA 82 or RSA 83-F in the preceding year.

(b) The commissioner shall calculate the portion of the statewide [enhanced] education tax to be raised by each municipality by multiplying the uniform education property tax rate by the municipality's tax base.

II. The commissioner shall issue a warrant under the commissioner's hand and official seal for the amount computed in paragraph I to the selectmen or assessors of each municipality by December 15 directing them to assess such sum and pay it to the municipality for the use of the school district or districts and, if there is an excess statewide [enhanced] education tax payment due pursuant to RSA 198:46, directing them to assess the amount of the excess payment and pay it to the department of revenue administration for deposit in the education trust fund. Such sums shall be assessed at such times as may be prescribed for other taxes assessed by such selectmen or assessors of the municipality.

III. Municipalities are authorized to assess local property taxes necessary to fund school district appropriations not funded by the statewide [enhanced] education tax, by distributions from the education trust fund under RSA 198:39, or by other revenue sources.

2 Apportionment, Assessment, and Abatement of Taxes; Commissioner's Report. Amend RSA 76:9 to read as follows:

76:9 Commissioner's Report. The commissioner of revenue administration shall report to the governor, the speaker of the house of representatives, the president of the senate, and the commissioner of education each year on or before October 1, a statement of the statewide [enhanced] education tax warrants to be issued for the tax year commencing April 1 of the succeeding year.

3 School Money; Definitions. RSA 198:38, is repealed and reenacted to read as follows:

198:38 Definitions. In this subdivision:

I. "Average per pupil adequacy cost" means the amount as determined in accordance with RSA 198:40.

II. "Average daily membership in attendance" means average daily membership in attendance, as defined in RSA 189:1-d, III, as of September 30th of the second school year preceding the year in which the calculation is made.

III. "Average daily membership in residence" means the average daily membership in residence, as defined in RSA 189:1-d, IV, as of September 30th of the second school year preceding the year in which the calculation is made, provided that no kindergarten pupil shall count as more than 1/2 day attendance per calendar day.

IV. "Department" means the department of revenue administration.

V. "Educationally disabled child" means an educationally disabled child, as defined in RSA 186-C:2, I, as of September 30th of the second school year preceding the year in which the calculation is made.

VI. "Elementary school" means a school with any of the grades kindergarten through 8.

VII. "Municipality" means a city, town, or unincorporated place.

VIII. "School district" means school district as defined in RSA 194:1 or RSA 195:1.

IX. "Targeted aid" means the amount calculated for a municipality in accordance with RSA 198:41.

4 School Money; Average Per Pupil Adequacy Cost. Amend RSA 198:40, I(d) to read as follows:

(d) ~~[For each biennium]~~ **For the fiscal year** beginning July 1, 2005 ~~[and every biennium thereafter]~~, the average per pupil adequacy cost calculated for the previous biennium shall be multiplied by **the sum of one plus 2** times the average annual percentage rate of inflation, **expressed as a decimal**, for the immediately preceding 4 calendar years based on the northeast region consumer price index for all urban consumers, as published by the Bureau of Labor Statistics, United States Department of Labor.

(e) For the fiscal year beginning July 1, 2006, end every fiscal year thereafter, the average per pupil adequacy cost calculated for the previous fiscal year shall be multiplied by the sum of one plus the average annual percentage rate of inflation, expressed as a decimal, for the immediately preceding 4 calendar years based on the northeast region consumer price index for all urban consumers, as published by the Bureau of Labor Statistics, United States Department of Labor.

5 School Money; Targeted Aid. RSA 198:41 is repealed and reenacted to read as follows:

198:41 Targeted Aid; Determination of Adequate Education Grants. In order to provide sufficient funding for each school district to furnish a constitutionally adequate education, in addition to funding from the statewide education tax, additional targeted aid shall be available to municipalities as follows:

I. A municipality with an equalized assessed valuation per pupil of less than 150 percent of the statewide average equalized assessed valuation per pupil shall receive aid for low income pupils which shall be calculated by multiplying the average per pupil adequacy cost, determined in RSA 198:40, I, by 0.9 and multiplying the result by the number of pupils in the municipality eligible to receive a free or reduced-price meal, as reported to the department of education.

II. A municipality with an equalized assessed valuation per pupil of less than 150 percent of the statewide average equalized assessed valuation shall receive aid for educationally disabled children which shall be calculated by multiplying the average per pupil adequacy cost, determined in RSA 198:40, I, by 0.9 and multiplying the result by the number of educationally disabled children in the municipality, as reported to the department of education.

III. Aid to a property poor municipality shall be available as follows:

(a)(1) Divide the total statewide equalized valuation of all municipalities as determined by the department of revenue administration, including property subject to taxation under RSA 82 and RSA 83-F, from the second year preceding the year in which the calculation is made, by the total statewide average daily membership in residence. The result shall be the statewide average equalized valuation per pupil.

(2) Divide the equalized valuation of all property in a municipality as determined by the department of revenue administration, including property subject to taxation under RSA 82 and RSA 82-F, from the second school year preceding the year in which the calculation is made, by the municipality's average daily membership in residence. The result shall be the municipality's equalized valuation per pupil.

(b) In any fiscal year, if a municipality's equalized valuation per pupil is less than 80 percent of the statewide average equalized valuation per pupil:

(1) Multiply the statewide average equalized valuation per pupil by 1.1 and subtract the municipality's equalized valuation per pupil. Multiply the result by the municipality's average daily membership in residence, then multiply this product by 1.1 to obtain the municipality's adjusted equalized valuation per pupil.

(2) Divide the municipality's adjusted equalized valuation per pupil by the sum total of adjusted equalized valuations per pupil statewide. Multiply the result by the statewide amount of property poor aid in a fiscal year to obtain the municipality's property poor aid.

(c) In any fiscal year, if a municipality's equalized valuation per pupil is less than 90 percent of the statewide average equalized valuation per pupil:

(1) Multiply the statewide average equalized valuation per pupil by 1.1 and subtract the municipality's equalized valuation per pupil from the statewide average equalized valuation per pupil. Multiply the result by the municipality's average daily membership in residence to obtain the municipality's adjusted equalized valuation per pupil.

(2) Divide the municipality's adjusted equalized valuation per pupil by the sum total of adjusted equalized valuations per pupil statewide. Multiply the result by the statewide amount of property poor aid in a fiscal year to obtain the municipality's property poor aid.

(d) In any fiscal year, if a municipality's equalized valuation per pupil is less than 100 percent of the statewide average equalized valuation per pupil:

(1) Multiply the statewide average equalized valuation per pupil by 1.1 and subtract the municipality's equalized valuation per pupil. Multiply the result by the municipality's average daily membership in residence, then multiply this product by 0.9, to obtain the municipality's adjusted equalized valuation per pupil.

(2) Divide the municipality's adjusted equalized valuation per pupil by the sum total of adjusted equalized valuations per pupil statewide. Multiply the result by the statewide amount of property poor aid in a fiscal year to obtain the municipality's property poor aid.

(e) In any fiscal year, if a municipality's equalized valuation per pupil is less than 110 percent of the statewide average equalized valuation per pupil:

(1) Multiply the statewide average equalized valuation per pupil by 1.1 and subtract the municipality's equalized valuation per pupil. Multiply the result by the municipality's average daily membership in residence, then multiply this product by 0.8, to obtain the municipality's adjusted equalized valuation per pupil.

(2) Divide the municipality's adjusted equalized valuation per pupil by the sum total of adjusted equalized valuations per pupil statewide. Multiply the result by the statewide amount of property poor aid in a fiscal year to obtain the municipality's property poor aid.

(f) For the 2006 fiscal year, \$265,000,000 shall be available to needy communities as property poor aid.

(g) For the 2007 fiscal year, and every fiscal year thereafter, the statewide amount of property poor aid available in the preceding fiscal year shall be multiplied by the sum of one plus the average annual percentage rate of inflation, expressed as a decimal, for the immediately preceding 4 calendar years based on the northeast region consumer price index for all urban consumers, as published by the Bureau of Labor Statistics, United States Department of Labor.

IV. In any fiscal year, except for municipalities where all school districts therein provide education to all of their pupils by paying tuition to other institutions, the department shall add the targeted aid to which a municipality is entitled under paragraphs I-III. In addition to the funding from the statewide education tax, a municipality shall receive the targeted aid amount available under paragraphs I-III. If the total amount of targeted aid available to a municipality under paragraphs I-III is less than 90 percent of such municipality's fiscal year 2005 adequate education grant, the municipality shall receive a supplemental transition grant from the education trust fund established in RSA 198:39 in an amount sufficient to increase the amount available under this subparagraph to 90 percent of the municipality's 2005 adequate education grant.

V. For municipalities where all school districts therein provide education to all of their pupils by paying tuition to other institutions, the department shall determine the amount of the adequate education grant for each municipality as the lesser of the 2 following calculations:

(a) The amount calculated in accordance with paragraph IV of this section; or

(b) The total amount paid for items of current education expense as determined by the department of education.

VI. The department shall notify municipalities of the estimated amount of aid to which they are entitled for the following school year on November 15 or, if a weekend, on the first business day after November 15.

6 School Money; Targeted Aid; Version Effective July 1, 2009. RSA 198:41, IV is repealed and reenacted to read as follows:

IV. In any fiscal year, except for municipalities where all school districts therein provide education to all of their pupils by paying tuition to other institutions, the department shall add the targeted aid to which a municipality is entitled under paragraphs I-III and this amount shall be the targeted aid available to a municipality.

7 Excess Education Property Tax Payment. Amend RSA 198:46, I to read as follows:

I. ~~(a) Municipalities for which the education property tax [exceeds the amount necessary to fund an adequate education determined by]~~ **is greater than or equal to the sum of 2 times the average per pupil adequacy cost determined under RSA 198:40 multiplied by the municipality's average daily membership in residence** shall assess and remit such excess amount to the department of revenue administration on or before March 15 of the tax year in which the excess occurs.

(b) Municipalities for which the education property tax is less than the amount determined under subparagraph (a) shall assess and retain such amount for the use of the municipality's school district or districts which in addition to targeted aid provided under RSA 198:41 shall be used to provide funding for a constitutionally adequate education.

8 Cooperative School Districts; Certification of District Taxes. Amend RSA 195:14, I(c)-(d) to read as follows:

(c) The commissioner of revenue administration shall certify to the state department of education the total amount to be apportioned among the pre-existing school districts. Such total shall include the ~~[adequate education cost]~~ **targeted education aid** for the district under RSA ~~[198:38, VH]~~ **198:41**, and the amount above the ~~[cost of an adequate education]~~ **amount of state funding provided** to be assessed and collected as local educational taxes.

(d) The state department of education shall determine the proportional share of the costs above **state adequacy funding** to be assessed as local education taxes as follows:

(1) First, the department shall determine each pre-existing district's proportional share of the total amount to be apportioned based on the cooperative school district formula.

(2) Second, the department shall then deduct each pre-existing school district's [~~adequate education cost~~] **targeted education aid** under RSA [~~198:38, VH~~] **198:41**, from its proportional share of the total amount to be apportioned.

(3) Third, the department shall notify the commissioner of revenue administration of its determinations.

(4) If the amount determined in subparagraph (2) for any pre-existing district is less than zero, the department shall reduce the adequate education grant payable to the cooperative district under RSA 198:42 by the difference between the amount determined in subparagraph (1) and the pre-existing district's [~~adequate education cost~~] **targeted education aid** under RSA [~~198:38, VH~~] **198:41**.

9 Cooperative School Districts; State Aid. Amend RSA 195:15 to read as follows:

195:15 State Aid. The state aid to which a cooperative elementary and/or secondary district shall be entitled shall be the total of those shares of the aid to which the pupils attending the cooperative district would have entitled the pre-existing districts, had they remained in the pre-existing districts. For the purposes of crediting the cooperative district's [~~adequate education cost~~] **targeted education aid** to the pre-existing districts, each such pre-existing district shall have its adequate education cost under RSA [~~198:38, VH~~] **198:41** credited against its share of the cooperative school district budget. However, cooperative school districts formed by 2 or more pre-existing districts whose boundaries approximate those of a single township in which they are located shall be treated as a single school district for the purposes of this section.

10 Apportionment, Assessment, and Abatement of Taxes; Education Property Tax. Amend RSA 76:3 to read as follows:

76:3 Education Property Tax.

I. Beginning July 1, 2005, and every fiscal year thereafter, the commissioner of the department of revenue administration shall set the education property tax rate at a level sufficient to generate revenue equal to the statewide education property tax revenue generated in the previous fiscal year. Such rate shall be imposed on all persons and property taxable pursuant to RSA 76:8, except property subject to tax under RSA 82 and RSA 83-F. The education property tax rate shall be effective for the fiscal year in which the calculation is made.

II. Beginning July 1, 2006 and every fiscal year thereafter, the commissioner of the department of revenue administration shall set the education property tax rate at a level sufficient to generate revenue equal to the statewide education property tax revenue generated in the previous fiscal year reduced by a percentage equal to the average annual percentage rate of inflation for the immediately preceding 4 calendar years based on the northeast region consumer price index for all urban consumers, as published by the Bureau of Labor Statistics, United States Department of Labor. Such rate shall be imposed on all persons and property taxable pursuant to RSA 76:8, except property subject to tax under RSA 82 and RSA 83-F. The education property tax rate shall be effective for the fiscal year in which the calculation is made.

11 Nonseverability. If the New Hampshire supreme court declares any provision of sections 1-10 of this act to be unconstitutional under either the New Hampshire constitution or the United States Constitution, then sections 1-10 of this act are hereby repealed on the date such unconstitutionality is declared.

12 Repeal. RSA 2004, 200:27, relative to a contingent version of the statewide property tax, is repealed.

13 Effective Date.

I. Section 6 of this act shall take effect July 1, 2009.

II. The remainder of this act shall take effect July 1, 2005 at 12:02 a.m.

2005-1796s

AMENDED ANALYSIS

This bill establishes a new targeted aid formula based on a municipality's equalized property valuation per pupil and the number of educationally disabled children and children eligible for a free or reduced-price lunch in a municipality.

Amendment failed.

Senator Odell offered a floor amendment.**Sen. Odell, Dist. 8****Sen. D'Allesandro, Dist. 20****June 9, 2005****2005-1875s****08/04****Floor Amendment to HB 616-FN-LOCAL**

Amend the bill by replacing all after the enacting clause with the following:

1 Definitions. RSA 198:38 is repealed and reenacted to read as follows:

198:38 Definitions. In this subdivision:

I. "Average daily membership in attendance" means the aggregate half-day membership of pupils attending, at the expense of a school district, either a school operated by a school district, or any public, charter, or private school program approved by the department, whether within or without this State, divided, in either case, by the number of half-days of instruction offered, except that no kindergarten pupil shall count as more than 1/2 day attendance per calendar day.

II. "Average daily membership in residence" and "resident pupils" mean the average daily membership in attendance of pupils who are legal residents of a school district pursuant to RSA 193:12.

III. "Average test score" means the average number of pupils that achieved a scaled score, in the state-wide education improvement and assessment program administered in grades 1-6 during the determination year pursuant to RSA 193-C, equivalent to performance above the novice level, which average shall be determined by averaging together the results for each test administered without any weighting for the number of pupils taking each test, provided that, if results are not reported for a municipality for any individual test, that test shall be ignored in determining the municipality's average test score, and, provided further that, if there are no results reported for a municipality for any of the tests administered during the determination year, then the municipality shall be assigned an average test score for such determination year equal to the statewide average test score for such determination year.

IV. "Department" means the department of education.

V. "Determination year" means the fiscal year that was 3 years prior to the fiscal year for which a municipality's education equity index is to be determined pursuant to RSA 198:40.

VI. "Equalized valuation" means the equalized valuation of property in a jurisdiction as determined by the department of revenue administration, including property subject to taxation under RSA 82 and RSA 83-F.

VII. "Equalized valuation per pupil" means, for any municipality, the equalized valuation of the municipality for the determination year, divided by the municipality's average daily membership in residence for the determination year.

VIII. "Inflation adjustment" means, for any fiscal year, the sum of the average annual percentage rate of inflation, whether positive or negative, for the immediately preceding 4 calendar years based on the north-east region consumer price index for all urban consumers as published by the Bureau of Labor Statistics, United States Department of Labor, plus the percentage change in total statewide average daily membership in residence, whether positive or negative, from the fiscal year that was 4 years prior to the fiscal year for which the inflation adjustment is to be calculated to the fiscal year that was 3 years prior to the fiscal year for which the inflation adjustment is to be calculated.

IX. "Median income" means, for any jurisdiction for a determination year, the most recently available median household income data from the United States decennial census or such current official estimates of such data from the department of revenue administration as may be available for such determination year, provided that, in the case of any unincorporated towns or unorganized places in Coos county, the median income for Coos county shall be the median income for each such unincorporated town or unorganized place, and, provided further that, Penacook shall be assigned the median income value determined for Concord.

X "Municipality" means a city, town, or unincorporated place within this state.

XI. "Pupil" means a child in any of the grades kindergarten through 12.

XII. "School district" means a school district as defined in RSA 194:1.

XIII. "Statewide average equalized valuation per weighted pupil" means the total statewide equalized valuation of all municipalities that had resident pupils during the determination year, divided by the total statewide weighted pupils for the determination year.

2 Subdivision Heading Amended. Amend the subdivision heading preceding RSA 198:38 to read as follows:

State Aid for [~~Educational Adequacy~~] **Education**; Education Trust Fund

3 School Money; Education Trust Fund. Amend the introductory paragraph of RSA 198:39, I to read as follows:

I. The state treasurer shall establish an education trust fund in the treasury. Moneys in such fund shall not be used for any purpose other than to distribute [~~adequate education~~] **base, education equity, and transition** grants to municipalities' school districts pursuant to RSA 198:42[~~, and to provide low and moderate income homeowners property tax relief under RSA 198:56-198:61~~] **and to fund the performance improvement fund established in RSA 193-H:4-a**. The state treasurer shall deposit into this fund immediately upon receipt:

4 Education Equity Index. RSA 198:40 is repealed and reenacted to read as follows:

198:40 Education Equity Index.

I. For the biennium beginning July 1, 2005, and every biennium thereafter, the department shall determine an education equity index for each municipality that had any resident pupils during the determination year for the first year of such biennium as follows:

(a) Each municipality's education equity index shall be computed by dividing 92.5 by the sum of:

(1) 40 times the statewide average equalized valuation per pupil for the applicable determination year divided by the equalized valuation per pupil for the municipality for the applicable determination year;

(2) 20 times the statewide median income for the applicable determination year divided by the municipality's median income for the applicable determination year;

(3) 8.5 times the percentage of the municipality's pupils in grades 1-12 eligible to receive a free or reduced-price meal during the applicable determination year as reported to the department divided by the statewide percentage of pupils in grades 1-12 eligible to receive a free or reduced price meal during the applicable determination year as reported to the department;

(4) One times the percentage of the municipality's pupils that are educationally disabled as reported to the department divided by the statewide percentage of pupils that are educationally disabled;

(5) 0.5 times the percentage of the municipality's pupils in grade one through grade 8 identified as having limited English proficiency and receiving at least 5 hours per week of special instruction in English during the applicable determination year as reported to the department divided by the statewide percentage of pupils in grades one through 8 identified as having limited English proficiency and receiving at least 5 hours per week of special instruction in English during the applicable determination year;

(6) 15 times the statewide average test score for the applicable determination year divided by the municipality's average test score for the applicable determination year; and

(7) 7.5 times the statewide graduation rate for the applicable determination year as reported by the department divided by the municipality's graduation rate for the applicable determination year as reported to the department, where each municipality's graduation rate shall be equal to the graduation rate for the particular high school or high schools attended by the municipality's resident pupils that attend high school.

(b) For the biennium beginning July 1, 2005, the department shall determine the education equity index for each municipality within 15 days after the effective date of this section.

(c) For the biennium beginning July 1, 2007, and for every biennium thereafter, the department shall determine the education equity index for each municipality not later than October 1 in the calendar year preceding the beginning of the first fiscal year of such biennium.

II. In determining the education equity index for any municipality that sends pupils to more than one school or school district, the department shall consider only data from schools or school districts within this state attended by 5 percent or more of the municipality's resident pupils, and the department shall determine each value necessary to calculate the education equity index for such municipality by weighting the

corresponding values for each school or school district to which the municipality sends pupils by the number of resident pupils from the municipality that attend such school or school district. If a municipality sends all of its resident pupils that are relevant to the determination of any value necessary to calculate the education equity index for such municipality to one or more schools not operated by any school district, then the municipality shall be assigned the statewide value for such value.

5 School Money; State Education Assistance. RSA 198:41 is repealed and reenacted to read as follows:

198:41 State Education Assistance.

I. For the fiscal year beginning July 1, 2005, and for every fiscal year thereafter, the department shall determine the amount of state education assistance under this section, if any, for a municipality, except for municipalities where all school districts therein provide education to all of their pupils by paying tuition to other institutions, as follows:

(a) The state shall distribute state education assistance to municipalities pursuant to RSA 198:42 in an aggregate amount equal to the total amount of base education grants, education equity grants, and transition grants determined for the fiscal year pursuant to subparagraph (b).

(b) The annual amount of state education assistance to be distributed among the municipalities as education equity grants and transition grants in a fiscal year shall be determined as follows:

(1) For each municipality with an education equity index for the applicable fiscal year less than 1.2, the department shall determine a number of education equity units equal to the number of resident pupils in the municipality during the applicable determination year multiplied by the excess of 1.2 over the municipality's education equity index for such fiscal year. Each other municipality shall be assigned zero education equity units for such fiscal year.

(2)(A) For the fiscal year beginning July 1, 2005 and the fiscal year beginning July 1, 2006, if a municipality's education equity index is less than one, then the municipality shall be assigned a minimum grant amount for the fiscal year equal to 100 percent of the adequate education grant determined for such municipality for the fiscal year beginning July 1, 2004, under the version of RSA 198:41 in effect on July 1, 2004, and if a municipality's education equity index is equal to or greater than one, then the municipality shall be assigned a minimum grant amount for the fiscal year equal to 85 percent of the adequate education grant determined for such municipality for the fiscal year beginning July 1, 2004, under the version of RSA 198:41 in effect on July 1, 2004.

(B) For the fiscal year beginning July 1, 2007, and for every fiscal year thereafter, if a municipality's education equity index is less than one, then the municipality shall be assigned a minimum grant amount for the fiscal year equal to 100 percent of the state education assistance amount determined for such municipality for the immediately preceding fiscal year, and if a municipality's education equity index is equal to or greater than one, then the municipality shall be assigned a minimum grant amount for the fiscal year equal to 85 percent of the state education assistance amount determined for such municipality for the immediately preceding fiscal year.

(3) For the fiscal year beginning July 1, 2005, and for each fiscal year thereafter, after subtracting from the total amount of state education assistance for a fiscal year as determined pursuant to paragraph II the amount necessary to fund the transition grants to municipalities for such fiscal year, each municipality shall receive a base education grant equal to 40 percent of such remaining amount of state education assistance for the fiscal year multiplied by a fraction, the numerator of which is the number of education equity units determined for such municipality for the fiscal year, and the denominator of which is the total number of education equity units determined for all municipalities for the fiscal year.

(4) For the fiscal year beginning July 1, 2005, and for each fiscal year thereafter, after subtracting from the total amount of state education assistance for a fiscal year as determined pursuant to paragraph II the amount necessary to fund the transition grants to municipalities for such fiscal year, each municipality shall receive an education equity grant equal to 60 percent of such remaining amount of state education assistance for the fiscal year multiplied by a fraction, the numerator of which is the number of education equity units determined for such municipality for the fiscal year, and the denominator of which is the total number of education equity units determined for all municipalities for the fiscal year.

(5) For the fiscal year beginning July 1, 2005, and for each fiscal year thereafter, each municipality for which the sum of the base education grant plus the education equity grant is less than the minimum grant amount determined for such municipality for such fiscal year pursuant to subparagraph (b)(2) shall

receive a transition grant equal to the minimum grant amount for such municipality over the sum of the base education grant plus the education equity grant received by such municipality, except that in any fiscal year in which the transition grant for a municipality determined pursuant to this subparagraph would be less than \$1,000, then the transition grant for such municipality for such fiscal year shall be zero.

II. For the fiscal year beginning July 1, 2005, the total amount of state education assistance shall be \$460,110,184. For the fiscal year beginning July 1, 2006, and for each fiscal year thereafter, the department shall determine the total amount of state education assistance by multiplying the total amount of state education assistance for the preceding fiscal year by the sum of one plus the inflation adjustment determined for the applicable fiscal year.

III. For municipalities where all school districts therein provide education to all of their pupils by paying tuition to other institutions, the amount of state education assistance for each such municipality shall be the lesser of the following:

- (a) The amount calculated in accordance with paragraph I of this section; or
- (b) The total amount paid for education expense as determined by the department.

6 Distribution Schedule and Appropriation. RSA 198:42 is repealed and reenacted to read as follows:

198:42 Distribution Schedule of State Education Assistance; Appropriation.

I. State education assistance determined in RSA 198:41 shall be distributed to each municipality from the education trust fund in 4 payments, 20 percent on August 1, 20 percent on September 1, 30 percent on January 1, and 30 percent on April 1 of each school year.

II. Beginning with the fiscal year beginning July 1, 2005, and for every fiscal year thereafter, the amount necessary to fund state education assistance under RSA 198:41 is hereby appropriated to the department from the education trust fund created under RSA 198:39. The governor is authorized to draw a warrant from the education trust fund to satisfy the state's obligation under this section. Such warrant for payment shall be issued regardless of the balance of funds available in the education trust fund. If the balance in the education trust fund, after the issuance of any such warrant, is less than zero, the amount shall be drawn from any funds in the treasury not otherwise appropriated and the commissioner of the department of administrative services shall inform the fiscal committee and the governor and council of such balance. This reporting shall not in any way prohibit or delay the distribution of such state education assistance.

III. The department shall certify the amount of state education assistance to the state treasurer and direct the payment thereof to the municipalities.

7 Additional Education Expenditures. Amend RSA 198:43 to read as follows:

198:43 Additional Education Expenditures. School districts are authorized to develop **additional** educational programs ~~[beyond those required for an adequate education]~~ and to raise and appropriate amounts necessary for such programs.

8 School Money; Maintenance of Local Control. Amend RSA 198:48 to read as follows:

198:48 Maintenance of Local Control. Distributions under RSA 198:42 are based on ~~[adequate education costs determined in RSA 198:40]~~ **the provisions of RSA 198:41** and are independent of how the municipalities decide to spend the distributions or other funds they may raise for education. Notwithstanding any other provision of law, nothing in this subdivision is intended in any way to limit or control how school districts operate or spend their budgets except that ~~[adequate]~~ **state** education ~~[grants]~~ **assistance** must be expended for educational purposes. ~~[Adequate]~~ **State** education ~~[grants and hardship grants]~~ **assistance** shall not be considered unanticipated funds under RSA 198:20-b.

9 Apportionment, Assessment, and Abatement of Taxes; Commissioner's Warrant. RSA 76:8 is repealed and reenacted to read as follows:

76:8 Local Property Taxes. Municipalities are authorized to assess local property taxes necessary to fund school district appropriations and other education programs as provided in RSA 198:48, in either case to the extent not funded by distributions from the education trust fund under RSA 198:39 or by other revenue sources.

10 State Treasurer; Application of Receipts. Amend RSA 6:12, I(b)(65) to read as follows:

(65) Money received under RSA 77-A, RSA 77-E, RSA 78, RSA 78-A, RSA 78-B, RSA 83-F, ~~[RSA 198:46;]~~ and from the sweepstakes fund, which shall be credited to the education trust fund under RSA 198:39.

11 School Attendance; Duty of Parent; Compulsory Attendance. Amend RSA 193:1, I(c) to read as follows:

(c) The relevant school district superintendent has excused a child from attendance because the child is physically or mentally unable to attend school, or has been temporarily excused upon the request of the parent for purposes agreed upon by the school authorities and the parent. Such excused absences shall not be permitted if they cause a serious adverse effect upon the student's educational progress. Students excused for such temporary absences may be claimed as full-time pupils for purposes of calculating state aid under RSA 186-C:18 and ~~[adequate education]~~ grants under RSA 198:41.

12 Charter and Open Enrollment Schools; Funding. Amend RSA 194-B:11, I to read as follows:

I. There shall be no tuition charge for any pupil attending an open enrollment or charter conversion school located in that pupil's resident district. Funding limitations in this chapter shall not be applicable to charter conversion or open enrollment schools located in a pupil's resident district. For any other charter or open enrollment school authorized by the school district, the pupil's resident district shall pay to such school an amount equal to not less than 80 percent of that district's average cost per pupil as determined by the department of education using the most recent available data as reported by the district to the department. For any charter school authorized by the state board of education, the pupil's resident district shall pay tuition beginning July 1, 2004 and every fiscal year thereafter, in an amount per pupil equal to the amount determined in RSA 198:40, I, ***under the version of RSA 198:40, I in effect on July 1, 2004.*** Tuition amounts shall be prorated on a per diem basis for pupils attending a school for less than a full school year. To the extent permitted by law, tuition payments shall coincide with the distribution of ~~[adequacy]~~ grants under RSA 198:42 or on such other terms as are mutually acceptable.

13 School Performance and Accountability; Local Education Improvement Plan. Amend RSA 193-H:4, I (b) to read as follows:

(b) If a school or school district has been designated as in need of improvement, then the school or school district may request assistance from the department ~~[of education]~~ ***and may request funding from the performance improvement fund established in RSA 193-H:4-a.*** The department shall provide technical assistance to those schools that request assistance under this section.

14 New Paragraph; School Performance and Accountability; Local Education Improvement Plan. Amend RSA 193-H:4 by inserting after paragraph IV the following new paragraph:

V. Three years following the designation, a school or school district which is still not making satisfactory progress in implementing the plan required under subparagraph I(a) shall receive, in the next fiscal year, 95 percent of the education grant to which it is entitled under RSA 198:41. For each year thereafter in which such designation persists, a school or school district shall receive, in the next fiscal year, 95 percent of the education grant to which it is entitled under RSA 198:41.

15 New Section; School Performance and Accountability; Performance Improvement Fund. Amend RSA 193-H by inserting after section 4 the following new section:

193-H:4-a Performance Improvement Fund. There is hereby established in the department a performance improvement fund which shall be administered by the commissioner. The purpose of the fund is to provide funding for approved improvement plans required under RSA 193-H:4, I. Approved improvement plans shall be funded to the extent of available funds in a fiscal year.

16 Department of Revenue Administration; Cooperative Assessment Districts. Amend RSA 21-J:14-h to read as follows:

21-J:14-h Purpose. The general court finds that the encouragement and support of the establishment of multi-jurisdictional assessing districts is in the state's interest in order to ensure the accuracy and fairness of valuations of real property for the purposes of administration of ~~[the statewide property tax,]~~ county property taxes, school district property taxes, municipal property taxes, the distribution of various forms of state aid, and the equalization of property values among jurisdictions. The general court further recognizes that many municipalities do not have sufficient numbers of real estate parcels, sufficient varieties of real property, or sufficient levels of new development to make it practical or economical to engage full-time, trained, and certified assessing professionals. The general court further finds that the state has a vested interest in encouraging and supporting the establishment of cooperative assessing districts which can efficiently and economically provide full-time, trained, and certified assessing professionals to serve the municipalities which elect to create and join said districts.

17 Repeals. The following are repealed:

- I. 2004, 195:3 and 2004, 200:27, relative to the education property tax.
- II. 2004, 200:16-200:23, relative to contingent applicability.
- III. 2004, 200:25-200:28, relative to prospective versions of the education property tax and contingent applicability.
- IV. RSA 76:3 relative to the education property tax.
- V. RSA 198:44, relative to duties of the department of education and the board of education.
- VI. RSA 198:46-47, relative to excess education property tax payment and forms.
- VII. RSA 198:49, relative to the adequate education and education financing commission.
- VIII. RSA 198:39, I(g), relative to excess education property tax payments.
- IX. RSA 198:56-61, relative to low and moderate income homeowners property tax relief.
- X. RSA 21-I:18, I(l), relative to the purchase of services by the department of administrative services for the administration of low and moderate income homeowners property tax relief.
- XI. RSA 83-F:9, relative to exemption from the education property tax.
- XII. RSA 194-B:11, XI, relative to transition grants for school districts that have lost pupils as a result of the establishment of a charter school and have paid cash tuition to the charter school.
- XIII. RSA 195:14, I(d), relative to the proportional share of costs above adequacy.
- XIV. RSA 198:40, relative to determination of per pupil adequate education cost.

18 Nonseverability. If the New Hampshire supreme court declares any provision of sections 1-17 of this act to be unconstitutional under either the New Hampshire constitution or the United States Constitution, then sections 1-17 of this act are hereby repealed on the date such unconstitutionality is declared.

19 Effective Date.

- I. Paragraph IV of section 17 of this act shall take effect March 31, 2005.
- II. The remainder of this act shall take effect July 1, 2005 at 12:02 a.m.

2005-1875s

AMENDED ANALYSIS

This bill:

- I. Repeals the education property tax effective March 31, 2005.
- II. Distributes base education grants and education equity grants, which are determined on a municipality-by-municipality basis under a formula that calculates a municipality's need for assistance based on certain factors, including fiscal capacity, resource challenges, performance, and student population.
- III. Provides for increased state education aid in future years based on the consumer price index and changes in statewide pupil population.
- IV. Provides that for the 2006 fiscal year and the 2007 fiscal year, a municipality with an education equity index less than one shall receive a total grant that is not less than 100 percent of the total grant received in fiscal year 2005 under prior law, and a municipality with an education equity index equal to or greater than one shall receive a total grant that is not less than 85 percent of the total grant received in fiscal year 2005 under prior law. Provides that for the 2008 fiscal year, and every fiscal year thereafter, a municipality with an education equity index less than one shall receive a total grant that is not less than 100 percent of the total grant received in the preceding fiscal year, and a municipality with an education equity index equal to or greater than one shall receive a total grant that is not less than 85 percent of the total grant received in the preceding fiscal year.
- V. Repeals the statutory provisions authorizing excess education property tax payments.
- VI. Repeals the low and moderate income homeowner's property tax relief program.

The question is on the adoption of the floor amendment.

A roll call was requested by Senator Odell.

Seconded by Senator D'Allesandro.

The following Senators voted Yes: Gallus, Kenney, Burling, Green, Odell, Gottesman, Foster, Larsen, Martel, D'Allesandro, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Johnson, Boyce, Flanders, Roberge, Eaton, Bragdon, Clegg, Gatsas, Barnes, Letourneau, Morse.

Yeas: 13 - Nays: 11

Floor amendment adopted.

Senator Gatsas offered a floor amendment.

Sen. Johnson, Dist. 2

Sen. Green, Dist. 6

Sen. Flanders, Dist. 7

Sen. Eaton, Dist. 10

Sen. Bragdon, Dist. 11

Sen. Gatsas, Dist. 16

Sen. Barnes, Dist. 17

Sen. Letourneau, Dist. 19

Sen. Morse, Dist. 22

June 9, 2005

2005-1891s

04/10

Amendment to HB 616-FN-LOCAL

Amend the title of the bill by replacing it with the following:

AN ACT reducing the education property tax rate and relative to the calculation of equitable education grants.

Amend the bill by replacing all after the enacting clause with the following:

1 Purpose.

I. Previously, state funding of education has relied primarily on a formula which establishes a base cost per pupil, which was then distributed to school districts based on the number of pupils. The general court is adopting an alternative approach in order to account for the diversity of communities present in our state. The general court is the branch of government that is closest to the people, and the branch of government that most clearly understands the specific local factors that support or hinder local efforts to administer schools. Specifically, the general court finds family income, family educational achievement, existing educational infrastructure, as well as intangible factors such as social capital, affect the ability of local schools to provide educational opportunity to their students. The general court finds that local property values reflect these factors.

II. Accordingly, in order to ensure that all local school districts provide pupils with an opportunity to acquire an equitable education the general court, in the exercise of its broad discretion, adopts this education funding distribution formula that expressly recognizes the difficulties faced by communities with low property values. Accordingly, the general court has determined that the most equitable method to provide educational opportunity to our children is to target aid to those communities with low property values. The general court has further determined that targeting additional aid to those districts that face challenges related to poverty and the provision of special education services is the most appropriate manner in which to provide educational opportunities.

2 Assessment and Abatement of Taxes; Statewide Enhanced Education Tax. RSA 76:3 is repealed and reenacted to read as follows:

76:3 Statewide Enhanced Education Tax. Beginning July 1, 2005, and every fiscal year thereafter, the commissioner of the department of revenue administration shall set the statewide enhanced education tax rate at a level sufficient to generate revenue of \$363,000,000 when imposed on all persons and property taxable pursuant to RSA 76:8, except property subject to tax under RSA 82 and RSA 83-F. The education property tax rate shall be effective for the following fiscal year. The rate shall be set to the nearest 1/2 cent necessary to generate the revenue required in this section.

3 Utility Property Tax; Exemption. Amend the section heading of RSA 83-F:9 to read as follows:

83-F:9 Exemption From [State] **Statewide Enhanced** Education [Property] Tax.

4 School Money; Education Trust Fund. Amend RSA 198:39, I(g) to read as follows:

(g) The full amount of excess **statewide enhanced** education [property] tax payments from the department of revenue administration pursuant to RSA 198:46.

5 State Aid for Educational Equality; Definitions. The subdivision heading immediately preceding RSA 198:38 and RSA 198:38 are repealed and reenacted to read as follows:

State Aid for Educational Equality; Education Trust Fund

198:38 Definitions. In this subdivision:

I. "Municipality" means a city, town, or unincorporated place.

II. "School district" means school district as defined in RSA 194:1 or RSA 195:1.

III. "Department" means the department of education.

IV. "Determination year" means the fiscal year that was 3 years prior to the fiscal year for which aid is to be determined. Unless otherwise indicated, determination year data shall be used to calculate aid.

V. "Average annual rate of inflation" means average annual percentage rate of inflation based on the northeast region consumer price index for all urban consumers as published by the Bureau of Labor Statistics, United States Department of Labor, for the 4 calendar years ending 18 months before the beginning of the fiscal year for which aid is to be determined.

VI. "Average daily membership in residence" means the average daily membership in residence of pupils in kindergarten through grade 12, as defined in RSA 189:1-d, IV of the second school year preceding the year in which the calculation is made, provided that no kindergarten pupil shall count as more than 1/2 day attendance per calendar day.

VII. "Limited English proficient pupil" means an annual count of pupils in kindergarten through grade 12 receiving instruction in English for speakers of other languages for 5 or more hours per week. Pupils shall be counted and attributed to the municipality or municipalities operating the school attended by the pupils.

VIII. "Educationally disabled child" or "educationally disabled pupil" means the average daily membership in residence of educationally disabled children as defined in RSA 186-C:2, I.

IX. "Pupils eligible for a free or reduced-price meal" means an annual count of pupils in grades 1 through 12 who are eligible for a free or reduced-price meal. Pupils shall be counted in the municipality of residence.

X. "Equalized valuation including utilities" means equalized valuation including properties subject to taxation under RSA 82 and RSA 83-F, as determined by the department of revenue administration, that was the basis for the local tax assessment in the determination year.

XI. "Adjusted equalized valuation excluding utilities" means equalized valuation as determined by the department of revenue administration pursuant to RSA 76:8 for April 1 of the fiscal year 2 years prior to the fiscal year for which aid is to be determined.

XII. "State tax capacity rate" means the total revenue raised statewide by the local education tax assessment for the determination year multiplied by 1,000. This amount shall be divided by the total statewide equalized valuation including utilities that was the tax base for the determination year.

XIII. "Median family income" means the most recent census data published for New Hampshire counties and municipalities by the United States Census Bureau, United States Department of Commerce, as of October 1 preceding the beginning of the biennium for which aid is to be determined.

6 New Sections; State Aid for Educational Equality; Local Tax Capacity Aid; Per Pupil Valuation. Amend RSA 198 by inserting after section 40 the following new sections:

198:40-a Local Tax Capacity Aid. Beginning July 1, 2005, and for the first year of every biennium thereafter, local tax capacity aid shall be calculated by the department of education as follows:

I. The total statewide equalized valuation including utilities of all municipalities, as determined by the department of revenue administration, shall be divided by the total statewide average daily membership in residence. The result shall be the statewide average equalized valuation per pupil.

II. The equalized valuation of all property including utilities in a municipality, as determined by the department of revenue administration, shall be divided by the average daily membership in residence in the municipality. The result shall be the local equalized valuation per pupil.

III. Eligibility for local tax capacity aid under this paragraph shall be determined as follows:

(a) If a municipality's local equalized valuation per pupil as calculated in paragraph II is equal to, or greater than, the statewide average equalized valuation per pupil as calculated in paragraph I, no local tax capacity aid shall be available.

(b) If a municipality's local equalized valuation per pupil as calculated in paragraph II is less than the statewide average equalized valuation per pupil as calculated in paragraph I, the municipality shall be entitled to receive local tax capacity aid in an amount equal to the following: subtract the local equalized valuation per pupil as calculated in paragraph II from the statewide average equalized valuation per pupil as calculated in paragraph I. This amount shall be divided by 1,000 and then multiplied by the state tax capacity rate. The result shall be multiplied by the average daily membership in residence in such municipality and shall be the local tax capacity aid for the municipality.

198:40-b Targeted Per Pupil Aid. Targeted aid shall be calculated by the department of education as follows:

I. For the fiscal year beginning July 1, 2005, a municipality with a local equalized valuation including utilities per pupil, as calculated in RSA 198:40-a, II, which is less than or equal to 150 percent of the statewide average equalized valuation per pupil, as calculated in RSA 198:40-a, I, and a median family income which is less than or equal to 150 percent of the state average median family income, shall be eligible to receive targeted per pupil aid for such municipality's educationally disabled pupils, pupils eligible for free or reduced-price meals, limited English proficient pupils and transportation costs as follows:

(a) A per pupil amount shall be determined by dividing the statewide average equalized valuation including utilities per pupil, as calculated in RSA 198:40-a, I, by 1,000 and then multiplying by the state tax capacity rate.

(b) The per pupil amount calculated in subparagraph (a) shall be multiplied by 0.95 and by the average daily membership in residence of educationally disabled pupils in the municipality. This amount shall be available as targeted aid for educationally disabled pupils in the municipality.

(c) The per pupil amount calculated in subparagraph (a) shall be multiplied by 0.95 and by the number of pupils eligible for a free or reduced-price meal. This amount shall be available as targeted aid for pupils eligible to receive a free or reduced-price meal in the municipality.

(d) The amount of \$1,000 shall be multiplied by the number of limited English proficient pupils in the municipality.

(e) Transportation aid in the amount of \$190 shall be multiplied by the average daily membership in residence in the municipality.

(f) Total targeted per pupil aid for the municipality shall be the sum of subparagraphs (b), (c), (d) and (e).

II. For the biennium beginning July 1, 2007, a municipality with a local equalized valuation including utilities per pupil, as calculated in RSA 198:40-a, II, which is less than or equal to 150 percent of the statewide average equalized valuation per pupil, as calculated in RSA 198:40-a, I, and a median family income which is less than or equal to 150 percent of the state average median family income, shall be eligible to receive targeted per pupil aid for such municipality's educationally disabled pupils, pupils eligible for free or reduced-price meals, limited English proficient pupils and transportation costs as follows:

(a) A per pupil amount for educationally disabled pupils shall be determined by dividing \$100,000,000 by the total average daily membership in residence of educationally disabled pupils in municipalities eligible for targeted per pupil aid. For each eligible municipality, this per pupil amount shall be multiplied by the average daily membership of educationally disabled pupils and the resulting amount shall be available as targeted per pupil aid. Beginning July 1, 2007, and in the first year of each biennium thereafter, the \$100,000,000 amount in this subparagraph shall be increased by the greater of the average annual rate of inflation or 3 percent.

(b) A per pupil amount for pupils eligible for free or reduced priced meals shall be determined by dividing \$115,000,000 by the total number of students eligible for free or reduced priced meals in municipalities eligible for targeted per pupil aid. For each eligible municipality, the per pupil amount shall be

multiplied by the number of pupils eligible to receive a free or reduced-price meal and the resulting amount shall be available as targeted per pupil aid. Beginning July 1, 2007, and in the first year of each biennium thereafter, the \$115,000,000 amount in this subparagraph shall be increased by the greater of the average annual rate of inflation or 3 percent.

(c) The amount of \$1,000 shall be multiplied by the number of limited English proficient pupils in each eligible municipality.

(d) Transportation aid in the amount of \$190 shall be multiplied by the average daily membership in residence of pupils in each eligible municipality.

(e) Total targeted per pupil aid for the municipality shall be the sum of subparagraphs (a), (b), (c) and (d).

III. A municipality with a local equalized valuation per pupil, as calculated in RSA 198:40-a, II, which is greater than 150 percent of the statewide average equalized valuation per pupil as calculated in RSA 198:40-a, I, or a median family income which is greater than 150 percent of the state average shall not receive targeted per pupil aid under this section.

198:40-c Statewide Enhanced Education Tax Capacity Aid. Beginning July 1, 2005, and for the first year of every biennium thereafter, statewide enhanced education tax capacity aid shall be calculated by the department using the adjusted equalized valuation excluding utilities, as defined in RSA 198:38, for the fiscal year that was 2 years prior to the fiscal year for which aid is to be determined as follows:

I. Divide the total statewide equalized valuation of all municipalities, by the total statewide average daily membership in residence. The result shall be the statewide average equalized valuation excluding utilities per pupil.

II. Divide the equalized valuation of all property in a municipality, by the average daily membership in residence in the municipality. The result shall be the local equalized valuation without utilities per pupil.

III. Eligibility for statewide enhanced education tax capacity aid under this paragraph shall be determined as follows:

(a) If a municipality's local equalized valuation per pupil as calculated in paragraph II is greater than or equal to the statewide average equalized valuation per pupil as calculated in paragraph I, no state enhanced aid shall be available.

(b) If a municipality's local equalized valuation per pupil as calculated in paragraph II is less than the statewide average equalized valuation per pupil as calculated in paragraph I, the municipality shall be entitled to receive statewide enhanced education tax capacity aid in an amount equal to the following: subtract the local equalized valuation per pupil as calculated in paragraph II from the statewide average equalized valuation per pupil as calculated in paragraph I. This amount shall be divided by 1,000 then multiplied by the statewide enhanced education tax rate to be imposed statewide in the fiscal year for which this calculation is made. The result shall be multiplied by the average daily membership in residence in such municipality and shall be available to a municipality as statewide enhanced education tax capacity aid.

7 Targeted Aid; Determination of Grants and Excess Enhanced Education Tax Payments. RSA 198:41 is repealed and reenacted to read as follows:

198:41 Determination of Grants and Excess Tax.

I. For each municipality the department of education shall determine the total education grant as follows:

(a) For the fiscal years beginning July 1, 2005 and July 1, 2007, add the amounts determined in RSA 198:40-a, RSA 198:40-b, and RSA 198:40-c for each municipality. Such amount shall also be used to determine a municipality's grant in the second year of such bienniums.

(b)(1) For the fiscal year beginning July 1, 2005, if a municipality's education grant as determined in subparagraph (a) is less than 85 percent of the education grant determined for such municipality for the fiscal year beginning July 1, 2004, under the version of RSA 198:41 in effect on July 1, 2004, then the municipality shall receive a transition grant equal to the excess of 85 percent of the education grant determined for such municipality for the fiscal year beginning July 1, 2004 over the municipality's grant determined in subparagraph (a).

(2) For the fiscal year beginning July 1, 2006, an eligible municipality shall receive the same amount as determined under subparagraph (b)(1).

(c)(1) For the fiscal year beginning July 1, 2007, if a municipality's education grant as determined in subparagraph (a) is less than 85 percent of the municipality's education grant determined in subparagraph (b), then the municipality shall receive a transition grant equal to the excess of 85 percent of the education grant determined for such municipality for the fiscal year beginning July 1, 2006 over the municipality's grant determined in subparagraph (a).

(2) For the fiscal year beginning July 1, 2008, an eligible municipality shall receive the same amount as determined under subparagraph (c)(1).

(d) The total education grant shall be the sum of subparagraphs (a), (b), and (c).

II. Annually, the department of revenue administration shall determine the amount of excess enhanced education tax for each municipality as follows:

(a) If the average daily membership of the determination year is 2 or less, zero.

(b) If the average daily membership of the determination year is greater than 2, then the amount of the excess enhanced education tax to be remitted pursuant to RSA 198:46 shall be the greater of:

(1) Zero; or

(2) The remainder when the determination year local tax assessed for schools pursuant to RSA 76:8 and the determination year statewide enhanced education tax that was not excess remitted to the state is subtracted from the statewide enhanced education tax to be assessed in the year for which aid is being calculated.

III. The department of education shall notify municipalities of the estimated amounts of grants and excess statewide enhanced education tax payments by the November 15 which precedes the fiscal year for which aid is determined.

IV. For the year in which aid is being calculated, total state aid for education shall be the sum total of all grants; plus the sum total of statewide enhanced education tax assessed, less the amount of excess statewide enhanced education tax to be remitted pursuant to RSA 198:46.

8 Targeted Aid; Determination of Grants and Excess Enhanced Education Tax Payments; Version Effective July 1, 2009. RSA 198:41, I is repealed and reenacted to read as follows:

I. For each municipality, the department of education shall determine the total education grant as follows:

(a) For the first year of the biennium add the amounts determined in RSA 198:40-a, RSA 198:40-b, and RSA 198:40-c.

(b) For the second year of the biennium, the total grant shall be the total grant as determined in paragraph I for the first year of the biennium.

9 School Money; Distribution of Education Grants. RSA 198:42 is repealed and reenacted to read as follows:

198:42 Distribution Schedule of Equitable Education Grants; Appropriation.

I. The equitable education grant determined in RSA 198:41 shall be distributed to each municipality's school district or districts legally responsible for the education of the pupils who attend approved public schools within the district or in other districts or who attend approved programs for educationally disabled children, as the case may be, from the education trust fund in 4 payments of 20 percent on September 1, 20 percent on November 1, 30 percent on January 1, and 30 percent on April 1 of each school year; provided that for a dependent school district, the grant determined in RSA 198:41 shall be distributed to the municipality, which shall appropriate and transfer the grant funds to its dependent school department.

II. For the fiscal year beginning July 1, 2005, and every fiscal year thereafter the amount necessary to fund the grants under RSA 198:41 is hereby appropriated to the department from the education trust fund created under RSA 198:39. The governor is authorized to draw a warrant from the education trust fund to satisfy the state's obligation under this section. Such warrant for payment shall be issued regardless of the balance of funds available in the education trust fund. If the balance in the education trust fund, after the issuance of any such warrant, is less than zero, the commissioner of the department of administrative services shall inform the fiscal committee and the governor and council of such balance. This reporting shall not in any way prohibit or delay the distribution of equitable education grants.

III. The department of education shall certify the amount of each grant to the state treasurer and direct the payment thereof to the school district. When a payment of a grant is made to a school district, the municipality on whose behalf the payment is made, shall receive notification from the state treasurer of the amount of the payment made to its school district or districts.

10 Excess Education Property Tax Payment. RSA 198:46 is repealed and reenacted to read as follows:

198:46 Excess Education Property Tax Payment.

I. The department of revenue administration shall annually determine a municipality's statewide enhanced education tax liability pursuant to RSA 198:41. Any excess shall be remitted to the department of revenue administration on or before March 15 of the tax year in which the excess occurs.

II. The commissioner of the department of revenue administration shall calculate and collect from the municipality the excess tax and pay the excess tax over to the state treasurer for deposit in the education trust fund established by RSA 198:39.

III. The amount of such excess to be remitted shall not include any income derived from the investment of funds by the municipal treasurers under RSA 41:29 and RSA 48:16. Any funds remaining after full payment of the excess tax required in paragraph I shall become available for unrestricted use by the municipality.

11 Excess Education Property Tax Payment; Forms. Amend RSA 198:47 to read as follows:

198:47 Forms. The commissioner shall approve and provide forms relative to the reporting and remitting of excess **statewide enhanced** education ~~[property]~~ tax by the municipalities.

12 Low and Moderate Income Homeowners Property Tax Relief. Amend RSA 198:57, III(a) to read as follows:

(a) Owns a homestead or interest in a homestead subject to the **statewide enhanced** education ~~[property]~~ tax;

13 Low and Moderate Income Homeowners Property Tax Relief. Amend RSA 198:57, IV(c) to read as follows:

(c) Multiply the lesser of the amount determined in subparagraph (a) or (b) by the ~~[current state]~~ **statewide enhanced** education ~~[property]~~ tax rate as shown on the tax bill under RSA 76:11-a;

14 Department of Revenue Administration; Cooperative Assessment Districts; Purpose. Amend RSA 21-J:14-h to read as follows:

21-J:14-h Purpose. The general court finds that the encouragement and support of the establishment of multi-jurisdictional assessing districts is in the state's interest in order to ensure the accuracy and fairness of valuations of real property for the purposes of administration of the statewide **enhanced education** ~~[property]~~ tax, county property taxes, school district property taxes, municipal property taxes, the distribution of various forms of state aid, and the equalization of property values among jurisdictions. The general court further recognizes that many municipalities do not have sufficient numbers of real estate parcels, sufficient varieties of real property, or sufficient levels of new development to make it practical or economical to engage full-time, trained, and certified assessing professionals. The general court further finds that the state has a vested interest in encouraging and supporting the establishment of cooperative assessing districts which can efficiently and economically provide full-time, trained, and certified assessing professionals to serve the municipalities which elect to create and join said districts.

15 Reference Changes. Amend the following RSA provisions by replacing "adequate" with "equitable": RSA 21-N:1, II(c); RSA 193:1, I(c); RSA 193-E:1, II; the introductory paragraph of RSA 193-E:2; the section heading of RSA 193-E:3; RSA 194-B:3, II(i); RSA 194-B:11, IX(a); the introductory paragraph of RSA 198:39, I; and RSA 198:43.

16 Cooperative School Districts; Certification of District Taxes. Amend RSA 195:14, I(c)-(d) to read as follows:

(c) The commissioner of revenue administration shall certify to the state department of education the total amount to be apportioned among the pre-existing school districts. Such total shall include the ~~[adequate]~~ **equitable** education cost for the district ~~[under RSA 198:38, VII,]~~ and the amount above the cost of an ~~[adequate]~~ **equitable** education to be assessed and collected as local educational taxes.

(d) The state department of education shall determine the proportional share of the costs above ~~[adequacy]~~ **an equitable education** to be assessed as local education taxes as follows:

(1) First, the department shall determine each pre-existing district's proportional share of the total amount to be apportioned based on the cooperative school district formula.

(2) Second, the department shall then deduct each pre-existing school district's ~~[adequate]~~ **equitable** education cost ~~[under RSA 198:38, VII]~~ from its proportional share of the total amount to be apportioned.

(3) Third, the department shall notify the commissioner of revenue administration of its determinations.

(4) If the amount determined in subparagraph (2) for any pre-existing district is less than zero, the department shall reduce the ~~[adequate]~~ **equitable** education grant payable to the cooperative district under RSA 198:42 by the difference between the amount determined in subparagraph (1) and the pre-existing district's ~~[adequate]~~ **equitable** education cost ~~[under RSA 198:38, VII]~~.

17 Charter and Open Enrollment Schools; Funding. Amend RSA 194-B:11, I to read as follows:

194-B:11 Charter and Open Enrollment Schools; Funding. Charter and open enrollment schools shall be funded as follows:

I. There shall be no tuition charge for any pupil attending an open enrollment or charter conversion school located in that pupil's resident district. Funding limitations in this chapter shall not be applicable to charter conversion or open enrollment schools located in a pupil's resident district. For any other charter or open enrollment school authorized by the school district, the pupil's resident district shall pay to such school an amount equal to not less than 80 percent of that district's average cost per pupil as determined by the department of education using the most recent available data as reported by the district to the department. For any charter school authorized by the state board of education, the pupil's resident district shall pay tuition beginning July 1, ~~[2004]~~ **2005** and every fiscal year thereafter, in an amount per pupil ~~[equal to the amount]~~ determined ~~[in RSA 198:40, I]~~ **as follows:**

(a) For the fiscal year beginning July 1, 2005, \$3,500 annual tuition.

(b) For every fiscal year thereafter, the department of education shall determine the tuition rate by adjusting for the average annual percentage rate of inflation based on the northeast region consumer price index for all urban consumers as published by the Bureau of Labor Statistics, United States Department of Labor. The average shall be based on the 4 calendar years ending 18 months before the beginning of the fiscal year for which the tuition rate is to be determined.

(c) Tuition amounts shall be prorated on a per diem basis for pupils attending a school for less than a full school year. To the extent permitted by law, tuition payments shall coincide with the distribution of adequacy grants under RSA 198:42 or on such other terms as are mutually acceptable.

18 Charter and Open Enrollment Schools; Funding. Amend RSA 194-B:11, XI to read as follows:

XI. Any money appropriated in the budget for matching charter school grants that remains unused after the department of education issues matching grants to eligible recipients under paragraph X shall be used to provide a one-year transitional grant to public school districts that have lost pupils as a result of the establishment of a charter school, and have paid tuition to the charter school in cash pursuant to subparagraph IX(a). For the first year in which a public school pupil leaves the public school and enrolls in a charter school, the school district that loses the pupil shall be eligible for a charter school transitional grant beginning July 1, 2004 and every fiscal year thereafter, in an amount per pupil equal to the amount determined in RSA ~~[198:40, I]~~ **198:41**. Such transitional grants shall be administered by the state board of education which shall have the authority to determine eligibility and the amount of money to be awarded to school districts under this section, subject to the amount appropriated in the budget.

19 School Money; Maintenance of Local Control. Amend RSA 198:48 to read as follows:

198:48 Maintenance of Local Control. Distributions under RSA 198:42 are based on ~~[adequate]~~ **equitable** education costs determined in RSA ~~[198:40]~~ **198:41** and are independent of how the municipalities decide to spend the distributions or other funds they may raise for education. Notwithstanding any other provision of law, nothing in this subdivision is intended in any way to limit or control how school districts operate or spend their budgets except that ~~[adequate]~~ **equitable** education grants must be expended for educational purposes. ~~[Adequate]~~ **Equitable** education grants ~~[and hardship grants]~~ shall not be considered unanticipated funds under RSA 198:20-b.

20 Alternative Kindergarten Programs; Reference Amended. Amend RSA 198:48-a, VII-VIII to read as follows:

VII.(a) Upon the effective date of this paragraph, and for each fiscal year through June 30, 2003, an [adequate] **equitable** education grant of \$1,200 per pupil shall be distributed to school districts, from the education trust fund created in RSA 198:39, for the education of its resident kindergarten pupils enrolled in an approved alternative kindergarten program established under this section.

(b) Once pupils enrolled in an approved alternative kindergarten program have been counted in the average daily membership in residence, school districts shall receive, for each such pupil, an [adequate] **equitable** education grant calculated in accordance with RSA [~~198:40~~] **198:41** through RSA 198:42.

VIII. Notwithstanding the provisions of this section, alternative kindergarten programs which were approved and in effect prior to April 29, 1999 may continue to operate and shall continue to receive per pupil [adequate] **equitable** education grant amounts in accordance with RSA [~~198:40~~] **198:41** through RSA 198:42.

21 Nonseverability. If the New Hampshire supreme court declares any provision of sections 1-20 of this act to be unconstitutional under either the New Hampshire constitution or the United States Constitution, then sections 1-20 of this act are hereby repealed on the date such unconstitutionality is declared.

22 Repeal. The following are repealed:

I. RSA 198:49, relative to the adequate education and education financing commission.

II. RSA 198:40, relative to average per pupil adequacy cost.

III. 2004, 200:16-200:23, relative to contingent applicability.

IV. 2004, 200:26-200:28, relative to prospective versions of the education property tax and contingent applicability.

23 Effective Dates.

I. Section 8 of this act shall take effect July 1, 2009.

II. The remainder of this act shall take effect July 1, 2005 at 12:02 a.m.

2005-1891s

AMENDED ANALYSIS

This bill:

I. Beginning July 1, 2005, establishes a new education funding formula for municipalities and sets forth criteria whereby municipalities may receive local tax capacity aid, targeted per pupil aid, and statewide enhanced education tax capacity aid for pupils in the public schools.

II. Beginning July 1, 2005, establishes a new procedure for determining the statewide cost of an equitable education.

III. Fixes the amount to be raised by the education property tax at \$363,000,000 annually.

IV. Provides that in the second year of each biennium, aid and the statewide cost of an equitable education shall increase by the greater of 3 percent or the 4-year average of the northeast regional consumer price index for all urban consumers.

The question is on the adoption of the floor amendment.

A roll call was requested by Senator Green.

Seconded by Senator Kenney.

The following Senators voted Yes: Johnson, Kenney, Boyce, Green, Flanders, Roberge, Eaton, Bragdon, Clegg, Gatsas, Barnes, Letourneau, Morse.

The following Senators voted No: Gallus, Burling, Odell, Gottesman, Foster, Larsen, Martel, D'Allesandro, Estabrook, Hassan, Fuller Clark.

Yeas: 13 - Nays: 11

Floor amendment adopted.

The question is on the adoption of the bill as amended.

Adopted.

Ordered to third reading.

HB 25-FN-A, making appropriations for capital improvements. Capital Budget Committee. Ought to pass with amendment, Vote 4-0. Senator Clegg for the committee.

Capital Budget
June 1, 2005
2005-1762s
10/09

Amendment to HB 25-FN-A

Amend the bill by replacing all after the enacting clause with the following:

1 Capital Appropriations. The sums hereinafter detailed are hereby appropriated for the projects specified to the departments, agencies, and branches named:

I. Adjutant General.

A. Armory Renovations	\$ 1,500,000
B. Armory Kitchen Expansion	2,300,000
Less Federal	-1,725,000
Net state appropriation subparagraph B	575,000
C. Re-Roofing Building F & L	305,000
Less Federal	-40,000
Net state appropriation subparagraph C	265,000
Total state appropriation paragraph I	\$ 2,340,000

II. Department of Administrative Services.

A. Bureau of Court Facilities.

1. Laconia District Court Renovation	\$ 4,116,000
2. Cheshire County Courthouse Design	250,000
3. Manchester District Court Roof Replacement	97,000
4. Hillsborough County Superior Court-North Roof Replacement	370,000
Total state appropriation subparagraph A	\$ 4,833,000

B. Bureau of General Services.

1. State House - Rehab Representatives Hall	\$ 388,000
2. State Library - Install Fire Suppression System	231,000
3. Londergan Hall - Replace Defective Windows	440,000
4. All State Owned Facilities - Emergency Repairs*	100,000

*Notwithstanding the provisions of RSA 228, any sums expended for emergency repairs under subparagraph 4 shall not require approval by governor and council.

5. 5 State Owned Buildings - Upgrade Energy Mgmt System	271,000
6. Supreme Court Building - HVAC	230,000
7. Data Center - Replace Computer Room Cooling Units	444,000
8. Legislative Office Building - Replace Chiller	276,000

9. Office Park South, Roadway Design	250,000
10. M.S. Building, Renovation	9,300,000
Total state appropriation subparagraph B	\$ 11,930,000
Total state appropriation paragraph II	\$ 16,763,000
III. Community-Technical College System.	
A. Critical Maintenance NH Technical Institute	\$965,000
B. Critical Maintenance Berlin/Laconia	1,500,000
C. Critical Maintenance Nashua/Claremont	1,200,000
D. Critical Maintenance Manchester/Stratham	900,000
E. Nursing Education Center - Design	250,000
F. Library Learning Resource Center- Claremont	1,800,000
G. Health Education and Tech. Center-Manchester	9,100,000
H. Pease Building Renovations	2,835,000
I. Planetarium - Projector	564,000
Total state appropriation paragraph III	\$ 19,114,000
IV. Department of Corrections.	
A. Electronic Security Upgrades - Men's Prison	\$ 775,000
B. Roof Repairs - Men's Prison	2,434,000
C. Fire Alarm and Sprinkler System Upgrades - Men's Prison	589,000
D. Upgrade Boiler Rm EPA Control and Replace 3 Smoke Stacks	119,000
Total state appropriation paragraph IV	\$ 3,917,000
V. Department of Cultural Resources.	
A. State Library Addition – Study and Design	\$ 300,000
Total state appropriation paragraph V	\$300,000
VI. Department of Education.	
A. Renovation Regional Career and Tech Ed Center, Concord – State Share	\$ 4,658,703
B. Renovation Regional Career and Tech Ed Center, Conway – State Share	5,951,550
C. Pre-Engineering Technology	200,000
Total state appropriation paragraph VI	\$ 10,810,253
VII. Department of Environmental Services.	
A. Dam Repairs, Removal and Reconstruction	\$ 1,270,000
B. Drinking Water SRF Matching Funds	3,150,000
C. Wastewater SRF Matching Funds	3,450,000
D. Bedrock Aquifer Monitoring	103,420
E. Technical Services Bureau - Air Monitoring Program	103,000
F. North Country Gorham Office	175,000
G. Laboratory Clean Room	497,110
Total state appropriation paragraph VII	\$ 8,748,530
VIII. Department of Health And Human Services.	
A. Dolloff Building Electrical/Fire Alarm System Replacement	\$328,000
B. Main Building Fire Sprinkler Replacement	970,000

C. State Office Park South - Electrical System Upgrade	815,000
D. Water Damage Repair of Buildings - Glencliff	600,000
E. County Nursing Facility Bed Conversion Assistance *	1,000,000

*The appropriation in subparagraph E for bed conversion assistance shall be used to assist counties in converting licensed nursing facility beds to licensed assisted living facility beds. The expenditure of state funds shall not exceed 50 percent of the actual cost of any bed conversion project.

F. Dental Facility, Tri-County Community Action Program State Match	500,000
G. Renovation/Moving of Dietary Area - Glencliff	581,000
Total state appropriation paragraph VIII	\$ 4,794,000

IX. Liquor Commission.

A. Construct Public Restrooms - Store #38 Portsmouth	\$ 568,000
B. Construct Public Restrooms - Store #34 Salem	229,000
C. HVAC - Store #38 Portsmouth	62,000
Total state appropriation paragraph IX	\$ 859,000

X. Department of Resources and Economic Development.

A. Statewide Radio System	\$ 400,000
B. Hampton Beach Seawall Repairs	2,000,000
Less Other*	-2,000,000
Net state appropriation subparagraph B	0

* To provide funds for the appropriation in subparagraph B for Hampton Beach seawall repairs, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$2,000,000 and for said purpose may issue bonds and notes in the name of and on behalf of the state of New Hampshire in accordance with RSA 6-A. Notwithstanding the use of funds under RSA 216:3, IV, payments of principal and interest on the bonds and notes shall be made from the Hampton Beach capital improvement fund established in RSA 216:3, IV.

C. Roof Repair and Replacement Statewide	150,000
D. Interior and Exterior Building Repair Statewide	150,000
E. Mount Washington Electrification	540,000
Less Mount Washington Fund*	-300,000
Net state appropriation subparagraph E	240,000

* To provide funds for the appropriation of Mount Washington Funds made in subparagraph E, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$300,000 and for said purpose may issue bonds and notes in the name of and on behalf of the state of New Hampshire in accordance with RSA 6-A. Payments of principal and interest on the bonds and notes shall be made from the Mount Washington fund established in RSA 227-B:9.

Total state appropriation paragraph X	\$ 940,000
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XI. Office of Information Technology.

A. Administrative Services, Enterprise Resource Planning	\$ 200,000
B. Department of Health and Human Services	
MMIS Reprocurement	\$ 25,000,000
Less Federal	-20,000,000
Net state appropriation subparagraph B	5,000,000
C. Community-Technical College System.	
1. Information Technology - VMS Upgrade to Unix	\$ 800,000

2. Information Technology - Single Banner Database	581,600
3. Information Technology - Classroom Networks	466,640
4. Information Technology - Data Center Servers	269,280
5. Information Technology - Campus Administrative Servers	147,500
Total state appropriation subparagraph C	<u>\$ 2,265,020</u>
Total state appropriation paragraph XI	<u>\$ 7,465,020</u>
XII. Secretary of State.	
A. Renovations to Archives Building	<u>\$ 1,150,000</u>
Total state appropriation paragraph XII	<u>\$ 1,150,000</u>
XIII. Veterans' Home.	
A. HVAC, Tarr Unit Roof, Life Safety Updates	\$ 2,944,000
Less Federal	<u>-1,913,600</u>
Net state appropriation subparagraph A	<u>\$ 1,030,400</u>
Total state appropriation paragraph XIII	<u>\$ 1,030,400</u>
XIV. Department Of Transportation	
A. 2 1/2-5 Percent Match for FAA Projects	\$ 50,835,614
Less Federal	-42,273,824
Less Other	<u>-6,273,286</u>
Net state appropriation subparagraph A	<u>2,288,504</u>
B. Public Transit Bus Replacement	440,000
C. Public Transit Bus Facility Improvements	410,000
D. Supreme Court Road/Security	120,000
E. Railroad Bridge Repairs	800,000
F. Railroad Acquisition, Right of First Refusal	<u>500,000</u>
Total state appropriation paragraph XIV	<u>\$ 4,558,504</u>
Total state appropriation section 1	<u>\$ 82,789,707</u>

2 Appropriation; University System of New Hampshire.

I. The Knowledge Economy Education Plan (KEEP NH) documents the need for investment in university system of New Hampshire projects primarily to renovate and expand science, engineering and technology facilities. The sum of \$109,500,000 is hereby committed and appropriated to the university system of New Hampshire (USNH) for the KEEP NH plan, effective July 1, 2005 but limited to the drawdown of funds as stated in this section. The appropriation is for the following capital projects:

- A. DeMeritt Hall renovation and expansion (UNH);
- B. James Hall renovation and expansion (UNH);
- C. Parsons Hall renovation (UNH);
- D. Planning for renovation of Nesmith Hall (UNH), renovation and expansion of Physical Education Center (PSU), and conversion of former Zorn dining commons to academic building (KSC);
- E. Infrastructure work on the Keene State College and Plymouth University campuses;
- F. NHPTV equipment (UNH); and
- G. University Centers that would co-locate USNH and Community-Technical College System programs.

II. The university system board of trustees will determine the timing of the projects and the specific dollar allocation to each from the above sum available, while ensuring the respective campus priorities are addressed. The board of trustees shall report on the progress of the projects in paragraph I to the capital

budget overview committee on a quarterly basis. The appropriation shall be nonlapsing and in addition to any other appropriation to the university system; provided, however, that the university system shall not receive actual cumulative payments from the state for such purposes of more than:

- A. \$4,500,000 through the biennium ending June 30, 2007.
- B. \$39,500,000 through the biennium ending June 30, 2009 (\$35,000,000 in new authorization for the biennium).
- C. \$74,500,000 through the biennium ending June 30, 2011 (\$35,000,000 in new authorization for the biennium).
- D. \$109,500,000 through the biennium ending June 30, 2013 (\$35,000,000 in new authorization for the biennium).

III. In addition to sums appropriated to the university system of New Hampshire in paragraphs I and II, the sum of \$3,000,000 is hereby appropriated for the capital project on the UNH campus for the renovation of the stadium and the athletic complex; provided, however, that the \$3,000,000 state appropriation shall not be expended or encumbered until the board of trustees certifies that the sum of \$30,000,000 in private capital has been committed to the stadium and athletic complex renovation project.

3 Appropriation; Fish and Game Department. The sums hereinafter detailed are appropriated for the projects specified:

I. Headquarters Roof Replacement	\$ 185,000
II. Hatchery System Modernization	1,500,000
III. Dam Reconstruction	500,000
Total state appropriation section 3	<u>\$ 2,185,000</u>

4 Appropriation. Department of Safety and Department of Transportation. The sums hereinafter detailed are appropriated for the projects specified:

I. Department of Safety.

A. Enhanced Road Toll System	\$ 1,500,000
B. DMV Storage Building (23 Hazen Drive)	264,000
C. DMV Offices Add Fire and Intrusion Alarms	172,000
D. Milford DMV Office Addition	462,000
E. 33 Hazen Drive Renovations	575,000
F. Radio Maintenance Expansion	500,000
Less Turnpike Fund	<u>-95,000</u>
Net state appropriation subparagraph F	<u>405,000</u>
Total state appropriation paragraph I	<u>\$ 3,378,000</u>

II. Department of Transportation.

A. Renovation and Addition District 4 Office - Swanzey	\$ 840,000
B. Renovate Patrol Shed - Franconia	525,000
C. New Patrol Shed - Conway	3,020,000
D. District 5 Office - Hooksett	1,780,000
E. Salt Storage Sheds - Statewide	1,390,000
F. Supreme Court Road/Security	240,000
G. Design Welcome Center - Shelburne and Lebanon	200,000
H. Energy/Environmental Renovations - Statewide	310,000
I. Chesterfield Welcome Center and Antrim Rest Area	700,000
Total state appropriation paragraph II	<u>\$ 9,005,000</u>
Total state appropriation section 4	<u>\$ 12,383,000</u>

5 Expenditures; General. The appropriation made for the purpose mentioned in section 1, 3, and 4 and the sums available for those projects shall be expended by the trustees, commissions, commissioner, or department head of the institutions and departments referred to herein; provided that all contracts and projects and plans and specifications therefor shall be awarded in accordance with the provisions of RSA 228.

6 Expenditures; University System of New Hampshire.

I. The appropriations made for the purposes mentioned in section 2 of this act and the sums available for these projects shall be expended by the trustees of the university system of New Hampshire. All contracts for the construction of all or any part of said buildings or facilities shall be let only after competitive sealed bids have been received and only after an advertisement calling for such bids has been published at least once in each 2 successive calendar weeks in a newspaper of general circulation in New Hampshire or in a trade journal known to be circulated among the contractors from whom bids will be sought with the state of New Hampshire or elsewhere in the area. The first publication of such advertisement shall be not less than 30 days prior to the date the bids will be received. All conditions considered, wherever possible, it is recommended that the services of New Hampshire architectural and construction firms be considered within the discretion of the trustees.

II. The appropriations made in section 2 of this act are available for all costs incidental to the completion of the projects enumerated including the costs of the services of architects, engineers, and other consultants of such kind and capacity as the university system board of trustees, in its discretion, may wish to employ on such terms and conditions as the board determines. These moneys shall be spent under the direction of the university system board of trustees.

III. If, in the judgment of the trustees of the university system, just cause exists indicating the lowest bid should be rejected, then the contract may be awarded to the next lowest bidder; or, if the next lowest bid should be rejected, the contract may be awarded to the third lowest bidder.

IV. The board of trustees of the university system has the right to reject any and all bids and, if the lowest bid is in excess of the appropriation, the board has the right to negotiate with the low bidder or with the 3 lowest bidders for a contract for the construction upon terms considered must be advantageous to the university. If only one bid is received, the board of trustees may negotiate a contract for the construction on terms considered most advantageous to the university system and to the state. Any authorization contained in this act which is at variance with the requirements of applicable federal law and regulations shall be controlled by the terms of the federal law and regulations.

V. Notwithstanding paragraphs I, III, and IV, the sums appropriated by section 2 of this act for all or any of the projects listed in section 2, may be expended and awarded by the trustees of the university system; provided that all contracts for all or any part of the building or facilities shall follow construction management procurement procedures and guidelines. If the trustees select construction management pursuant to this paragraph, paragraphs I, III, and IV shall not apply and the trustees shall retain the right to reject or negotiate following accepted construction management practices.

7 Land Acquisition. Any land acquired under the appropriations made in sections 1, 3 and 4 of this act, if any, as may be acquired under the appropriation except such land if any as may be acquired for the department of environmental services, shall be purchased by the commissioner of department of transportation with the approval of governor and council.

8 Bonds Authorized.

I. To provide funds for the total of the appropriations of state funds made in sections 1, 3, and 4 of this act, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$97,357,707 and for said purposes may issue bonds and notes in the names and on behalf of the state of New Hampshire in accordance with the provisions of RSA 6-A.

II. To provide funds for the appropriation made in section 2, paragraphs I and II, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$109,500,000 and for said purposes may issue bonds and notes in the name of and on behalf of the state of New Hampshire in accordance with RSA 6-A; provided the cumulative bonds or notes shall not be issued in excess of:

- (1) \$4,500,000 through the biennium ending June 30, 2007.
- (2) \$39,500,000 through the biennium ending June 30, 2009.
- (3) \$74,500,000 through the biennium ending June 30, 2011.
- (4) \$109,500,000 through the biennium ending June 30, 2013.

III. To provide funds for the appropriation of state funds made in section 2, paragraph III, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$3,000,000 and for said purposes may issue bonds and notes in the names and on behalf of the state of New Hampshire in accordance with the provisions of RSA 6-A.

9 Payments.

I. The payment of principal and interest on bonds and notes issued for the projects in sections 1 and 2 shall be made when due from the general funds in the state.

II. The payment of principal and interest on bonds issued for the projects in:

(a) Section 3 shall be made from the fish and game fund.

(b) Section 4 shall be made from the highway fund.

10 Powers of Governor and Council. The governor and council are hereby authorized and empowered:

I. To cooperate with and enter into such agreements with the federal government, or any agency thereof, as they may deem advisable, to secure federal funds for the purposes hereof.

II. To accept any federal funds which are, or become available for any project under sections 1, 3 and 4 beyond the estimated amounts. The net appropriation of state funds for any project for which such additional federal funds are accepted shall be reduced by the amount of such additional funds, and the amount of bonding authorized by section 8 shall be reduced by the same amount.

11 Transfers. The individual project appropriations provided in sections 1, 3, and 4 of this act shall not be transferred or expended for any other purposes; provided that if there is a balance remaining after an individual project, which is fully funded by state funds, is completed, accepted, and final payment made, said balance or any part thereof may be transferred by governor and council, to any other individual project or projects, which are also fully funded by state funds, within the same section and from the same funding source, provided that prior approval or the capital budget overview committee is obtained.

12 Reduction of Appropriation and Bonding Authority. If the net appropriation of state funds for any project provided for by sections 1, 3 and 4 is determined on the basis of an estimate of anticipated federal, local, or other funds, and if the amount of such funds actually received or available is less than said estimate, then the total authorized cost for such projects and the net appropriation of state funds thereof shall be reduced by the same proportion as the proportion by which federal, local, or other funds are reduced. The amount of bonding authorized by section 8 shall be reduced by the amount that the appropriation of state funds is reduced pursuant to this section.

13 Department of Safety; Capital Appropriation; Boat Facility in Belmont; Bonds Authorized.

I. There is hereby appropriated to the department of safety a sum not to exceed \$870,000 for the purchase of land and buildings at 3 Higgins Drive in the town of Belmont, identified as tax map 126, lot 11, for use as a boat storage, maintenance, and repair facility and office space.

II. To provide funds for the appropriation made in paragraph I, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$870,000 and for said purpose may issue bonds and notes in the name of and on behalf of the state of New Hampshire in accordance with RSA 6-A. Payments of principal and interest of the bonds and notes shall be made from the navigation safety fund established in RSA 270-E:6-a. The bonds shall be 20-year bonds.

14 Adjutant General; Project Amount Increased; Federal Funds. Amend 2003, 240:1, I, B to read as follows:

B. STARC Armory - Concord	[-9,033,100] 14,570,895
Less Federal	[-6,774,825] 12,312,620
Net state appropriation subparagraph B	2,258,275

15 Appropriation; Community Technical College System; Bonds Authorized.

I. The department of regional community technical colleges is hereby appropriated the following sums for the following capital projects:

(a) Renovation of cafeteria - Nashua	\$297,000
(b) Student wellness center - Nashua	\$6,531,000
(c) Sweeney hall snack bar, patio and auditorium renovations-Concord	\$1,007,000
(d) Residence hall suites - NHTI Concord	\$7,259,000
(e) Little hall dining services renovation - NHTI Concord	\$1,928,000

II. To provide funds for the appropriations made in section I of this act, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$17,022,000 and for said purpose may issue bonds and notes in the name of and on behalf of the state of New Hampshire in accordance with RSA 6-A. Payments of principal and interest on the bonds and notes shall be made from student fees.

16 Enterprise Resource Planning; Progress and Implementation.

I. The speaker of the house of representatives shall appoint a house member and the president of the senate shall appoint a senate member for the purpose of monitoring the progress and implementation of the capital appropriation for enterprise resource planning made to the department of administrative services in 2003, 240:1, C, 2 and 240:3, III, A, and as extended by section 25 of this act.

II. The department of administrative services shall report at least every 60 days to the legislative fiscal committee on the progress and implementation of the capital appropriation for enterprise resource planning.

III. No funds from the capital appropriation for enterprise resource planning made to the department of administrative services in 2003, 240:1, C, 2 and 240:3, III, A, and as extended by this act may be encumbered or expended without the prior approval of the fiscal committee of the general court.

17 Capital Appropriation; Department of Health and Human Services; YDC Master Plan; Bonds Authorized. The sum of \$100,000 is hereby appropriated to the department of health and human services for the YDC campus master plan. To provide funds for the appropriation made in this section, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$100,000 and for said purpose may issue bonds and notes in the name of and on behalf of the state of New Hampshire in accordance with RSA 6-A. Payments of principal and interest on the bonds and notes shall be made from the funds received pursuant to RSA 186-C:20.

18 Capital Appropriation; Department of Safety; Fire Marshal Addition; Bonds Authorized. The sum of \$600,000 is hereby appropriated to the department of safety for the construction of the EOC building, fire marshal addition. To provide funds for the appropriation made in this section, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$600,000 and for said purpose may issue bonds and notes in the name of and on behalf of the state of New Hampshire in accordance with RSA 6-A. Payments of principal and interest on the bonds and notes shall be made from the fire standards and training and emergency medical services fund in RSA 21-P:12-d.

19 Appropriation; Department of Safety. The sum of \$648,000 is hereby appropriated from the fire standards and training and emergency medical services fund in RSA 21-P:12-d to the department of safety for use in the construction of the fire station addition for equipment and vehicle storage.

20 Capital Appropriation; Department of Transportation; Underground Fuel Tank Storage; Bonds Authorized. The sum of \$1,800,000 is hereby appropriated to the department of transportation for underground fuel tank storage/replacement. To provide funds for the appropriation made in this section, the state treasurer is hereby authorized to borrow upon the credit of the state not exceeding the sum of \$1,800,000 and for said purpose may issue bonds and notes in the name of and on behalf of the state of New Hampshire in accordance with RSA 6-A. Payments of principal and interest on the bonds and notes shall be made from the oil discharge and disposal cleanup fund established in RSA 146-D:3.

21 Study Committee Established; SRF Funds.

I. There is established a committee to study the funding of matching funds for the department of environmental services drinking water and wastewater state revolving funds.

II. The members of the committee shall be as follows:

(a) Three members of the house of representatives, appointed by the speaker of the house of representatives.

(b) Three members of the senate, appointed by the president of the senate.

III. Members of the committee shall receive mileage at the legislative rate when attending to the duties of the committee.

IV. The committee shall study the funding of matching funds for the department of environmental services drinking water and wastewater state revolving fund as provided in the biennial capital budget.

V. The members of the study committee shall elect a chairperson from among the members. The first meeting of the committee shall be called by the first-named house member. The first meeting of the committee shall be held within 45 days of the effective date of this section. Four members of the committee shall constitute a quorum.

VI. The committee shall report its findings and any recommendations for proposed legislation to the speaker of the house of representatives, the president of the senate, the house clerk, the senate clerk, the governor, and the state library on or before November 1, 2006.

22 Study Committee Established; Strengthening Rural Transit Routes.

I. There is established a committee to study the strengthening of state rural transit routes.

II. The members of the committee shall be as follows:

(a) Two members of the house of representatives, who shall be from the public works and highways committee, appointed by the speaker of the house of representatives.

(b) One member of the senate, appointed by the president of the senate.

(c) The committee shall have as nonvoting members the commissioner of the department of transportation or designee and the commissioner of health and human services or designee.

III. Legislative members of the committee shall receive mileage at the legislative rate when attending to the duties of the committee.

IV. The committee shall study the strengthening of state rural transit routes.

V. The members of the study committee shall elect a chairperson from among the members. The first meeting of the committee shall be called by the first-named house member. The first meeting of the committee shall be held within 45 days of the effective date of this section. Four members of the committee shall constitute a quorum.

VI. The committee shall report its findings and any recommendations for proposed legislation to the speaker of the house of representatives, the president of the senate, the house clerk, the senate clerk, the governor, and the state library on or before November 1, 2006.

23 Community-Technical College System; Oversight and Reporting Required. The community-technical college system shall provide a report every 180 days to the governor and legislative capital budget overview committee on the progress of each of the capital projects funded from the sums appropriated and authorized in paragraphs III and XI, C of section 1 of this act, and section 15 of this act, beginning September 30 2005 until the funds appropriated are fully expended. Said reports shall include the method of selecting contractors, the current total project cost, funds encumbered, actual expenditures, and estimated completion date for each project.

24 Bureau of Public Works; Construction Inspection Services. The appropriations for those projects which are managed by the bureau of public works, department of transportation, may be expended to fund temporary personnel for the purpose of providing construction inspection services for those projects included in sections 1, 3, and 4 of this act.

25 Lapse Dates Extended to June 30, 2007. The following appropriations are hereby extended to June 30, 2007.

I. The appropriation made to the adjutant general in 2001, 202:1, I, C, as extended by 2003, 240:34, IV, for army aviation support facility construction – Concord.

II. The appropriation made to the adjutant general in 2003, 240:1, I, A, for armory renovations.

III. The appropriation made to the adjutant general in 2003, 240:1, I, B, for STARC armory - Concord.

IV. The appropriation made to the adjutant general in 2003, 240:1, I, C, for armory kitchen expansions.

V. The appropriation made to the adjutant general in 2003, 240:1, I, D, for joint service training facility design.

VI. The appropriation made to the department of administrative services, in 1999, 226:1, II, A, 8, as extended by 2001, 202:28, XIV, and 2003, 240:34, XX, for executive/legislative budget system.

VII. The appropriation made to the department of administrative services - bureau of court facilities in 2003, 240:1, II, A, 1, for architectural and engineering - Hampton district court.

VIII. The appropriation made to the department of administrative services - bureau of general services in 2003, 240:1, II, B, 1, for 4 and 6 Hazen drive - upgrade security.

IX. The appropriation made to the department of administrative services - bureau of general services in 2003, 240:1, II, B, 5, for Londergan hall - replace elevator.

X. The appropriation made to the department of administrative services - bureau of general services in 2003, 240:1, II, B, 6, for Londergan hall - replace defective flooring.

XI. The appropriation made to the department of administrative services - bureau of general services in 2003, 240:1, II, B, 7, for state house annex - replace defective flooring.

XII. The appropriation made to the department of administrative services - bureau of general services in 2003, 240:1, II, B, 8, for state house and state house annex - install emergency generator.

XIII. The appropriation made to the department of administrative services - bureau of general services in 2003, 240:1, II, B, 11, for Monadnock Mill - repair building foundation.

XIV. The appropriation made to the department of administrative services - bureau of general services in 2003, 240:1, II, B, 12, for site and design parking garage - executive/legislative.

XV. The appropriation made to the department of administrative services - financial data management in 2003, 240:1, II, C, 1, for campus wiring.

XVI. The appropriation made to the department of administrative services - financial data management in 2003, 240:1, II, C, 2, for enterprise resource planning.

XVII. The appropriation made to the community-technical college system in 2003, 240:1, III, H, for Christa McAuliffe planetarium - Alan B. Shepard memorial wing.

XVIII. The appropriation made to the community-technical college system in 2003, 240:1, III, D, for student residence hall rehabilitation - NHTI.

XIX. The appropriation made to the community-technical college system in 2003, 240:1, III, E, for new academic building - Laconia.

XX. The appropriation made to the community-technical college system in 2003, 240:1, III, G, for critical repairs.

XXI. The appropriation made to the department of education in 2001, 130:14, II, as extended by 2003, 240:34, XC, for information technology projects.

XXII. The appropriation made to the department of education in 2003, 240:1, IV, A, for regional career and technical education center match - Portsmouth.

XXIII. The appropriation made to the department of education in 2003, 240:1, IV, B, for regional career and technical education center match - Berlin.

XXIV. The appropriation made to the department of environmental services in 1999, 226:1, VII, A, as extended by 2001, 202:28, LVII, and 2003, 240:34, XXXVI, for the drinking water state revolving match.

XXV. The appropriation made to the department of environmental services in 1999, 226:1, VII, D, as extended by 2001, 202:28, L, and 2003, 240:34, XXXIX, for storage building for emergency response equipment.

XXVI. The appropriation made to the department of environmental services in 2001, 202:1, VIII, A, as extended by 2003, 240:34, XL, for drinking water state revolving fund matching funds.

XXVII. The appropriation made to the department of environmental services in 2001, 202:1, VIII, B, as extended by 2003, 240:34, XLI, for wastewater state revolving fund matching funds.

XXVIII. The appropriation made to the department of environmental services in 2003, 240:1, V, A, for hazardous waste superfund match.

XXIX. The appropriation made to the department of environmental services in 2003, 240:1, V, B, for drinking water state revolving fund matching funds.

XXX. The appropriation made to the department of environmental services in 2003, 240:1, V, C, for wastewater state revolving fund matching funds.

XXXI. The appropriation made to the fish and game department in 2003, 240:2, A, for hatchery system modernization.

XXXII. The appropriation made to the department of health and human services in 1999, 226:1, VIII, H, as extended by 2001, 202:28, XLIV, and 2003, 240:34, LII, for information technology.

XXXIII. The appropriation made to the department of health and human services in 2001, 202:1, IX, B, as extended by 2003, 240:34, LIV, for asbestos abatement - state office park south.

XXXIV. The appropriation made to the department of health and human services in 2001, 202:1, IX, H, as extended by 2003, 240:34, LVIII, for bridges enhancement.

XXXV. The appropriation made to the liquor commission in 2003, 240:1, VII, B, for design/build new store - Keene.

XXXVI. The appropriation made to the department of resources and economic development in 2003, 240:1, VIII, B, replace bath house and septic pump -Pawtuckaway.

XXXVII. The appropriation made to the department of resources and economic development in 2003, 240:1, VIII, C, for replace toilet/shower building - Bear Brook.

XXXVIII. The appropriation made to the department of resources and economic development in 2003, 240:1, VIII, D, for Mount Washington electrification.

XXXIX. The appropriation made to the department of resources and economic development in 2003, 240:1, VIII, E, for Monadnock campground renovation.

XL. The appropriation made to the department of safety in 2003, 240:3, I, A, finish second floor of DMV building - Hazen Drive.

XLI. The appropriation made to the department of safety in 2003, 240:3, I, D, finish Troop D first floor.

XLII. The appropriation made to the department of safety in 2003, 240:3, I, E, as amended by 2004, 217:1, for emergency operations center/transportation management center.

XLIII. The appropriation made to the department of state in 2003, 240:1, X, A, for archives addition - design and build.

XLIV. The appropriation made to the department of transportation in 1999, 226:4, I, F, as extended by 2001, 202:28, XXXVI, and 2003, 240:34, LXXVII, and amended by 2003, 240:29 for Conway rest area.

XLV. The appropriation made to the department of transportation in 2001, 202:1, XIII, D, as extended by 2003, 240:34, LXXX, for public transit bus replacement.

XLVI. The appropriation made to the department of transportation in 2001, 202:4, II, D, as extended by 2003, 240:34, LXXXII, and as amended by 2002, 106:1, for new garage and testing lab facility.

XLVII. The appropriation made to the department of transportation in 2003, 240:1, XI, A, for 5 - 10 percent match for FAA projects.

XLVIII. The appropriation made to the department of transportation in 2003, 240:1, XI, B, for public transit bus replacement match.

XLIX. The appropriation made to the department of transportation in 2003, 240:3, II, A, for patrol and salt sheds - statewide.

L. The appropriation made to the department of transportation in 2003, 240:3, II, B, for garage and material lab equipment.

LI. The appropriation made to the department of transportation in 2003, 240:3, II, C, for Antrim rest area replacement - design and right-of-way.

LII. The appropriation made to the department of transportation in 2003, 240:3, II, D, for Chesterfield rest area replacement - design and right-of-way.

LIII. The appropriation made to the New Hampshire veterans' home in 2003, 240:1, XII, A, for upgrade fire safety and renovation project.

LIV. The appropriation made to the department of administrative services – financial data management in 2003, 240:3, III, A, for enterprise resource planning.

26 Effective Date.

I. Section 25 of this act shall take effect June 30, 2005.

II. The remainder of this act shall take effect July 1, 2005.

Amendment adopted.

The question is on the adoption of the bill as amended.

Adopted.

Ordered to third reading.

HB 406, revising certain provisions of the home education statutes. Education Committee. Ought to pass with amendment, Vote 6-0. Senator Bragdon for the committee.

Senate Education

May 31, 2005

2005-1723s

04/09

Amendment to HB 406

Amend the title of the bill by replacing it with the following:

AN ACT relative to procedural requirements for initiating and continuing home education programs.

Amend the bill by replacing all after the enacting clause with the following:

1 Home Education; Procedural Requirements. Amend RSA 193-A:5, I-II to read as follows:

I. Any parent ~~[commencing]~~ ***initiating or continuing*** a home education program for a child, for a child who withdraws from a public school, or for a child who moves into a school district shall notify the commissioner of education, resident district superintendent, or principal of a nonpublic school of such ~~[within]~~ ***at least 30 days before the program start date and at least 30 days before the start of any following school year in which the program continues. Notification shall include a list of the names, addresses, and birth dates of all children participating in the home education program.*** Subject to the provisions of RSA 193-A:7, I, ***and, if applicable, paragraph II of this section,*** the commissioner of ***the department of*** education shall acknowledge in writing that the parent shall be permitted to initiate ***or continue*** a home education program for a child enrolled in a public or nonpublic school if the program meets the minimum definitional and educational requirements as provided in RSA 193-A:4, I and paragraph II of this section.

II. ~~[Notification made by the parent pursuant to paragraph I shall include a list of the names, addresses, and birth dates of all children who are participating in the home education program and]~~ ***For any parent who has not previously received permission from the commissioner of the department of education to initiate a home education program for any child, such permission shall be contingent upon the program meeting the minimum definitional and educational requirements provided in RSA 193-A:4, I. To assist in this determination, notification under paragraph I shall include a list and description*** of the subjects to be taught each child in accordance with RSA 193-A:4, I. A description of such subjects shall also be provided which shall include:

(a) The name of an established correspondence school used, if any;

(b) The name of an established commercial curriculum provider used, if any;

(c) A table of contents or other material which outlines the scope of and instructional sequence for each subject, or both; and

(d) A list of textbooks or other instructional materials used.

2 Effective Date. This act shall take effect 60 days after its passage.

2005-1723s**AMENDED ANALYSIS**

The bill also requires a parent initiating a home education program to submit a list of subjects to be taught, and requires a parent initiating or continuing a home education program to provide notice annually.

Amendment failed.

The question is on the motion of ought to pass.

Motion failed.

Senator Bragdon moved to re-refer.

Adopted.

HB 406 is re-referred to the Committee on Education.

Senators Barnes, Gatsas and Green are in opposition to the motion of re-refer on HB 406.

HB 185, establishing a committee to study maximizing the incentives for the voluntary use of renewable energy in New Hampshire as defined in RSA 374-F:3. Energy and Economic Development Committee. Ought to pass with amendment, Vote 5-0. Senator Bragdon for the committee.

Energy and Economic Development**June 1, 2005****2005-1758s****03/04****Amendment to HB 185**

Amend subparagraph I(b) of section 2 of the bill by replacing it with the following:

(b) One member of the senate, appointed by the president of the senate.

Amend the bill by replacing section 4 with the following:

4 Chairperson; Quorum. The members of the study committee shall elect a chairperson from among the members. The first meeting of the committee shall be called by the first-named house member. The first meeting of the committee shall be held within 45 days of the effective date of this section. Three members of the committee shall constitute a quorum.

Amendment adopted.

The question is on the adoption of the bill as amended.

Adopted.

Ordered to third reading.

HB 279, relative to the classification of Spofford Lake in Chesterfield, New Hampshire. Energy and Economic Development Committee. Ought to pass with amendment, Vote 5-0. Senator Burling for the committee.

Energy and Economic Development**May 31, 2005****2005-1741s****06/09****Amendment to HB 279**

Amend the title of the bill by replacing it with the following:

AN ACT relative to the classification of Spofford Lake in Chesterfield, New Hampshire and exempting swimming rafts from regulation by the department of safety.

Amend the bill by inserting after section 1 the following and renumbering the original section 2 to read as 3:

2 Rulemaking and Enforcement. Amend RSA 270:11 to read as follows:

270:11 Rulemaking and Enforcement.

I. The commissioner of safety, consistent with the policy of this chapter, shall adopt rules under RSA 541-A relative to the following:

[F-](a) Required equipment of all boats, including rafts and floats of whatever kind, operated or used on any public waters of the state.

(b) The operation of all boats, including rafts and floats of any kind, operated or used on any public waters of the state.

(c) The classification, examination, and certification of captains, masters, engineers, and pilots of all boats operated or used on any public waters of the state.

(d) A recommended uniform fine schedule for any boating violations, which shall be submitted to the supreme court for their use under RSA 502-A:19-b, V.

II. The commissioner shall enforce the provisions of this chapter and the rules adopted under this section.

III. In the enforcement of this chapter and the rules adopted under this section, the commissioner and [his] *the commissioner's* duly authorized representatives shall have the powers of a peace officer in any county of the state.

IV. For purposes of paragraph I, "raft" shall not include a stationary raft which is moored to the bottom of a body of water and used primarily for activities related to swimming.

2005-1741s

AMENDED ANALYSIS

This bill changes the classification of Spofford Lake and its tributaries in Chesterfield, New Hampshire to Class A. This bill also exempts swimming rafts from the rulemaking authority of the commissioner of safety.

Amendment adopted.

The question is on the adoption of the bill as amended.

Adopted.

Ordered to third reading.

HB 371, relative to mercury reduction. Energy and Economic Development Committee. Inexpedient to Legislate, Vote 3-2. Senator Boyce for the committee.

The question is on the motion of inexpedient to legislate.

A roll call was requested by Senator Larsen.

Seconded by Senator Hassan.

The following Senators voted Yes: Gallus, Johnson, Kenney, Boyce, Flanders, Roberge, Eaton, Bragdon, Clegg, Letourneau, Morse.

The following Senators voted No: Burling, Green, Odell, Gottesman, Foster, Larsen, Gatsas, Barnes Martel, D'Allesandro, Estabrook, Hassan, Fuller Clark.

Yeas: 11 - Nays: 13

Motion failed.

Senator Larsen moved ought to pass.

Senator Burling offered a floor amendment.

Sen. Burling, Dist. 5

Sen. Hassan, Dist. 23

June 1, 2005

2005-1771s

08/01

Floor Amendment to HB 371

Amend RSA 149-M:58, VI as inserted by section 1 of the bill by replacing it with the following:

VI. This section shall not apply to discarded fluorescent light bulbs from residential use, button cell batteries, prescription drugs, or any substance regulated by the Food, Drug and Cosmetic Act, 21 U.S.C. 301 et seq. or to biological products regulated by the Food and Drug Administration under the Public Health Service Act, 42 U.S.C. 262 et seq.

MOTION TO TABLE

Senator Boyce moved to have HB 371 laid on the table.

Adopted.

LAIID ON THE TABLE

HB 371, establishing a committee to study certain issues relative to construction and demolition waste and establishing a moratorium on the incineration of any construction and demolition waste.

HB 517, establishing a committee to study certain issues relative to construction and demolition waste and establishing a moratorium on the incineration of any construction and demolition waste. Energy and Economic Development Committee. Ought to Pass, Vote 4-1. Senator Letourneau for the committee.

The question is on the motion of ought to pass.

A roll call was requested by Senator Barnes.

Seconded by Senator Letourneau.

The following Senators voted Yes: Burling, Green, Flanders, Odell, Eaton, Bragdon, Gottesman, Foster, Larsen, Gatsas, Barnes, Martel, Letourneau, D'Allesandro, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Gallus, Johnson, Kenney, Boyce, Roberge, Clegg, Morse.

Yeas: 17 - Nays: 7

Adopted.

Ordered to third reading.

HB 582, relative to the policy for records management. Energy and Economic Development Committee. Re-refer to committee, Vote 4-0. Senator Odell for the committee.

Adopted.

HB 582 is re-referred to the Committee on Energy and Economic Development.

SCR 5, recognizing the increasing problem of exotic aquatic weeds and species. Environment and Wildlife Committee. Ought to Pass, Vote 5-0. Senator Johnson for the committee.

Adopted.

Ordered to third reading.

HB 1-A, making appropriations for the expenses of certain departments of the state for fiscal years ending June 30, 2006, and June 30, 2007. Finance Committee. Ought to pass with amendment, Vote 6-1. Senator Morse for the committee.

Senate Finance

June 2, 2005

2005-1782s

03/10

Amendment to HB 1-A

The Senate Amendment to HB 1-A is contained in a separate document labeled as Senate Calendar 23 Supplement, Dated June 3, 2005.

Amendment adopted.

Senator Morse offered a floor amendment.

Sen. Morse, Dist. 22

June 8, 2005

2005-1863s

04/08

Floor Amendment to HB 1-A

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter to reflect the specified changes.

05 HEALTH AND SOCIAL SERVICES

01 DEPT OF HEALTH AND HUMAN SVCS

02 OFF OF MEDICAID & BUSINESS POLICY

01 OFF OF MEDICAID & BUSINESS POLICY

05 PROVIDER PAYMENTS

FY 2006FY 2007

Strike out

90 PROVIDER PAYMENT

162,610,333

164,281,215

Insert in place thereof:

90 PROVIDER PAYMENT

165,610,333

167,281,215

Strike out

Federal Funds

173,076,307

166,080,768

Insert in place thereof:

Federal Funds

174,576,307

167,580,768

Strike out:

General Fund

161,079,605

146,783,192

Insert in place thereof:

General Fund

162,579,605

148,283,192

TOTAL

341,831,077

320,498,576

Amend the bill by replacing section 20 with the following:

20 Estimates of Unrestricted Revenue:

GENERAL FUNDFY 2006FY 2007

Beer Tax

\$ 12,500,000

\$ 12,600,000

Board and Care Review

13,500,000

14,000,000

Business Profits Tax

230,700,000

245,900,000

Business Enterprise Tax

70,500,000

75,100,000

Estate and Legacy Tax

6,800,000

4,100,000

Insurance Tax

92,600,000

95,300,000

Securities Revenue

32,000,000

31,500,000

Interest and Dividends

70,300,000

73,300,000

Liquor Sales & Distribution

121,625,000

127,625,000

Meals and Rooms Tax

198,700,000

209,900,000

Dog Racing

1,400,000

1,400,000

Horse Racing

2,000,000

2,000,000

Real Estate Transfer Tax

114,300,000

119,300,000

Communications Tax

76,800,000

79,600,000

Tobacco Tax

71,800,000

71,800,000

Tobacco Settlement

0

0

Utility Consumption Tax

6,400,000

6,600,000

Court Fines and Fees

30,400,000

30,400,000

Other

58,794,000

61,375,000

Subtotal

1,211,119,000

1,261,800,000

Medicaid Enhancement Revenue

73,000,000

75,800,000

Medicaid Recovery - Regular Care

15,500,000

15,100,000

Medicaid Recovery - Long-Term Care

2,050,000

1,850,000

Total

\$ 1,301,669,000

\$ 1,354,550,000

HIGHWAY FUND	<u>FY 2006</u>	<u>FY 2007</u>
Gasoline Road Toll	\$ 132,000,000	\$ 134,200,000
Motor Vehicle Fees	87,200,000	93,900,000
Miscellaneous	10,400,000	10,400,000
Total	\$ 229,600,000	\$ 238,500,000
FISH AND GAME FUND	<u>FY 2006</u>	<u>FY 2007</u>
Fish and Game Licenses	\$ 8,300,000	\$ 8,300,000
Fines and Penalties	170,000	170,000
Miscellaneous Sales	375,000	375,000
Indirect Costs	655,000	655,000
Total	\$ 9,500,000	\$ 9,500,000
EDUCATION TRUST FUND	<u>FY 2006</u>	<u>FY 2007</u>
Business Profits Tax	\$ 49,500,000	\$ 52,700,000
Business Enterprise Tax	140,900,000	150,200,000
Meals and Rooms Tax	7,600,000	7,700,000
Real Estate Transfer Tax	57,200,000	59,600,000
Tobacco Tax	72,700,000	72,700,000
Tobacco Settlement	43,000,000	43,000,000
Utility Property Tax	22,800,000	24,100,000
Transfer from Sweepstakes	75,000,000	78,000,000
State Property Tax	371,169,000	360,776,000
Total	\$ 839,869,000	\$ 848,776,000

Floor amendment adopted.**Senator Gatsas offered a floor amendment.****Sen. Gatsas, Dist. 16****June 8, 2005****2005-1862s****10/08****Floor Amendment to HB 1-A**

Amend the bill by replacing section 20 with the following:

20 Estimates of Unrestricted Revenue:

<u>GENERAL FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Beer Tax	\$ 12,500,000	\$ 12,600,000
Board and Care Review	13,500,000	14,000,000
Business Profits Tax	279,100,000	295,700,000
Business Enterprise Tax	210,500,000	223,100,000
Estate and Legacy Tax	6,800,000	4,100,000
Insurance Tax	91,600,000	94,300,000
Securities Revenue	30,000,000	31,500,000
Interest and Dividends	68,800,000	71,800,000
Liquor Sales & Distribution	121,125,000	127,125,000
Dog Racing	1,400,000	1,400,000
Horse Racing	2,000,000	2,000,000
Communications Tax	76,800,000	79,600,000
Tobacco Tax	144,500,000	144,500,000
Tobacco Settlement	43,000,000	43,000,000

Utility Consumption Tax	6,400,000	6,600,000
Court Fines and Fees	29,900,000	29,900,000
Other	58,254,000	61,767,000
Subtotal	1,196,179,000	1,242,992,000
Medicaid Enhancement Revenue	73,000,000	75,800,000
Medicaid Recovery - Regular Care	15,500,000	15,100,000
Medicaid Recovery - Long-Term Care	2,050,000	1,850,000
Total	\$ 1,286,729,000	\$ 1,335,742,000
HIGHWAY FUND	<u>FY 2006</u>	<u>FY 2007</u>
Gasoline Road Toll	\$ 132,000,000	\$ 134,200,000
Motor Vehicle Fees	87,200,000	93,900,000
Miscellaneous	10,400,000	10,400,000
Total	\$ 229,600,000	\$ 238,500,000
FISH AND GAME FUND	<u>FY 2006</u>	<u>FY 2007</u>
Fish and Game Licenses	\$ 8,300,000	\$ 8,300,000
Fines and Penalties	170,000	170,000
Miscellaneous Sales	375,000	375,000
Indirect Costs	655,000	655,000
Total	\$ 9,500,000	\$ 9,500,000
EDUCATION TRUST FUND	<u>FY 2006</u>	<u>FY 2007</u>
Meals and Rooms Tax	206,300,000	217,600,000
Real Estate Transfer Tax	171,510,000	178,900,000
Utility Property Tax	22,800,000	24,100,000
Transfer from Sweepstakes	75,000,000	78,000,000
State Property Tax	371,169,000	360,776,000
Total	\$ 846,769,000	\$ 859,376,000

Senator Gatsas withdrew his floor amendment, without objection.

Senator Green offered a floor amendment.

Sen. Larsen, Dist. 15

Sen. Green, Dist. 6

June 8, 2005

2005-1872s

10/04

Floor Amendment to HB 1-A

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter specified to reflect the specified changes.

Amend the bill by replacing all after section 1 with the following:

GENERAL SECTIONS

2 General Fund and Total Appropriation Limits. The amount included in PAU 06-06 (higher education fund) under estimated source of funds from general funds shall be the total appropriation from general funds for such PAU that may be expended for the purpose of section 1 of this act. Any funds received by said agency from other than general funds are hereby appropriated for the use of the agency and may be expended by said agency whether or not this will result in an appropriation and expenditure by the agency in excess of the total appropriation therefor.

3 Assignment of Office Space. If, during the biennium ending June 30, 2007, because of program reductions, consolidations, or any other reason, office space becomes available in the health and human services complex, the Hayes building, or any other state building, except office space under the control of the legisla-

ture pursuant to RSA 14:14-b, the commissioner of administrative services shall, with the prior approval of the fiscal committee, and with the approval of the governor and council, require that any agency renting private space be required to occupy such available space in said building or buildings forthwith. Such funds as have been allocated or committed by any agency affected by this section for outside rental shall be transferred by the director of the division of accounting services to the bureau of general services, PAU 01-04-04-05-01, for maintenance of state buildings.

4 Lottery Commission; Authority Granted. For the biennium ending June 30, 2007, in order to provide sufficient funding to the lottery commission to carry out sweepstakes programs that will provide funds for distribution in accordance with RSA 284:21-j, the commission shall apply to the fiscal committee of the general court for approval of any new sweepstakes programs or for the purchase of any tickets for new or continuing games. Additionally, no expenditures for consultants shall be made without prior approval by the fiscal committee. If approved, the commission may then apply to the governor and council to transfer funds from the sweepstakes revenue special account. The total of such transfers shall not exceed \$5,000,000 for the biennium ending June 30, 2007.

5 Appropriation of Unrestricted Motor Vehicle Revenue. All sums received by the division of motor vehicles or the division of state police, department of safety, from any source, which are not derived from registration fees, drivers' licenses, gasoline road tolls, or any other special charges or taxes with respect to the operation of motor vehicles or the sale or consumption of motor vehicle fuel, including revenue received from fines and forfeitures assessed against any violator of any law of the state, other than RSA 266:18 through 266:26, or of any political subdivision thereof relative to the use and operation of motor vehicles, whether the violator is apprehended or prosecuted by an employee of the state or any political subdivision thereof, shall be paid to the state treasurer and shall, for the biennium ending June 30, 2007, be available for expenditure as unrestricted general fund revenues of the state. Fines and forfeitures assessed against any violator of RSA 266:18 through 266:26 shall be available as unrestricted highway fund revenue.

6 Positions Abolished. The following positions are hereby abolished forthwith effective at the close of business of June 30, 2005, or later, as specifically indicated.

Energy and Planning

01-03-04-04-00	10012, 10016, 10017, 10024
01-03-04-09-00	40837
01-03-04-11-00	10020

Board of Tax and Land Appeals

01-09-01-00-00	18248, 41762
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Safety

02-15-01-01-00	16710
02-15-04-03-00	9U518

Fish & Game

03-01-01-02-00	13914
03-01-05-01-00	9T008, 9T009

Resources and Economic Development

03-02-02-10-00	42051
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Environmental Services

03-04-01-02-00	12041, 12110, 18157, 42127
03-04-01-15-00	19000
03-04-02-06-02	16803, 40495
03-04-02-06-08	42161
03-04-02-07-04	18144
03-04-03-02-01	13052, 42217
03-04-03-03-03	40702, 42235
03-04-04-01-01	14618, 14761, 18333, 19522, 19726, 40160, 40507, 42205, 42425
03-04-02-04-00	18765, 19504, 40149

Education

06-03-02-01-02	13195
06-03-02-01-01	30377
06-03-03-01-01	13121, 40246, 41654
06-03-02-05-01	18351

7 General Fund Appropriation Reduction; Department of Health and Human Services. The department of health and human services is hereby directed to reduce state general fund appropriations to personnel and benefit lines by \$6,000,000 for the fiscal year ending June 30, 2006 and \$6,000,000 for the fiscal year ending June 30, 2007. Direct care positions shall be exempt from any internal hiring freeze imposed by the commissioner in order to meet these reductions. The department shall provide a bimonthly report of position and benefit reductions made under this section to the fiscal committee of the general court, the house and senate finance committees, and the governor and council.

8 Reduction in Appropriation; Department of Health and Human Services. In the event that estimated revenues in the aggregate are less than budgeted, during the biennium ending June 30, 2007, the total appropriations shall be reduced by the amount of the shortfall in either actual or projected revenue. The commissioner of the department of health and human services shall notify the bureau of accounting, forthwith, in writing, as to precisely which line item appropriation and in what specific amount reductions are to be made in order to fully compensate for the total revenue deficits.

9 Reports by Transportation, Administrative Services, and Legislative Budget Assistant. The general court hereby finds that the current manner of financial reporting for the highway fund results in the fund being reported in a deficit position even though assets exceed liabilities by \$118,000,000. The practice of combining multiple-year construction projects which will be funded primarily by federal funds with the day-to-day operations of the departments of transportation and safety that are funded nearly 100 percent with current-year highway fund revenues results in a financial picture that does not reflect the individual activities that are accounted for in the highway fund. The general court believes, based upon inquiry into this practice by the finance committees, that the operations of the highway fund have generated a surplus ranging from \$60,000,000 to \$100,000,000 as a result of the accounting for construction projects. The general court hereby declares its firm and resolute conviction that any and all available resources in the highway fund be used solely for the construction and reconstruction of the state highways in accordance with the part 2, article 6-a of the New Hampshire constitution. The department of transportation, the department of administrative services, and the office of legislative budget assistant shall examine the accounting for and financial reporting of the highway fund and submit a report every 90 days to the fiscal committee of the general court, the house and senate finance committees, and the governor and council on the results of their examination.

10 General Fund Appropriation Reductions; Vacant Positions. The department of corrections shall reduce state general fund appropriations to personnel and benefit lines by \$1,500,000 for the fiscal year ending June 30, 2006, and by \$1,500,000 for the fiscal year ending June 30, 2007. Such reductions shall be attributable to vacant positions at the department. The department shall provide a bimonthly report of position and benefit reductions made under this section to the fiscal committee of the general court and the house and senate finance committees.

11 General Fund Appropriation Reductions; Department of Resources and Economic Development. The department of resources and economic development shall reduce state general fund appropriations by \$250,000 for the fiscal year ending June 30, 2006, and by \$250,000 for the fiscal year ending June 30, 2007. The commissioner of the department of resources and economic development shall notify the department of administrative services by September 30, 2005, as to the specific amounts to be reduced in specified line item appropriations in functional units in order to comply with this section.

12 General Fund Appropriation Reductions; Vacant Positions. The department of environmental services shall reduce state general fund appropriations to personnel and benefit lines by \$1,465,000 for the fiscal year ending June 30, 2006, and by \$1,465,000 for the fiscal year ending June 30, 2007. Such reductions shall be attributable to vacant positions at the department. The department shall provide a bimonthly report of position and benefit reductions made under this section to the fiscal committee of the general court and the house and senate finance committees.

13 Department of Health and Human Services; Transportation Brokerage; Medicaid Waiver.

I. The commissioner of the department of health and human services shall submit a request for a waiver under the medicaid program to implement a transportation broker service for the fiscal year beginning July 1, 2006.

II. The commissioner of the department of health and human services shall establish, no later than July 1, 2006, procedures for improved coordination of non-emergency transportation services under the state medicaid plan. Such procedures shall include, to the extent permissible by federal law, establishing transportation broker contracts for the purpose of increased efficiency of providing transportation to medicaid-eligible individuals.

14 Lapse of Legislative Balances Brought Forward.

I. \$1,400,000 of the balances for the house of representatives brought forward from the fiscal year ending June 30, 2005 shall lapse to the general fund on July 1, 2005. The speaker of the house of representatives shall designate the appropriation classification and the amount from the designated classifications which shall lapse in accordance with this section.

II. \$1,000,000 of the balances for the legislative budget assistant brought forward from the fiscal year ending June 30, 2005 shall lapse to the general fund on July 1, 2005. The legislative budget assistant shall designate the appropriation classification and the amount from the designated classifications which shall lapse in accordance with this section.

15 Highway Fund Appropriation Reductions; Vacant Positions. The department of transportation shall reduce state highway fund appropriations to personnel and benefit lines by \$1,035,000 for the fiscal year ending June 30, 2006, and by \$1,035,000 for the fiscal year ending June 30, 2007. Such reductions shall be attributable to vacant positions at the department. The department shall provide a bimonthly report of position and benefit reductions made under this section to the fiscal committee of the general court and the house and senate finance committees.

16 Turnpike Fund Appropriation Reductions; Vacant Positions. The department of transportation shall reduce state turnpike fund appropriations to personnel and benefit lines by \$180,000 for the fiscal year ending June 30, 2006, and by \$180,000 for the fiscal year ending June 30, 2007. Such reductions shall be attributable to vacant positions at the department. The department shall provide a bimonthly report of position and benefit reductions made under this section to the fiscal committee of the general court and the house and senate finance committees.

17 General Fund Appropriation Reductions; Vacant Positions. The office of information technology, in consultation with the department of administrative services, shall reduce personnel, benefit, overtime, contractors, new or replacement equipment, and personal computer replacement lines of the office by an amount that will result in a reduction of state general fund appropriations for class 27 by \$1,500,000 for the fiscal year ending June 30, 2006 and \$1,500,000 for the fiscal year ending June 30, 2007. Any personnel and benefit reductions shall be attributable to vacant positions at the office of information technology. The office shall provide a bimonthly report of position and benefit reductions made under this section to the fiscal committee of the general court.

18 Provider Payments; Withholding of Payments to Federal Medicare Program. For the biennium ending June 30, 2007, no payments shall be made to the federal Medicare program from PAU 05-01-02-01-05, class 93 or PAU 05-01-08-04-01, class 99 unless a court has determined that the provisions of Medicare Part D enacted in the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, popularly known as "the clawback," are constitutional.

19 Estimates of Unrestricted Revenue:

<u>GENERAL FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Beer Tax	\$ 13,300,000	\$ 13,400,000
Board and Care Review	13,500,000	14,000,000
Business Profits Tax	237,600,000	251,900,000
Business Enterprise Tax	72,200,000	82,100,000
Estate and Legacy Tax	7,200,000	5,000,000
Insurance Tax	94,800,000	98,300,000

Securities Revenue	30,000,000	31,500,000
Interest and Dividends	68,800,000	71,800,000
Liquor Sales & Distribution	122,100,000	129,300,000
Meals and Rooms Tax	200,400,000	212,600,000
Dog Racing	1,500,000	1,500,000
Horse Racing	2,400,000	2,400,000
Real Estate Transfer Tax	117,600,000	121,100,000
Communications Tax	72,600,000	76,200,000
Tobacco Tax	71,300,000	71,500,000
Tobacco Settlement	7,100,000	12,300,000
Utility Consumption Tax	6,400,000	6,600,000
Court Fines and Fees	30,400,000	30,400,000
Other	58,300,000	62,000,000
Subtotal	1,227,500,000	1,293,900,000
Medicaid Enhancement Revenue	73,000,000	75,800,000
Medicaid Recovery – Long-Term Care	2,050,000	1,850,000
Medicaid Recovery – Regular Care	15,500,000	15,100,000
Total	\$ 1,318,050,000	\$ 1,386,650,000
HIGHWAY FUND	<u>FY 2006</u>	<u>FY 2007</u>
Gasoline Road Toll	\$ 132,000,000	\$ 134,200,000
Motor Vehicle Fees	87,200,000	93,900,000
Miscellaneous	10,400,000	10,400,000
Total	\$ 229,600,000	\$ 238,500,000
FISH AND GAME FUND	<u>FY 2006</u>	<u>FY 2007</u>
Fish and Game Licenses	\$ 8,300,000	\$ 8,300,000
Fines and Penalties	170,000	170,000
Miscellaneous Sales	375,000	375,000
Indirect Costs	655,000	655,000
Total	\$ 9,500,000	\$ 9,500,000
EDUCATION TRUST FUND	<u>FY 2006</u>	<u>FY 2007</u>
Business Profits Tax	\$ 51,500,000	\$ 55,000,000
Business Enterprise Tax	141,300,000	151,000,000
Meals and Rooms Tax	7,900,000	8,200,000
Real Estate Transfer Tax	59,000,000	60,100,000
Tobacco Tax	72,700,000	72,700,000
Tobacco Settlement	35,900,000	30,700,000
Utility Property Tax	22,800,000	24,100,000
Transfer from Sweepstakes	76,000,000	79,200,000
Total	\$ 467,100,000	\$ 481,000,000

20 Effective Date. This act shall take effect July 1, 2005.

The question is on the adoption of the floor amendment.

A roll call was requested by Senator Green.

Seconded by Senator Larsen.

The following Senators voted Yes: Burling, Green, Gottesman, Foster, Larsen, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Gallus, Johnson, Kenney, Boyce, Flanders, Odell, Roberge, Eaton, Bragdon, Clegg, Gatsas, Barnes, Martel, Letourneau, D'Allesandro, Morse.

Yeas: 8 - Nays: 16

Floor amendment failed.

Senator Barnes offered a floor amendment.

Sen. Barnes, Dist. 17

June 9, 2005

2005-1889s

03/05

Floor Amendment to HB 1-A

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter specified to reflect the specified changes.

05 HEALTH AND SOCIAL SERVICES

01 DEPT OF HEALTH AND HUMAN SVCS

02 OFF OF MEDICAID & BUSINESS POL

01 OFF OF MEDICAID & BUSINESS POL

05 PROVIDER PAYMENTS

Strike out

91 CHIP	9,720,754	10,747,700
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Insert in place thereof

91 CHIP	10,220,754	11,247,700
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TOTAL	339,331,077	317,998,576
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**ESTIMATED SOURCE OF FUNDS FOR
PROVIDER PAYMENTS**

Strike out

00 FEDERAL FUNDS	173,076,307	166,080,768
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Insert in place thereof

00 FEDERAL FUNDS	173,326,307	166,330,768
------------------	-------------	-------------

Strike out

GENERAL FUND	161,079,605	146,783,192
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Insert in place thereof

GENERAL FUND	161,329,605	147,033,192
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TOTAL	339,331,077	317,998,576
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Amend the bill by replacing section 20 with the following:

20 Estimates of Unrestricted Revenue:

<u>GENERAL FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Beer Tax	\$ 12,500,000	\$ 12,600,000
Board and Care Review	13,500,000	14,000,000
Business Profits Tax	229,800,000	243,500,000
Business Enterprise Tax	70,200,000	74,400,000
Estate and Legacy Tax	6,800,000	4,100,000
Insurance Tax	91,850,000	94,550,000
Securities Revenue	30,000,000	31,500,000
Interest and Dividends	68,800,000	71,800,000
Liquor Sales & Distribution	121,125,000	127,125,000
Meals and Rooms Tax	198,700,000	209,900,000

Dog Racing	1,400,000	1,400,000
Horse Racing	2,000,000	2,000,000
Real Estate Transfer Tax	114,300,000	119,300,000
Communications Tax	76,800,000	79,600,000
Tobacco Tax	71,800,000	71,800,000
Tobacco Settlement	0	0
Utility Consumption Tax	6,400,000	6,600,000
Court Fines and Fees	29,900,000	29,900,000
Other	58,254,000	61,767,000
Subtotal	1,204,129,000	1,255,842,000
Medicaid Enhancement Revenue	73,000,000	75,800,000
Medicaid Recovery - Regular Care	15,500,000	15,100,000
Medicaid Recovery - Long-Term Care	2,050,000	1,850,000
Total	\$ 1,294,679,000	\$ 1,348,592,000
HIGHWAY FUND	<u>FY 2006</u>	<u>FY 2007</u>
Gasoline Road Toll	\$ 132,000,000	\$ 134,200,000
Motor Vehicle Fees	87,200,000	93,900,000
Miscellaneous	10,400,000	10,400,000
Total	\$ 229,600,000	\$ 238,500,000
FISH AND GAME FUND	<u>FY 2006</u>	<u>FY 2007</u>
Fish and Game Licenses	\$ 8,300,000	\$ 8,300,000
Fines and Penalties	170,000	170,000
Miscellaneous Sales	375,000	375,000
Indirect Costs	655,000	655,000
Total	\$ 9,500,000	\$ 9,500,000
EDUCATION TRUST FUND	<u>FY 2006</u>	<u>FY 2007</u>
Business Profits Tax	\$ 49,300,000	\$ 52,200,000
Business Enterprise Tax	140,300,000	148,700,000
Meals and Rooms Tax	7,600,000	7,700,000
Real Estate Transfer Tax	57,200,000	59,600,000
Tobacco Tax	72,700,000	72,700,000
Tobacco Settlement	43,000,000	43,000,000
Utility Property Tax	22,800,000	24,100,000
Transfer from Sweepstakes	75,000,000	78,000,000
State Property Tax	371,169,000	360,776,000
Total	\$839,069,000	\$846,776,000

The question is on the adoption of the floor amendment.

A roll call was requested by Senator Green.

Seconded by Senator Burling.

The following Senators voted Yes: Gallus, Kenney, Burling, Green, Odell, Gottesman, Foster, Larsen, Gatsas, Barnes, D'Allesandro, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Johnson, Boyce, Flanders, Roberge, Eaton, Bragdon, Clegg, Martel, Letourneau, Morse.

Yeas: 14 - Nays: 10

Floor amendment adopted.

The question is on the adoption of the bill as amended.

Adopted.

Ordered to third reading.

MOTION OF RECONSIDERATION

Senator Clegg, having voted with the prevailing side, moved reconsideration on **HB 1**, making appropriations for the expenses of certain departments of the state for fiscal years ending June 30, 2006, and June 30, 2007, whereby we ordered it to third reading.

Adopted.

HB 1, making appropriations for the expenses of certain departments of the state for fiscal years ending June 30, 2006, and June 30, 2007.

Senator Green offered a floor amendment.

Sen. Green, Dist. 6

June 9, 2005

2005-1898s

03/05

Floor Amendment to HB 1-A

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter specified to reflect the specified changes.

05 HEALTH AND SOCIAL SERVICES

01 DEPT OF HEALTH AND HUMAN SVCS

10 BUREAU OF DEVELOPMENT SERVICES

01 DEVELOPMENTAL SERVICES

Strike out

93 DD WAITLIST	2,835,299	7,007,446
----------------	-----------	-----------

Insert in place thereof

93 DD WAITLIST	4,835,299	9,007,446
----------------	-----------	-----------

TOTAL	156,647,322	164,648,225
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ESTIMATED SOURCE OF FUNDS FOR
DEVELOPMENTAL SERVICES

Strike out

00 FEDERAL FUNDS	76,132,954	80,073,686
------------------	------------	------------

Insert in place thereof

00 FEDERAL FUNDS	77,132,954	81,073,686
------------------	------------	------------

Strike out

GENERAL FUND	78,464,368	82,524,539
--------------	------------	------------

Insert in place thereof

GENERAL FUND	79,464,368	83,524,539
--------------	------------	------------

TOTAL	156,647,322	164,648,225
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The question is on the adoption of the floor amendment.

A roll call was requested by Senator Green.

Seconded by Senator Burling.

The following Senators voted Yes: Burling, Green, Gottesman, Foster, Larsen, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Gallus, Johnson, Kenney, Boyce, Flanders, Odell, Roberge, Eaton, Bragdon, Clegg, Gatsas, Barnes, Martel, Letourneau, D'Allesandro, Morse.

Yeas: 8 - Nays: 16

Floor amendment failed.

Senator Burling offered a floor amendment.**Sen. Burling, Dist. 5****June 9, 2005****2005-1888s****03/09****Floor Amendment to HB 1-A**

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter specified to reflect the specified changes.

05 HEALTH AND SOCIAL SERVICES**01 DEPT OF HEALTH AND HUMAN SVCS****02 OFF OF MEDICAID & BUSINESS POL****01 OFF OF MEDICAID & BUSINESS POL****05 PROVIDER PAYMENTS**

Strike out:

96 OUTPATIENT HOSPITAL	59,900,000	57,400,000
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Insert in place thereof:

96 OUTPATIENT HOSPITAL	69,908,000	73,411,000
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TOTAL	348,839,077	333,509,576
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**ESTIMATED SOURCE OF FUNDS FOR
PROVIDER PAYMENTS**

Strike out:

00 FEDERAL FUNDS	173,076,307	166,080,768
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Insert in place thereof:

00 FEDERAL FUNDS	178,084,307	174,091,768
------------------	-------------	-------------

Strike out:

GENERAL FUND	161,079,605	146,783,192
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Insert in place thereof:

GENERAL FUND	166,079,605	154,783,192
--------------	-------------	-------------

TOTAL	348,839,077	333,509,576
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Amend the bill by replacing section 20 with the following:

20 Estimates of Unrestricted Revenue:

<u>GENERAL FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Beer Tax	\$ 12,500,000	\$ 12,600,000
Board and Care Review	13,500,000	14,000,000
Business Profits Tax	229,800,000	243,500,000
Business Enterprise Tax	70,200,000	74,400,000
Estate and Legacy Tax	8,000,000	5,000,000
Insurance Tax	93,400,000	95,700,000
Securities Revenue	30,000,000	31,500,000
Interest and Dividends	68,800,000	71,800,000
Liquor Sales & Distribution	122,125,000	129,325,000
Meals and Rooms Tax	200,600,000	212,600,000
Dog Racing	1,400,000	1,400,000
Horse Racing	2,000,000	2,000,000
Real Estate Transfer Tax	114,300,000	119,300,000

Communications Tax	76,800,000	79,600,000
Tobacco Tax	71,800,000	71,800,000
Tobacco Settlement	0	0
Utility Consumption Tax	6,400,000	6,600,000
Court Fines and Fees	29,900,000	29,900,000
Other	58,254,000	61,767,000
Subtotal	1,209,779,000	1,262,792,000
Medicaid Enhancement Revenue	73,000,000	75,800,000
Medicaid Recovery - Regular Care	15,500,000	15,100,000
Medicaid Recovery - Long-Term Care	2,050,000	1,850,000
Total	\$ 1,300,329,000	\$ 1,355,542,000
HIGHWAY FUND	<u>FY 2006</u>	<u>FY 2007</u>
Gasoline Road Toll	\$ 132,000,000	\$ 134,200,000
Motor Vehicle Fees	87,200,000	93,900,000
Miscellaneous	10,400,000	10,400,000
Total	\$ 229,600,000	\$ 238,500,000
FISH AND GAME FUND	<u>FY 2006</u>	<u>FY 2007</u>
Fish and Game Licenses	\$ 8,300,000	\$ 8,300,000
Fines and Penalties	170,000	170,000
Miscellaneous Sales	375,000	375,000
Indirect Costs	655,000	655,000
Total	\$ 9,500,000	\$ 9,500,000
EDUCATION TRUST FUND	<u>FY 2006</u>	<u>FY 2007</u>
Business Profits Tax	\$ 49,300,000	\$ 52,200,000
Business Enterprise Tax	140,300,000	148,700,000
Meals and Rooms Tax	7,600,000	7,700,000
Real Estate Transfer Tax	57,200,000	59,600,000
Tobacco Tax	72,700,000	72,700,000
Tobacco Settlement	43,000,000	43,000,000
Utility Property Tax	22,800,000	24,100,000
Transfer from Sweepstakes	75,000,000	78,000,000
State Property Tax	371,169,000	360,776,000
Total	\$ 839,069,000	\$ 846,776,000

The question is on the adoption of the floor amendment.

A roll call was requested by Senator Burling.

Seconded by Senator Larsen.

The following Senators voted Yes: Burling, Green, Gottesman, Foster, Larsen, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Gallus, Johnson, Kenney, Boyce, Flanders, Odell, Roberge, Eaton, Bragdon, Clegg, Gatsas, Barnes, Martel, Letourneau, D'Allesandro, Morse.

Yeas: 8 - Nays: 16

Floor amendment failed.

Senator Green offered a floor amendment.

Sen. Green, Dist. 6
June 9, 2005
2005-1896s
03/09

Floor Amendment to HB 1-A

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter specified to reflect the specified changes.

05 HEALTH AND SOCIAL SERVICES

01 DEPT OF HEALTH AND HUMAN SVCS

02 OFF OF MEDICAID & BUSINESS POL

01 OFF OF MEDICAID & BUSINESS POL

05 PROVIDER PAYMENTS

**ESTIMATED SOURCE OF FUNDS FOR
 PROVIDER PAYMENTS**

Strike out

09 AGENCY INCOME	I	4,363,318	4,288,953
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Insert in place thereof

09 AGENCY INCOME	I	1,836,630	1,681,083
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Strike out

GENERAL FUND		161,079,605	146,783,192
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Insert in place thereof

GENERAL FUND		163,606,293	149,391,062
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TOTAL		338,831,077	317,498,576
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The question is on the adoption of the floor amendment.

A roll call was requested by Senator Larsen.

Seconded by Senator Green.

The following Senators voted Yes: Burling, Green, Gottesman, Larsen, Gatsas, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Gallus, Johnson, Kenney, Boyce, Flanders, Odell, Roberge, Eaton, Bragdon, Foster, Clegg, Barnes, Martel, Letourneau, D'Allesandro, Morse.

Yeas: 8 - Nays: 16

Floor amendment failed.

Senator Hassan offered a floor amendment.

Sen. Hassan, Dist. 23
June 8, 2005
2005-1868s
10/04

Floor Amendment to HB 1-A

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter specified to reflect the specified changes.

05 HEALTH AND SOCIAL SERVICES

01 DEPT OF HEALTH AND HUMAN SVCS

09 BUREAU OF BEHAVIORAL HEALTH

04 COMMTY MENTAL HEALTH SVCS

01 COMMTY MENTAL HEALTH SVCS

Strike out		
40 INDIRECT COSTS	3,037	2,997
Insert in place thereof:		
40 INDIRECT COSTS	4,338	4,498
Strike out:		
41 AUDIT FUND SET ASIDE	D 41,742	42,256
Insert in place thereof:		
41 AUDIT FUND SET ASIDE	D 40,265	42,117
Strike out:		
91 FAMILY SUPPORT	15,114,687	15,280,713
Insert in place thereof:		
91 FAMILY SUPPORT	15,311,389	16,015,713
Strike out:		
92 CASE MANAGEMENT	10,295,343	10,393,086
Insert in place thereof:		
92 CASE MANAGEMENT	10,483,496	10,965,737
Strike out:		
93 EMERG INTAKE & HOSP SVCS	6,801,425	6,718,844
Insert in place thereof:		
93 EMERG INTAKE & HOSP SVCS	4,194,585	4,388,844
Strike out:		
94 COMMUNITY SUPPORT	29,676,414	29,947,068
Insert in place thereof:		
94 COMMUNITY SUPPORT	31,368,242	32,807,772
Strike out:		
95 HOUSING	20,527,859	20,798,358
Insert in place thereof:		
95 HOUSING	21,260,381	22,238,358
Strike out:		
98 FAMILY MUTUAL SUPPORT SVCS	210,000	210,000
Insert in place thereof:		
98 FAMILY MUTUAL SUPPORT SVCS	350,000	366,100
TOTAL	86,158,444	90,030,485
ESTIMATED SOURCE OF FUNDS FOR COMMTY MENTAL HEALTH SVCS		
Strike out:		
00 FEDERAL FUNDS	41,942,313	42,256,255
Insert in place thereof:		
00 FEDERAL FUNDS	42,113,496	43,949,845
Strike out:		
GENERAL FUND	43,873,942	44,388,413
Insert in place thereof:		
GENERAL FUND	44,045,124	46,080,640
TOTAL	86,158,444	90,030,485

Amend the bill by replacing section 20 with the following:

20 Estimates of Unrestricted Revenue:

<u>GENERAL FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Beer Tax	\$ 12,500,000	\$ 12,600,000
Board and Care Review	13,500,000	14,000,000
Business Profits Tax	229,800,000	243,500,000
Business Enterprise Tax	70,200,000	74,400,000
Estate and Legacy Tax	6,800,000	4,100,000
Insurance Tax	91,600,000	94,300,000
Securities Revenue	30,000,000	31,500,000
Interest and Dividends	68,800,000	71,800,000
Liquor Sales & Distribution	121,125,000	127,125,000
Meals and Rooms Tax	198,700,000	209,900,000
Dog Racing	1,400,000	1,400,000
Horse Racing	2,000,000	2,000,000
Real Estate Transfer Tax	114,500,000	121,000,000
Communications Tax	76,800,000	79,600,000
Tobacco Tax	71,800,000	71,800,000
Tobacco Settlement	0	0
Utility Consumption Tax	6,400,000	6,600,000
Court Fines and Fees	29,900,000	29,900,000
Other	58,254,000	61,767,000
Subtotal	1,204,079,000	1,257,292,000
Medicaid Enhancement Revenue	73,000,000	75,800,000
Medicaid Recovery - Regular Care	15,500,000	15,100,000
Medicaid Recovery - Long-Term Care	2,050,000	1,850,000
Total	\$ 1,294,629,000	\$ 1,350,042,000
<u>HIGHWAY FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Gasoline Road Toll	\$132,000,000	\$134,200,000
Motor Vehicle Fees	87,200,000	93,900,000
Miscellaneous	10,400,000	10,400,000
Total	\$ 229,600,000	\$ 238,500,000
<u>FISH AND GAME FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Fish and Game Licenses	\$ 8,300,000	\$ 8,300,000
Fines and Penalties	170,000	170,000
Miscellaneous Sales	375,000	375,000
Indirect Costs	655,000	655,000
Total	\$ 9,500,000	\$ 9,500,000
<u>EDUCATION TRUST FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Business Profits Tax	\$ 49,300,000	\$ 52,200,000
Business Enterprise Tax	140,300,000	148,700,000
Meals and Rooms Tax	7,600,000	7,700,000
Real Estate Transfer Tax	57,200,000	59,600,000
Tobacco Tax	72,700,000	72,700,000
Tobacco Settlement	43,000,000	43,000,000

Utility Property Tax	22,800,000	24,100,000
Transfer from Sweepstakes	75,000,000	78,000,000
State Property Tax	<u>371,169,000</u>	<u>360,776,000</u>
Total	\$839,069,000	\$846,776,000

The question is on the adoption of the floor amendment.

A roll call was requested by Senator Burling.

Seconded by Senator Hassan.

The following Senators voted Yes: Burling, Green, Gottesman, Foster, Larsen, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Gallus, Johnson, Kenney, Boyce, Flanders, Odell, Roberge, Eaton, Bragdon, Clegg, Gatsas, Barnes, Martel, Letourneau, D'Allesandro, Morse.

Yeas: 8 - Nays: 16

Floor amendment failed.

Senator Burling offered a floor amendment.

**Sen. Burling, Dist. 5
June 8, 2005
2005-1861s
08/10**

Floor Amendment to HB 1-A

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter specified to reflect the specified changes.

01 GENERAL GOVERNMENT

08 TREASURY DEPARTMENT

06 LCHIP

Strike out

90 LCHIP	F	750,000	750,000
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Insert in place thereof

90 LCHIP	F	3,000,000	3,000,000
TOTAL		3,000,000	3,000,000

ESTIMATED SOURCE OF FUNDS FOR
LCHIP

Strike out

GENERAL FUND		750,000	750,000
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Insert in place thereof

GENERAL FUND		3,000,000	3,000,000
TOTAL		3,000,000	3,000,000

The question is on the adoption of the floor amendment.

A roll call was requested by Senator Burling.

Seconded by Senator Larsen.

The following Senators voted Yes: Burling, Odell, Gottesman, Larsen, Gatsas, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Gallus, Johnson, Kenney, Boyce, Green, Flanders, Roberge, Eaton, Bragdon, Foster, Clegg, Barnes, Martel, Letourneau, D'Allesandro, Morse.

Yeas: 8 - Nays: 16

Floor amendment failed.

Senator D'Allesandro offered a floor amendment.

Sen. D'Allesandro, Dist. 20

Sen. Odell, Dist. 8

June 9, 2005

2005-1890s

05/03

Floor Amendment to HB 1-A

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter specified to reflect the specified changes.

05 HEALTH AND SOCIAL SERVICES

01 DEPT OF HEALTH AND HUMAN SVCS

05 DIV OF PUBLIC HEALTH SERVICES

03 BUR OF COMMUNITY & HEALTH SVCS

18 FAMILY PLANNING PROGRAM

Strike out

92 GRANTS	1,832,692	1,832,692
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Insert in place thereof

92 GRANTS	2,082,692	2,082,692
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TOTAL	2,299,481	2,303,242
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ESTIMATED SOURCE OF FUNDS FOR

FAMILY PLANNING PROGRAM

Strike out

GENERAL FUND	221,969	222,699
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Insert in place thereof

GENERAL FUND	471,969	472,699
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TOTAL	2,299,481	2,303,242
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Amend the bill by replacing section 20 with the following:

20 Estimates of Unrestricted Revenue:

<u>GENERAL FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Beer Tax	\$ 12,500,000	\$ 12,600,000
Board and Care Review	13,500,000	14,000,000
Business Profits Tax	229,800,000	243,500,000
Business Enterprise Tax	70,200,000	74,400,000
Estate and Legacy Tax	6,800,000	4,100,000
Insurance Tax	91,850,000	94,550,000
Securities Revenue	30,000,000	31,500,000
Interest and Dividends	68,800,000	71,800,000
Liquor Sales & Distribution	121,125,000	127,125,000
Meals and Rooms Tax	198,700,000	209,900,000
Dog Racing	1,400,000	1,400,000
Horse Racing	2,000,000	2,000,000
Real Estate Transfer Tax	114,300,000	119,300,000
Communications Tax	76,800,000	79,600,000
Tobacco Tax	71,800,000	71,800,000

Tobacco Settlement	0	0
Utility Consumption Tax	6,400,000	6,600,000
Court Fines and Fees	29,900,000	29,900,000
Other	58,254,000	61,767,000
Subtotal	1,204,129,000	1,255,842,000
Medicaid Enhancement Revenue	73,000,000	75,800,000
Medicaid Recovery - Regular Care	15,500,000	15,100,000
Medicaid Recovery - Long-Term Care	2,050,000	1,850,000
Total	\$ 1,294,679,000	\$ 1,348,592,000
HIGHWAY FUND	<u>FY 2006</u>	<u>FY 2007</u>
Gasoline Road Toll	\$132,000,000	\$134,200,000
Motor Vehicle Fees	87,200,000	93,900,000
Miscellaneous	10,400,000	10,400,000
Total	\$ 229,600,000	\$ 238,500,000
FISH AND GAME FUND	<u>FY 2006</u>	<u>FY 2007</u>
Fish and Game Licenses	\$ 8,300,000	\$ 8,300,000
Fines and Penalties	170,000	170,000
Miscellaneous Sales	375,000	375,000
Indirect Costs	655,000	655,000
Total	\$ 9,500,000	\$ 9,500,000
EDUCATION TRUST FUND	<u>FY 2006</u>	<u>FY 2007</u>
Business Profits Tax	\$ 49,300,000	\$ 52,200,000
Business Enterprise Tax	140,300,000	148,700,000
Meals and Rooms Tax	7,600,000	7,700,000
Real Estate Transfer Tax	57,200,000	59,600,000
Tobacco Tax	72,700,000	72,700,000
Tobacco Settlement	43,000,000	43,000,000
Utility Property Tax	22,800,000	24,100,000
Transfer from Sweepstakes	75,000,000	78,000,000
State Property Tax	371,169,000	360,776,000
Total	\$ 839,069,000	\$ 846,776,000

The question is on the adoption of the floor amendment.

A roll call was requested by Senator D'Allesandro.

Seconded by Senator Estabrook.

The following Senators voted Yes: Burling, Odell, Gottesman, Foster, Larsen, D'Allesandro, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Gallus, Johnson, Kenney, Boyce, Green, Flanders, Roberge, Eaton, Bragdon, Clegg, Gatsas, Barnes, Martel, Letourneau, Morse.

Yeas: 9 - Nays: 15

Floor amendment failed.

Senator Hassan offered a floor amendment.

Sen. Hassan, Dist. 23
June 8, 2005
2005-1870s
10/04

Floor Amendment to HB 1-A

Amend section 1 of the bill by making the following specified changes, and by changing subtotals and totals as hereinafter specified to reflect the specified changes.

05 HEALTH AND SOCIAL SERVICES

01 DEPT OF HEALTH AND HUMAN SVCS

10 BUREAU OF DEVELOPMENT SERVICES

01 DEVELOPMENTAL SERVICES

Strike out

41 AUDIT FUND SET ASIDE	D	76,073	79,945
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Insert in place thereof

41 AUDIT FUND SET ASIDE	D	76,976	82,463
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Strike out:

91 CASE MANAGEMENT		9,917,998	10,240,265
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Insert in place thereof

91 CASE MANAGEMENT		10,765,953	11,261,187
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Strike out:

92 DAY PROGRAMS		49,926,229	49,366,901
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Insert in place thereof:

92 DAY PROGRAMS		48,497,895	50,728,798
-----------------	--	------------	------------

Strike out

94 FAMILY SUPPORT		2,360,297	2,502,871
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Insert in place thereof:

94 FAMILY SUPPORT		2,446,600	2,559,143
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Strike out:

95 COMMUNITY RESIDENCES		71,015,050	73,511,693
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Insert in place thereof:

95 COMMUNITY RESIDENCES		73,654,880	77,040,705
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Strike out:

96 CHRONICALLY ILL CHILDREN		602,363	630,072
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Insert in place thereof:

96 CHRONICALLY ILL CHILDREN		615,906	644,237
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Strike out:

97 ACQUIRED BRAIN DISORDER		11,332,284	11,858,376
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Insert in place thereof:

97 ACQUIRED BRAIN DISORDER		11,718,990	12,258,063
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Strike out:

98 ABD WAITLIST		617,035	1,262,454
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Insert in place thereof:

98 ABD WAITLIST		617,035	1,290,838
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Strike out:

99 EARLY INTERVENTION		4,341,346	4,519,969
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Insert in place thereof:

99 EARLY INTERVENTION	4,456,662	4,621,668
TOTAL	157,309,544	169,162,781
ESTIMATED SOURCE OF FUNDS FOR DEVELOPMENTAL SERVICES		

Strike out:

00 FEDERAL FUNDS	76,132,954	80,073,686
------------------	------------	------------

Insert in place thereof:

00 FEDERAL FUNDS	77,464,517	83,332,223
------------------	------------	------------

Strike out:

GENERAL FUND	78,464,368	82,524,539
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Insert in place thereof:

GENERAL FUND	79,795,027	85,780,558
TOTAL	157,309,544	169,162,781

Amend the bill by replacing section 20 with the following:

20 Estimates of Unrestricted Revenue:

<u>GENERAL FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Beer Tax	\$ 12,500,000	\$ 12,600,000
Board and Care Review	13,500,000	14,000,000
Business Profits Tax	229,800,000	243,500,000
Business Enterprise Tax	70,200,000	74,400,000
Estate and Legacy Tax	6,800,000	4,100,000
Insurance Tax	91,600,000	94,300,000
Securities Revenue	30,000,000	31,500,000
Interest and Dividends	68,800,000	71,800,000
Liquor Sales & Distribution	121,125,000	127,125,000
Meals and Rooms Tax	198,700,000	209,900,000
Dog Racing	1,400,000	1,400,000
Horse Racing	2,000,000	2,000,000
Real Estate Transfer Tax	115,700,000	122,600,000
Communications Tax	76,800,000	79,600,000
Tobacco Tax	71,800,000	71,800,000
Tobacco Settlement	0	0
Utility Consumption Tax	6,400,000	6,600,000
Court Fines and Fees	29,900,000	29,900,000
Other	58,254,000	61,767,000
Subtotal	1,205,279,000	1,258,892,000
Medicaid Enhancement Revenue	73,000,000	75,800,000
Medicaid Recovery - Regular Care	15,500,000	15,100,000
Medicaid Recovery - Long-Term Care	2,050,000	1,850,000
Total	\$ 1,295,829,000	\$ 1,351,642,000
<u>HIGHWAY FUND</u>	<u>FY 2006</u>	<u>FY 2007</u>
Gasoline Road Toll	\$132,000,000	\$134,200,000
Motor Vehicle Fees	87,200,000	93,900,000
Miscellaneous	10,400,000	10,400,000
Total	\$ 229,600,000	\$ 238,500,000

FISH AND GAME FUND	<u>FY 2006</u>	<u>FY 2007</u>
Fish and Game Licenses	\$ 8,300,000	\$ 8,300,000
Fines and Penalties	170,000	170,000
Miscellaneous Sales	375,000	375,000
Indirect Costs	655,000	655,000
Total	<u>\$ 9,500,000</u>	<u>\$ 9,500,000</u>
EDUCATION TRUST FUND	<u>FY 2006</u>	<u>FY 2007</u>
Business Profits Tax	\$ 49,300,000	\$ 52,200,000
Business Enterprise Tax	140,300,000	148,700,000
Meals and Rooms Tax	7,600,000	7,700,000
Real Estate Transfer Tax	57,200,000	59,600,000
Tobacco Tax	72,700,000	72,700,000
Tobacco Settlement	43,000,000	43,000,000
Utility Property Tax	22,800,000	24,100,000
Transfer from Sweepstakes	75,000,000	78,000,000
State Property Tax	371,169,000	360,776,000
Total	<u>\$ 839,069,000</u>	<u>\$ 846,776,000</u>

The question is on the adoption of the floor amendment.

A roll call was requested by Senator Hassan.

Seconded by Senator Larsen.

The following Senators voted Yes: Burling, Gottesman, Foster, Larsen, D'Allesandro, Estabrook, Hassan, Fuller Clark.

The following Senators voted No: Gallus, Johnson, Kenney, Boyce, Green, Flanders, Odell, Roberge, Eaton, Bragdon, Clegg, Gatsas, Barnes, Martel, Letourneau, Morse.

Yeas: 8 - Nays: 16

Floor amendment failed.

Senator Roberge offered a floor amendment.

Sen. Roberge, Dist. 9

June 9, 2005

2005-1903s

09/01

Floor Amendment to HB 1-A

Amend the bill by inserting after section 19 the following and renumbering the original sections 20-21 to read as 21-22, respectively:

20 Companion Animal Neutering Fund; Appropriation. In each year of the biennium ending June 30, 2007, the sum of \$50,000 is appropriated to the department of agriculture, markets, and foods for deposit in the companion animal neutering fund under RSA 437-A:4-a. The governor is authorized to draw a warrant for said sums out of any money in the treasury not otherwise appropriated.

A division vote was requested.

Yeas: 12 - Nays: 12

Floor amendment failed.

Senator Green offered a floor amendment.

Sen. Green, Dist. 6
June 9, 2005
2005-1904s
01/09

Floor Amendment to HB 1-A

Amend the bill by inserting after section 19 the following and renumbering the original sections 20-21 to read as 22-23, respectively:

20 Appropriation. There is hereby appropriated the sum of \$ 1,000,000 for the fiscal year ending June 30, 2006 and the sum of \$1,000,000 for the fiscal year ending June 30, 2007 to the university of New Hampshire – Durham campus for the purposes of in-state student tuition reduction. The governor is authorized to draw a warrant for said sums out of any money in the treasury not otherwise appropriated.

21 University System; Lapse of Certain Funds. The \$300,000 appropriated by the footnote to class 90, PAU 06,06,01 in 2003, 318 shall lapse on June 30, 2005.

Floor amendment adopted.

The question is on the adoption of the bill as amended.

A roll call was requested by Senator Estabrook.

Seconded by Senator Larsen.

The following Senators voted Yes: Gallus, Johnson, Kenney, Boyce, Green, Flanders, Odell, Roberge, Eaton, Bragdon, Clegg, Gatsas, Barnes, Martel, Letourneau, D'Allesandro, Morse.

The following Senators voted No: Burling, Gottesman, Foster, Larsen, Estabrook, Hassan, Fuller Clark.

Yeas: 17 - Nays: 7

Adopted.

Ordered to third reading.

HB 2-FN-A, relative to state fees, funds, revenue and expenditures. Finance Committee. Ought to pass with amendment, Vote 6-1. Senator Morse for the committee.

Senate Finance
June 2, 2005
2005-1794s
09/01

Amendment to HB 2-FN-A

Amend the bill by replacing all after the enacting clause with the following:

1 Transfers Among Accounts; Office of Information Technology. Notwithstanding the provisions of RSA 9:17-a or any other provision of law to the contrary, the office of information technology may, subject to the approval of the fiscal committee, transfer funds within and among all PAU's within said office as necessary for the efficient management of the office.

2 Lease Agreements. Notwithstanding RSA 6:35, for the biennium ending June 30, 2007, the department of fish and game, the department of transportation, and the department of regional community-technical colleges may enter into lease agreements for vehicles and equipment at the discretion of the agency head. In this section, "lease" includes a lease-purchase, sale and lease back, installment sale, or other similar agreement.

3 Collection of Highway Fund Revenue; Reporting Requirement. Amend RSA 9:9-a to read as follows:

9:9-a Collection of Highway Fund Revenue; Reporting Requirement. Pursuant to part II, article 6-a of the New Hampshire constitution, any costs associated with the collection and administration of highway funds by the department of safety shall be deducted by the department before such funds are credited to the highway fund. On or before January 1, the department shall provide an annual accounting of such administration and collection costs to the president of the senate and the speaker of the house of representatives. ***No current fiscal year collection or administration costs shall be expended until the previous year's collection cost report has been received.***

4 Department of Health and Human Services; Program Eligibility; Additional Revenues; Transfer Among Accounts.

I. For the biennium ending June 30, 2007, the department of health and human services shall not authorize, without prior approval of the fiscal committee of the general court and governor and council, any change to program eligibility standards or benefit levels that might be expected to increase enrollment in the program or increase expenditures from any source of funds; provided, however, that no such prior approval shall be required if a change to a federal program in which the state is participating as of the effective date of this section is required by federal law.

II. Notwithstanding any provision of the law to the contrary, for the biennium ending June 30, 2007, the fiscal committee of the general court and the governor and council may authorize the commissioner of the department of health and human services to accept and expend additional revenues in excess of \$50,000, that are in addition to the budgeted amounts, from any source, which become available to the department. Such additional revenues shall be available to the department of health and human services to supplement funds in the following programs and services: provider payments, provider rate increases, and any other program or service that requires deficit reduction or for which revenue has been specifically obtained to improve program operations; provided, that such improvements do not increase eligibility standards or benefit levels.

III. Notwithstanding the provisions of RSA 9:17-a or any other provision of law to the contrary and subject to the approval of the fiscal committee of the general court and governor and council, for the biennium ending June 30, 2007 the commissioner of the department of health and human services is hereby authorized to transfer funds within and among all PAUs within the department, as the commissioner deems necessary and appropriate to address present or projected budget deficits, or to respond to changes in federal laws, regulations, or programs, and otherwise as necessary for the efficient management of the department.

5 Liquor Commission; Revenue. Notwithstanding RSA 176:16, II, for the biennium ending June 30, 2007, all gross revenue derived by the liquor commission from the sale of liquor, or from license fees, shall be deposited into the general funds of the state.

6 Tobacco Use Prevention Funds Deposited in the Education Trust Fund. Notwithstanding RSA 126-K:15, RSA 198:39 or Chapter 212 of the Laws of 2000, in each year of the biennium ending June 30, 2007, all tobacco settlement funds received by the state of New Hampshire shall be deposited in the education trust fund. In addition, notwithstanding any other provision of law, the balance of the tobacco use prevention fund as of June 30, 2005, shall lapse to the general fund.

7 Mental Health Low Utilizers and Prior Authorization; Bureau of Behavioral Health, Department of Health and Human Services. For the biennium ending June 30, 2007, the department of health and human services shall maintain a limit on benefits of \$4,000 per person per year for adults with low service utilization of community mental health services, as identified in He-M 401.07; provided, that the department also shall establish, by rule under RSA 541-A, a procedure for such persons or community mental health providers to request a waiver of the \$4,000 limit based on legitimate treatment considerations. The commissioner of the department of health and human services shall notify the commissioner of the department of administrative services, in writing, as to precisely which line item appropriations and in what specific amounts reductions are to be made in order to effect the reduction amounts. Upon request by the commissioner of the department of health and human services the fiscal committee of the general court may authorize a higher per person per year limit.

8 County Payments of Funds for Persons Eligible to Receive Nursing Home Services; Limitation on County Payments. Amend RSA 167:18-b, IV to read as follows:

IV. The total billings by all counties made pursuant to this section for persons who have been determined eligible to receive nursing facility services shall not exceed 50 percent of the non-federal share of the combined long-term care medicaid spending for which the counties are obligated and in no instance shall the billings for the 12-month period of the state fiscal year, dated between July 1, 2004 and June 30, [2005] **2007** exceed:

(a) State fiscal year 2004 - \$60,000,000.

(b) State fiscal year 2005 - \$64,000,000.

(c) State fiscal year 2006 - \$68,000,000.

(d) State fiscal year 2007 - \$70,000,000.

9 County Payments of Funds for Persons Eligible to Receive Nursing Home Services; Limitation on County Payments; Medicare Prescription Drug Benefit Included. Amend RSA 167:18-b, VI to read as follows:

VI. For purposes of this section all expenditures shall include all bills for which the county is liable for medicaid services, including but not limited to, payments for skilled nursing, hospital, physician and pharmaceutical services. ***Pharmaceutical services shall include the Medicare Part D drug benefit, authorized by the Medicare Prescription Drug Improvement and Modernization Act of 2003, Public Law 108-173.***

10 Effective Date of Repeal Changed; Reimbursement of Funds for Persons Eligible to Receive Nursing Home Services; Limitation on County Payments. Amend 1998, 388:17, II, as amended by 2003, 223:8 and 2004, 260:8, to read as follows:

II. Paragraphs I and II of section 16 of this act shall take effect on July 1, ~~[2005]~~**2007**.

11 New Paragraph; Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$50,000 From Any Non-State Source. Amend RSA 14:30-a by inserting after paragraph V the following new paragraph:

VI. Any non-state funds in excess of \$50,000, whether public or private, including refunds of expenditures, federal aid, local funds, gifts, bequests, grants, and funds from any other non-state source, which under state law require the approval of governor and council for acceptance and expenditure, may be accepted and expended by the proper persons or agencies in the state government only with the prior approval of the fiscal committee.

12 Fiscal Committee Approval Required for Expenditure of Federal Aid. Amend RSA 124:4 to read as follows:

124:4 Application for[;] and Administration of ***Federal Aid***. Notwithstanding any other provision of law, the governor and council are hereby authorized to designate from time to time, as they may deem in the best interest of the state, the proper persons or agencies in the state government to take all necessary action to apply for, receive, and administer any federal benefits, facilities, grants-in-aid, or other federal appropriations or services made available to assist state activities, for which the state is, or may become eligible. ***All such moneys in excess of \$50,000 made available, after designation by the governor and council, may be expended by the proper persons or agencies in the state government only with the prior approval of the joint legislative fiscal committee.*** In addition to such other instruments, documents, and agreements as may be executed ~~[hereunder]~~ ***under the authority of this section***, such persons or agencies may~~[- whenever the same shall be required as a condition to the receipt of such federal assistance; with the approval of the governor and council]~~ execute indemnification agreements, ***with the approval of governor and council***, in the name of the state with and for the benefit of the United States ***whenever such execution is required as a condition of receipt of such federal assistance.***

13 Health and Human Services; Local Medical Assistance; County Contribution. RSA 167:18-f is repealed and reenacted to read as follows:

167:18-f Local Medical Assistance Contribution. In addition to any other reimbursement required by law, each county shall, within 60 days from notice thereof, reimburse the public assistance fund at the rate of \$27 per month for each recipient of old age assistance and \$52 per month for each recipient of aid to the permanently and totally disabled for whom the county would be liable under the provisions of RSA 166, except that no reimbursement shall be required for any recipient for whom the county has an obligation under RSA 167:18-b.

14 New Chapter: Judicial Branch Family Division. Amend RSA by inserting after chapter 490-C the following new chapter:

CHAPTER 490-D JUDICIAL BRANCH FAMILY DIVISION

490-D:1 Judicial Branch Family Division Established. The general court hereby organizes, constitutes, and establishes the judicial branch family division. The goals of the family division are the respectful treatment of all citizens by justices, marital masters and other family division staff, the prompt and fair resolution of family issues by justices and marital masters specially selected and trained to deal effectively with such issues, the use of alternative dispute resolution to reduce the adversarial nature of proceedings involving families, and the assignment of all family matters of a single family to one family division justice or marital master located in a family division court that is geographically accessible to the family.

490-D:2 Jurisdiction. Notwithstanding any law to the contrary and except for the limited need to allow an existing case to proceed with the same judge who had presided over it before the implementation of the judicial branch family division, following implementation of the division at a division site in accordance with RSA 490-D:5, jurisdiction over the following matters shall be exclusively exercised through the judicial branch family division as procedurally jurisdiction was previously exercised in the superior, district, and probate courts:

I. Petitions for divorce, nullity of marriage, alimony, custody of children, support, and to establish paternity.

II. Actions for support or custody for children of unwed parties.

III. Actions under RSA 169-B, relating to delinquent children except for concurrent jurisdiction with the district court to enter temporary detention orders under RSA 169-B:11, III and 169-B:12, IV(b).

IV. Actions under RSA 169-C, relating to abused and neglected children except for concurrent jurisdiction with the district court to enter orders under RSA 169-C:6, VI and RSA 169-C:6-a.

V. Actions under RSA 169-D, relating to children in need of services except for concurrent jurisdiction with the district court to enter orders under RSA 169-D:8, I, RSA 169-D:9-a, and RSA 169-D:10.

VI. Actions under RSA 173-B, relating to protection of persons from domestic violence except for concurrent jurisdiction with the superior and district courts to enter temporary protective orders under RSA 173-B:4.

VII. The adoption of children in abuse and neglect cases pursuant to RSA 169-C, termination of parental rights cases pursuant to RSA 170-C, and guardianships of the person of minors pursuant to paragraph VIII. Jurisdiction over private, agency, and international adoptions shall remain with the probate court.

VIII. The guardianship of the person of minors. In cases involving the guardianship of both the person of a minor and the estate of the same minor, jurisdiction shall remain with the probate court.

IX. The termination of parental rights.

X. The change of names of persons who apply therefor in matters relating to jurisdiction in paragraphs I-IX.

490-D:3 Equity Jurisdiction. Notwithstanding any law to the contrary, the judicial branch family division shall have the powers of a court of equity in cases where subject matter jurisdiction lies with the judicial branch family division. Suits in equity where subject matter jurisdiction lies with the judicial branch family division including, but not limited to, petitions for divorce, nullity of marriage, alimony, custody of children, support, and other similar proceedings may be heard upon oral testimony or depositions, or both, or when both parties consent, or service having been made and a notice of the time and place of the hearing having been given, when both parties appear. Such suits may be heard by any justice of the judicial branch family division at any time, but nothing contained in this section shall be construed as limiting the power of the judicial branch family division to have issues of fact framed and tried by a jury, according to the rules in equity, or the course of such proceedings at common law.

490-D:4 Sites. The judicial branch family division shall operate at the following sites and such other sites as the supreme court, from time to time, determines, covering the following districts as delineated in RSA 502-A:1, except as otherwise indicated:

Grafton County

I. The courthouses in Grafton county which will house the judicial branch family division shall be the court facility in North Haverhill, the Plymouth District Court, the Littleton District Court, and the Lebanon District Court.

II.(a) Matters arising in municipalities located within the Haverhill district shall be heard in the court facility in North Haverhill.

(b) Matters arising in municipalities located within the Plymouth-Lincoln district shall be heard in the Plymouth District Court.

(c) Matters arising in municipalities located within the Littleton district shall be heard in the Littleton District Court.

(d) Matters arising in municipalities located within the Lebanon-Hanover district shall be heard in the Lebanon District Court.

Rockingham County

III. The courthouses in Rockingham county which will house the judicial branch family division shall be the court facility in Brentwood, the Portsmouth District Court, the Salem District Court, and the Derry District Court.

IV.(a) Matters arising in municipalities located within the Portsmouth district, the Hampton district, and the towns of Newfields, Newmarket, and Stratham shall be heard in the Portsmouth District Court.

(b) Matters arising in municipalities located within the Salem district shall be heard in the Salem District Court.

(c) Matters arising in municipalities located within the Auburn district (except for the towns of Deerfield, Northwood, Nottingham, and Raymond) and the Derry district shall be heard in the Derry District Court.

(d) Matters arising in municipalities located within the Exeter district (except for the towns of Newfields, Newmarket, and Stratham), the Plaistow district, and the towns of Deerfield, Northwood, Nottingham, and Raymond shall be heard in the court facility in Brentwood.

Coos County

V. The courthouses in Coos county which will house the judicial branch family division shall be the Colebrook District Court, the Berlin District Court, and the court facility in Lancaster.

VI.(a) Matters arising in municipalities located within the Colebrook district shall be heard in the Colebrook District Court.

(b) Matters arising in municipalities located within the Berlin-Gorham district shall be heard in the Berlin District Court.

(c) Matters arising in municipalities located within the Lancaster district shall be heard in the court facility in Lancaster.

Carroll County

VII. The courthouses in Carroll county which will house the judicial branch family division shall be the court facility in Ossipee and the District Court for northern Carroll County.

VIII.(a) Matters arising in municipalities located within the district for southern Carroll county shall be heard in the court facility in Ossipee.

(b) Matters arising in municipalities located within the district for northern Carroll county shall be heard in the District Court for northern Carroll County.

Sullivan County

IX. The courthouses in Sullivan county which will house the judicial branch family division shall be the Newport District Court and the Claremont District Court.

X.(a) Matters arising in municipalities located within the Newport district and the New London district in Merrimack county shall be heard in the Newport District Court.

(b) Matters arising in municipalities located within the Claremont district shall be heard in the Claremont District Court.

Strafford County

XI. The courthouses in Strafford county which will house the judicial branch family division shall be the Dover District Court and the Strafford county court facility in Dover.

XII.(a) Matters arising in municipalities located within the Dover-Somersworth-Durham district shall be heard in the Dover District Court.

(b) Matters arising in municipalities located within the Rochester district shall be heard in the Strafford county court facility in Dover.

Belknap County

XIII. The courthouse in Belknap county which will house the judicial branch family division shall be a facility located in Laconia, provided, however, that the facility meets the minimum standard prescribed by the New Hampshire court accreditation commission pursuant to RSA 490:5-c.

XIV.(a) Matters arising in municipalities located within the Laconia district shall be heard in the judicial branch family division facility in Laconia.

(b) Matters arising in the towns of Sanbornton and Tilton shall be heard in the Franklin District Court in Merrimack county.

Hillsborough County

XV. The courthouses in Hillsborough county which will house the judicial branch family division shall be the Hillsborough County Superior Court for the northern judicial district, the Goffstown District Court, the Hillsborough County Superior Court for the southern judicial district, the Milford District Court, and the Merrimack District Court.

XVI.(a) Matters arising in municipalities located within the Manchester district shall be heard in the Hillsborough County Superior Court for the northern judicial district.

(b) Matters arising in municipalities located within the Goffstown district shall be heard in the Goffstown District Court.

(c) Matters arising in municipalities located within the Nashua district shall be heard in the Hillsborough County Superior Court for the southern judicial district.

(d) Matters arising in municipalities located within the Milford district shall be heard in the Milford District Court.

(e) Matters arising in municipalities located within the Merrimack district shall be heard in the Merrimack District Court.

(f) Matters arising in Hillsborough county municipalities located within the Jaffrey-Peterborough district shall be heard in the Jaffrey-Peterborough District Court in Cheshire county.

(g) Matters arising in municipalities located within the Hillsborough district shall be heard in the Concord District Court in Merrimack county.

Merrimack County

XVII. The courthouses in Merrimack county which will house the judicial branch family division shall be the Franklin District Court, the Hooksett District Court, and a facility located in Concord, provided, however, that the facility meets the minimum standard prescribed by the New Hampshire court accreditation commission pursuant to RSA 490:5-c.

XVIII.(a) Matters arising in municipalities located within the Franklin district shall be heard in the Franklin District Court.

(b) Matters arising in municipalities located within the Hooksett district shall be heard in the Hooksett District Court.

(c) Matters arising in municipalities located within the Concord district, the Henniker district, and the Hillsborough district shall be heard in the judicial branch family division facility in Concord.

(d) Matters arising in municipalities located within the New London district shall be heard in the Newport District Court in Sullivan county.

Cheshire County

XIX. The courthouses in Cheshire county which will house the judicial branch family division shall be the Jaffrey-Peterborough District Court and a facility located in Keene, provided, however, that the facility meets the minimum standard prescribed by the New Hampshire court accreditation commission pursuant to RSA 490:5-c.

XX.(a) Matters arising in municipalities located within the Jaffrey-Peterborough district shall be heard in the Jaffrey-Peterborough District Court

(b) Matters arising in municipalities located within the Keene district shall be heard in the judicial branch family division facility in Keene.

490-D:5 Implementation Plan. On the effective date of this chapter, the judicial branch family division shall be operational in Grafton and Rockingham counties. For the remaining counties, the judicial branch family division shall be made operational by order of the supreme court, generally in the order listed in RSA 490-D:4.

490-D:6 Judges and Marital Masters. The supreme court shall select and designate certain district and probate court judges as judicial branch family division judges and certain superior court marital masters as judicial branch family division marital masters. The designation of judges shall be based upon the judge's knowledge of, commitment to, and expertise in family law matters. The number of judicial branch family division judges and marital masters shall be based upon a review of anticipated caseload, population, judicial time and efficiency, available judicial resources, and other relevant criteria, including information from the weighted caseload system. When the judicial branch family division is fully implemented, all superior court marital masters shall be designated as judicial branch family division marital masters.

490-D:7 Nominations and Appointments of Marital Masters.

I. The administrative judge of the judicial branch family division shall recommend persons to the governor and council for initial appointment as marital masters. In recommending candidates for initial appointment as marital masters under this chapter, the division shall utilize the procedures and standards described in superior court rules in effect as of July 1, 2004, except as otherwise provided in this chapter.

II. For appointments of new marital masters, the administrative judge of the judicial branch family division shall submit to the governor the name of a nominee. The governor may accept the candidate nominated by the administrative judge and submit the candidate to the council for confirmation or may reject the candidate submitted by the administrative judge, and request a new nominee. If the council rejects a candidate for confirmation, the governor shall request a new nominee.

III. Marital masters shall serve an initial term of 3 years. Subsequent reappointments shall be made in accordance with judicial branch family division rules. During appointment terms, the authority and responsibility to conduct annual performance reviews, and termination, if necessary, shall be with the administrative judge of the judicial branch family division.

490-D:8 Qualifications of Marital Masters.

I. Marital masters shall possess the following qualifications:

- (a) Professional experience in family law matters.
- (b) Legal and personal qualities including, but not limited to:
 - (1) Knowledge of family matters, including related matters such as tax and pension law;
 - (2) Personal maturity so as to understand and make decisions on matters before the court; and
 - (3) Personal qualities of patience and understanding of the difficult personal matters which are the subject of divorce and a willingness to deal with complex family matters in a non-adversarial manner.

II. Each marital master shall complete a course in court process and procedures and mediation and negotiation.

490-D:9 Recommendations of Marital Masters. All recommendations of marital masters shall be signed by a judge.

490-D:10 Referee. The judicial branch family division, with the consent of the parties shall, and without the consent of the parties may, commit to one or more referees any cause at law or in equity, or the determination of any question of fact pending in the court wherein the parties are not, as matter of right, entitled to a trial by jury; and with the consent of the parties shall so commit any other cause or the determination of any other question of fact.

490-D:11 Staff. The supreme court shall identify a mechanism by which to assign and transfer such existing staff in the superior, district, and probate courts as is necessary to operate the judicial branch family division. Where possible, staff performing functions related to the jurisdiction of the judicial branch family division shall be transferred into similar positions in the division. The number of judicial branch family division staff shall be based upon a review of anticipated caseload, population, available staff resources, and other relevant criteria, including information from any weighted caseload system.

490-D:12 Judicial Branch Family Division Clerks. The administrative judge of the judicial branch family division shall appoint a clerk with responsibility for each judicial branch family division site. In the interest of the effective administration of justice, any such clerk may have responsibility for one or more judicial branch family division sites. Judicial branch family division clerks shall have the same duties as clerks of the superior and district courts and as registers of probate with respect to the judicial branch family division jurisdiction which was previously within the superior, district, and probate courts. Judicial branch family division clerks shall hold office during the pleasure of the administrative judge of the judicial branch family division.

490-D:13 Alternative Dispute Resolution. In implementing the judicial branch family division, the supreme court shall utilize alternative dispute resolution to reduce the adversarial nature of proceedings involving families. RSA 458:15-a shall be applicable to cases in the judicial branch family division.

490-D:14 Statutory References. During the implementation of the judicial branch family division, references in statutes involving the jurisdiction of the division to the superior, district, or probate courts shall be deemed to include the judicial branch family division. Following the full implementation of the division, those references shall be deemed to be to the judicial branch family division where it has exclusive jurisdiction of a subject matter and to the superior, district, or probate court and the judicial branch family division where the judicial branch family division has concurrent jurisdiction with one or more of those courts.

15 Designation of Part-time District Court Justice as Full-time District Court Justice. Amend RSA 491-A:3, IV to read as follows:

IV. The supreme court, after reviewing population, caseload, judicial time and efficiency, available judicial resources, ***the needs of the judicial branch family division***, and other relevant criteria may request the governor and council to designate a sitting part-time justice as a full-time justice. The court may recommend certain justices; however, the governor and council shall not be bound by that recommendation. Upon designation, that justice shall become full-time. Prior to making its request, the supreme court shall receive the approval of the fiscal committee and there shall be funds in the court's budget specifically appropriated for the salary and benefits of an additional full-time district court justice.

16 Designation of Part-time Probate Court Judge as Full-time Judge. RSA 491-A:4, IV is repealed and reenacted to read as follows:

IV. The supreme court, after reviewing population, caseload, judicial time and efficiency, available judicial resources, the needs of the judicial branch family division, and other relevant criteria, may request the governor and council to designate a sitting part-time probate judge as a full-time judge. The court may recommend certain judges; however, the governor and council shall not be bound by that recommendation. Upon designation, that judge shall become full-time. Prior to making its request, the supreme court shall receive the approval of the fiscal committee and there shall be funds in the court's budget specifically appropriated for the salary and benefits of an additional full-time probate judge.

17 New Paragraph; Venue; Notice; Optional Manner of Service of Petitions. Amend RSA 458:9 by inserting after paragraph II the following new paragraph:

II-a. In lieu of service as described in paragraph II, the court may, after issuing orders of notice, send notice to the respondent indicating that the petition has been filed and that the respondent or the respondent's attorney may accept service at the court within 10 days. If neither the respondent nor the attorney for the respondent accepts service at the court within 10 days as specified in the correspondence, the petition shall be forwarded to the petitioner for service in accordance with paragraph II.

18 Repeal. The following are repealed:

I. RSA 490:33 – 490:35, relative to the family division.

II. RSA 491:20-a – 491:20-c, relative to marital masters.

19 Federal Assistance Grant; Appropriation. Any sum received in the fiscal years ending June 30, 2006 or June 30, 2007 from the Federal Emergency Management Agency or Federal Highway Administration's Emergency Relief Program or any other federal program providing emergency assistance to the department of transportation to reimburse appropriate costs incurred for emergency response, including but not limited to equipment rental, snow plowing, sanding, salting, flood damage response, and personnel overtime during any emergency declared shall be collected by the appropriate agency and appropriated to the department of transportation, to be distributed to the bureaus that expended funds on the emergency, and shall be allocated 40 percent to class 20 expenditures and 60 percent to class 22 expenditures. The commissioner of the department of transportation shall report any such sums received to the fiscal committee of the general court and to the house and senate finance committees.

20 New Paragraph; Family Mutual Support Organizations; Definition Added. Amend RSA 126-P:1 by inserting after paragraph II the following new paragraph:

II-a. "Family mutual support organization" means a nonprofit corporation that provides family mutual support services, as defined in paragraph III and further described in RSA 126-P:2, III and IV.

21 Department of Health and Human Services; Oversight Committee; Finance Members Added. Amend RSA 126-A:13, I to read as follows:

I. There shall be an oversight committee on health and human services consisting of 8 members as follows:

(a) 3 members of the senate, at least one of whom shall be a member of the senate ~~[public institutions/]~~health and human services committee **and one of whom shall be a member of the senate finance committee**, appointed by the president of the senate; and

(b) 5 members of the house ~~[appointed by the speaker of the house]~~ **of representatives, 4 of whom shall be** from the health, human services and elderly affairs committee, **and one of whom shall be from the house finance committee, appointed by the speaker of the house of representatives.**

22 Land and Community Heritage Investment Program Administrative Fund; Interest Income; Date Change. Amend RSA 227-M:7-a, I to read as follows:

I. There is established in the office of the state treasurer a fund to be known as the land and community heritage investment program administrative fund into which the state treasurer shall credit any revenue generated pursuant to RSA 261:97-b, I-a. For the biennium ending June 30, ~~[2005]~~ **2007** there shall also be deposited, on a monthly basis, interest income generated on appropriations made to the land and community heritage investment program trust fund pursuant to RSA 227-M:7. The total revenues generated to the administrative fund from these 2 sources for each year of said biennium shall not exceed \$335,000.

23 Purpose. Sections 24-52 of this act are increases to current motor vehicle fines contained in the uniform fine schedule which, pursuant to RSA 502-A:19-b, V, may be changed only by statute. For the purposes of the increases in fines provided in this act, no penalty assessment shall be added to the increase in the fine if the statute containing the fine states that the penalty assessment is in addition to the specified fine amount.

24 Passenger Restraints; Fines. Amend RSA 265:107-a, III(a) and (b) to read as follows:

(a) ~~[\$25]~~ **\$50** for a first offense.

(b) ~~[\$50]~~ **\$100** for a second or subsequent offense.

25 New Paragraph; Coasting Fine Added. Amend RSA 265:99 by inserting after paragraph II the following new paragraph:

III. The fine for a violation of this section shall be \$100.

26 New Paragraph; Driving on Divided Ways; Fine Added. Amend RSA 265:26 by inserting after paragraph II the following new paragraph:

III. The fine for a violation of this section shall be \$150.

27 Approaching Vehicle; Fine Added. Amend RSA 265:17 to read as follows:

265:17 Approaching Vehicles.

I. Drivers of vehicles proceeding in opposite directions shall pass each other to the right, and upon roadways having width for not more than one line of traffic in each direction, each driver shall give to the other at least 1/2 of the main-traveled portion of the roadway as nearly as possible.

II. The fine for a violation of this section shall be \$75.

28 New Paragraph; One-Way Roadways and Roadways and Rotary Traffic Islands; Fine Added. Amend RSA 265:23 by inserting after paragraph III the following new paragraph:

IV. The fine for a violation of this section shall be \$100.

29 Obedience to Police Officers; Fine Added. Amend RSA 265:3 to read as follows:

265:3 Obedience to Police Officers.

I. No person shall wilfully fail or refuse to comply with any lawful order or direction of any police officer invested by law with authority to direct, control or regulate traffic.

II. The fine for a violation of this section shall be \$100.

30 New Section; Failure to Stop at Railroad Crossings; Fine. Amend RSA 265 by inserting after section 50 the following new section:

265:50-a Failure to Stop at Railroad Crossings; Fine. The fine for a violation of the provisions of RSA 265:49 or RSA 265:50 shall be \$100.

31 New Paragraph; Following Too Closely; Fine Added. Amend RSA 265:25 by inserting after paragraph III the following new paragraph:

IV. The fine for a violation of this section shall be \$100.

32 Limitations on Backing; Fine Added. Amend RSA 265:94 to read as follows:

265:94 Limitations on Backing.

I. The driver of a vehicle shall not back the same unless such movement can be made with safety and without interfering with other traffic. The driver of a vehicle shall not back the same upon any shoulder or roadway of any controlled access way.

II. The fine for a violation of this section shall be \$150.

33 New Paragraph; Driving of School Buses; Fine for Improper Operation. Amend RSA 265:57 by inserting after paragraph IV the following new paragraph:

V. The fine for a violation of this section shall be \$250.

34 Improper Use of Evidence of Registration or Title; Fine Added. Amend RSA 261:61 to read as follows:

261:61 Improper Use of Evidence of Registration or Title.

I. No person shall lend to another any certificate of title, registration certificate, number plate, temporary permit or other permit issued to him if the person desiring to borrow the same would not be entitled to the use thereof, nor shall any person knowingly permit the use of any of the same by one not entitled thereto, nor shall any person display upon a vehicle any registration certificate, number plate, or permit assigned by the director or authority of any other jurisdiction not issued to such vehicle or otherwise lawfully used under this chapter, or knowingly obscure or permit to be obscured the figures or letters on any number plate attached to any motor vehicle.

II. The fine for a violation of this section shall be \$150.

35 New Paragraph; Interference With Traffic Devices, Signs, or Signals; Fine Added. Amend RSA 265:15 by inserting after paragraph II the following new paragraph:

III. The fine for a violation of this section shall be \$150.

36 Misuse or Failure to Display Plates; Fine Added. Amend RSA 261:176 to read as follows:

261:176 Misuse or Failure to Display Plates.

I. Any person who knowingly attaches or permits to be attached to a vehicle a number plate assigned by the department, or authority of any other jurisdiction, to another vehicle or who knowingly obscures or permits to be obscured the figures or letters on any number plate attached to any vehicle or who knowingly and deliberately fails to display on a vehicle the number plates and the registration number duly issued therefor shall be guilty of a violation.

II. The fine for a violation of this section shall be \$150.

37 New Paragraph; Riding Upon Motorcycles; Fine Added. Amend RSA 265:120 by inserting after paragraph IV the following new paragraph:

V. Any person who violates the provisions of paragraph I, II, or III of this section shall be subject to a fine of \$75.

38 New Paragraph; Obstruction to Driver's View or Riding Mechanism; Fine Added. Amend RSA 265:95 by inserting after paragraph III the following new paragraph:

IV. Any person who violates the provisions of paragraph I, II, or III of this section shall be subject to a fine of \$75.

39 Transporting Alcoholic Beverages; Fine Added. Amend RSA 265:81, IV to read as follows:

IV. A person who violates this section shall be guilty of a violation **and shall be subject to a fine of \$150**. In addition, a person who violates paragraph II of this section may have his **or her** drivers' license, if a resident, or driving privilege, if a nonresident, suspended 60 days for a first offense and up to one year for a second or subsequent offense.

40 Motorcycle License; Operating Motorcycle Without; Fine. Amend RSA 263:30 to read as follows:

263:30 Motorcycle License.

I. No person to whom a driver's license of any class or category has been issued may drive any registered motorcycle unless he holds a special motorcycle license or endorsement or a motorcycle learner's permit. A person who holds a special motorcycle license or endorsement or a motorcycle learner's permit may drive any registered motorcycle without holding any other class of driver's license.

II. The fine for a violation of this section shall be \$100.

41 Classifications, Endorsements and Restrictions; Fine for Operating Without Correct Class of License Added. Amend RSA 263:92 to read as follows:

263:92 Classifications, Endorsements and Restrictions.

I. Notwithstanding any other provisions of this title, the commissioner may adopt rules under RSA 541-A to establish a commercial driver license classification system, including such endorsements and restrictions as are necessary, that incorporates the requirements of the federal government and of state law.

II. Any driver who operates a motor vehicle in violation of the provisions of the commercial driver license classification system shall be subject to a fine of \$100.

42 New Paragraphs; Basic Rule and Maximum Limits; Fines Added. Amend RSA 265:60 by inserting after paragraph IV the following new paragraphs:

V. The fines for violation of subparagraphs II(a)-(d) shall be as follows:

Miles per hour above the limit specified:

1-10	\$50
11-15	75
16-20	100
21-25	200
26+	Must appear (Minimum \$350)

VI. The fines for violations of subparagraph II(e) shall be as follows:

Miles above the 65 mph limit:

1-5	\$65
6-10	100
11-15	150
16-20	250
21-25	350
26+	Must appear

43 New Paragraph; Stop Signs; Yield Signs; Fines Added. Amend RSA 265:31 by inserting after paragraph III the following new paragraph:

IV. The fine for violation of this section shall be \$100.

44 Uninspected Motor Vehicle; Fines Added. Amend RSA 266:5 to read as follows:

266:5 Penalty for Failing to Obey Inspection Requirements. The driver or owner of any motor vehicle failing to comply with the requirements of the director relative to inspection shall be guilty of a violation, and the director may refuse to register, or may suspend or revoke the registration of, any motor vehicle, trailer or semi-trailer which has not been inspected as required or which is unsafe or unfit to be driven; provided, however, no person shall be charged with a violation of this section until a period of 10 days has elapsed from the date the inspection was due. This section shall not apply to those vehicles required to be inspected under the provisions of RSA 266:1, IV. **The fine for a violation of this section shall be \$60.**

45 Registration Required; Fines Added. Amend RSA 261:40 to read as follows:

261:40 Registration Required. Except as otherwise provided, it is a violation for any person to drive or any owner or custodian to knowingly permit or cause to be driven on the ways of this state any vehicle of a type required to be registered hereunder, unless the same has been registered and the appropriate fee paid in accordance with the provisions of this chapter. **The fine for a violation of this section shall be \$100.**

46 Fines Added. Amend RSA 265:22 to read as follows:

265:22 Highway Markings.

I. The commissioner of transportation and, subject to his approval, selectmen of any town or board of mayor and aldermen or group having similar powers in any city, having control of any highway may order such marking of ways, by painted lines, as is deemed necessary to the safe and efficient use of any such way. In ordering or approving such marking the commissioner of transportation insofar as is practicable shall conform to nationally accepted standards and any marking of the way by painted lines shall prima facie be deemed to be approved or ordered by the commissioner of transportation. When the single center line highway marking method is used, no driver of a vehicle shall, while proceeding along a way, drive any part of such vehicle to the left of or across an unbroken painted line marked on the way by order of or with the approval of the said commissioner, except as herein otherwise provided and when the barrier line highway marking system is employed, no driver of a vehicle shall, while proceeding along a way, drive any part of such vehicle to the left of or across an unbroken painted line marked on the way in such driver's lane by order of or with the approval of said commissioner except:

[I:]**(a)** In an emergency; or

[H:]**(b)** To permit ingress or egress to side roads or property adjacent to the highway; or

[H:]**(c)** In case such driver has an unobstructed view and can see the end of the said unbroken painted line.

II. The fine for a violation of this section shall be \$100.

47 Unlawful Possession and Intoxication; Fines Increased. Amend RSA 179:10, I to read as follows:

I. Except as provided in RSA 179:23, any person under the age of 21 years who has in his or her possession any liquor or alcoholic beverage, or who is intoxicated by consumption of an alcoholic beverage, shall be guilty of a violation and shall be fined a minimum of [~~\$250~~] **\$300**. Any second and subsequent offense shall be fined at least [~~\$500~~] **\$600**. For purposes of this section, alcohol concentration as defined in RSA 259:3-b of .02 or more shall be prima facie evidence of intoxication. No portion of this mandatory minimum fine shall be waived, continued for sentencing, or suspended by the court. In addition to the penalties provided in this section, the court may, in its discretion, impose further penalties authorized by RSA 263:56-b.

48 Driving After Revocation or Suspension; Fines Established. Amend RSA 263:64, VII to read as follows:

VII. Except as provided in paragraphs IV, V-a, and VI, any person who violates the provisions of this section shall be guilty of a violation, **and shall be fined a minimum of \$250 for a first offense and \$500 for a second or subsequent offense.**

49 Reckless Driving; Minimum Penalty. Amend RSA 265:79 to read as follows:

265:79 Reckless Driving; Minimum Penalty. Whoever upon any way drives a vehicle recklessly, or causes a vehicle to be driven recklessly, as defined in RSA 626:2, II(c), or so that the lives or safety of the public shall be endangered, or upon a bet, wager, or race, or who drives a vehicle for the purpose of making a record, and thereby violates any of the provisions of this title or any rules adopted by the director, shall be, notwithstanding the provisions of title LXII, guilty of a violation and fined not less than [~~\$250~~] **\$500 for the first offense and \$750 for the second offense** nor more than \$1,000 and his or her license shall be revoked for a period of 60 days for the first offense and from 60 days to one year for the second offense.

50 Aggravated DWI; Fine Increased. Amend RSA 265:82-b, I(b)(2) to read as follows:

(2) Fined not less than [~~\$500~~] **\$750**;

51 DWI Second Offense; Fine Increased. Amend RSA 265:82-b, II(a)(2) to read as follows:

(2) The person shall be fined not less than [~~\$500~~] **\$750**.

52 New Paragraph; Controlled Drug Act; Penalties; Minimum Fines. Amend RSA 318-B:26 by inserting after paragraph XII the following new paragraph:

XIII. Any person who violates any provision of this chapter shall be fined a minimum of \$350 for a first offense and \$500 for a second or subsequent offense.

53 Revenue Stabilization Reserve Account. Notwithstanding RSA 9:13-e, any budget surplus for the close of the fiscal biennium ending June 30, 2005 shall not be deposited in the revenue stabilization reserve account but shall remain in the general fund.

54 Regional Electronic Toll Collection System; Implementation.

I. The commissioner of the department of transportation shall implement use of the regional electronic toll collection system authorized by RSA 237:16-b on September 1, 2005.

II. The commissioner shall make the transponders necessary for use of the system available at the department's cost to purchase them.

III. The commissioner shall cease selling tokens on all of the turnpikes in the New Hampshire turnpike system on September 1, 2005 and shall cease collecting all tokens as of January 1, 2006.

55 Toll Criteria; Regional Electronic Toll Collection System. Amend RSA 237:11, V to read as follows:

V. In establishing tolls or charges pursuant to RSA 237:9, RSA 237:24, or RSA 237:40, the governor and council may discount or reduce the established tolls on any of the turnpikes in the system. In determining which vehicles shall receive a discount and the amount of the discount, the governor and council may consider criteria including, but not limited to:

~~[(a) Use of tokens.]~~

~~[(b)]~~ **(a)** Use of the regional electronic toll collection system.

~~[(c)]~~ **(b)** Time of day.

~~[(d)]~~ **(c)** Use of certain entrance or exit ramps.

~~[(e)]~~ **(d)** Commercial or non-commercial registration.

~~[(f)]~~ **(e)** Public transit use.

~~[(g)]~~ **(f)** In-state or out-of-state account status for participants in the regional electronic toll collection system.

~~[(h)]~~ **(g)** Congestion management.

VI. Notwithstanding paragraph V, for vehicles using the regional electronic toll collection system, the governor and council shall discount the established tolls on all of the turnpikes in the system by 30 percent for passenger vehicles, including motorcycles, and 10 percent for commercial vehicles.

56 Tobacco Tax Increased. Amend RSA 78:7 to read as follows:

78:7 Tax Imposed. A tax upon the retail consumer is hereby imposed at the rate of ~~[52 cents]~~ **\$.80** for each package containing 20 cigarettes or at a rate proportional to such rate for packages containing more or less than 20 cigarettes, on all cigarettes sold at retail in this state. The payment of the tax shall be evidenced by affixing stamps to the smallest packages containing the cigarettes in which such products usually are sold at retail. The word "package" as used in this section shall not include individual cigarettes. No tax is imposed on any transactions, the taxation of which by this state is prohibited by the Constitution of the United States.

57 Applicability. Section 56 of this act shall apply to all persons licensed under RSA 78:2. Such persons shall inventory all taxable tobacco products in their possession and file a report of such inventory with the department of revenue administration on a form prescribed by the commissioner within 20 days after the effective date of this act. The tax rate effective July 1, 2005 shall apply to such inventory and the difference, if any, in the amount paid previously on such inventory and the current effective rate of tax shall be paid with the inventory form. The inventory form shall be treated as a tax return for the purpose of computing penalties under RSA 21-J.

58 Rehiring of Laid Off State Employees.

I. For purposes of this section, "laid off" means any person who receives written notice of the state's intent to lay him or her off or who has been laid off between July 1, 2005 and July 1, 2007, as a result of reorganization or downsizing of state government.

II. It is the intent of the general court that any position which becomes available in a department or establishment, as defined in RSA 9:1, shall be filled, if possible, by a state employee laid off, as defined in paragraph I, if such person is not currently employed by the state of New Hampshire and if he or she meets the minimum qualifications for the position.

III. Within 10 days of the effective date of this section, the head of each department or agency shall submit to the director of the division of personnel a list by name and classification of individuals laid off from July 1, 2005 as of the effective date of this section. Any additional layoffs or reductions shall be reported to the director of personnel as they occur.

IV. Any full-time state employee who was laid off as defined in this section, who before the layoff was receiving state-paid medical benefits under the provisions of RSA 21-I:26-36, who is not eligible to retire and receive post-retirement medical benefits under the provisions of RSA 21-I:26-36 or RSA 100-A:52-55, and who is not eligible for employer-paid medical or health care coverage under the plan of any other employer, or as the spouse of a person covered under the plan of any other employer, or under the state plan as the spouse of a state employee, shall continue to receive such state-paid benefits, as if continuing in active employment, for a period not to exceed 6 months after the date of termination of state employment. For the first 3 months of this 6-month period, the state shall pay the full costs of continuing medical and health care coverage. For the latter 3 months of the 6-month period, the state shall pay $\frac{1}{2}$ the cost and the laid-off state employee shall pay $\frac{1}{2}$ the cost of continuing medical and health care coverage. This 6-month period shall be included in the calculation of the entitlements required under the Consolidated Omnibus Budget Reconciliation Act of 1986 and any amendments thereto.

59 Lottery Commission Funds; Distribution Expenses. Amend RSA 284:21-jj to read as follows:

284:21-jj Lottery Commission Funds.

I. Notwithstanding any provision of law to the contrary, in order to allow the lottery commission to efficiently handle its funds, the commission is authorized to have service fees paid to banks and sales outlets deducted from lottery receipts and, with the approval of governor and council, to have prizes paid by sales outlets from lottery receipts so long as full accountability is assured. The commission is authorized to enter into agreements with banks as to the charges for services rendered. Lottery funds shall be deposited in commercial banks throughout the state. These funds shall be transferred on a weekly basis to the state treasurer.

II. Notwithstanding any provision of law to the contrary, in order to allow the lottery commission to efficiently distribute instant tickets, the commission may have instant ticket delivery fees deducted from lottery receipts. The commission is authorized to enter into agreements or contracts with third parties for instant ticket delivery service. Such agreements or contracts shall have the prior approval of governor and council.

60 Department of Transportation; Finance Director; Position Established. Amend RSA 21-L by inserting after section 5 the following new section:

21-L:5-a Finance Director. There is established within the department the position of finance director. The commissioner shall nominate, subject to approval by the board of trustees, the finance director who shall be confirmed by the governor and council and shall serve at the pleasure of the commissioner. The finance director shall be qualified by education and experience and shall perform such duties as are assigned by the commissioner. The salary of the finance director shall be established by RSA 94:1-a.

61 Compensation of Certain State Officers; Finance Director Added. Amend RSA 94:1-a, I(b) by inserting in Group HH the following:

HH	Department of transportation	finance director
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62 Pilot Program; Department of Transportation and Land and Community Heritage Investment Program.

I. The general court hereby establishes a 2-year pilot program to ensure the most cost effective investment of state highway mitigation funds for purposes of natural, cultural, and historical resource conservation, consistent with the land and community investment program under RSA 227-M.

II. A committee is established to advise on the establishment of a partnership between the department of transportation and the land and community heritage investment program board for the administration of the pilot program. The committee shall consist of the commissioner of transportation, the executive director of the land and community heritage investment authority, 2 senators appointed by the senate president, and 2 house members, appointed by the speaker of the house of representatives.

III. Duties of the committee shall include, but not be limited to, the following:

(a) Recommending a process by which funding decisions shall be made jointly by the commissioner of transportation and the land and community heritage investment program board.

(b) Making recommendations on the establishment of a permanent program for the investment of state mitigation funds using a joint partnership between the department of transportation and the land and community heritage investment program board.

IV. The first meeting of the committee shall be convened within 45 days of the effective date of this act. The first meeting shall be called by the executive director of the land and community investment program board.

V. The committee shall report its recommendations to the president of the senate, the speaker of the house of representatives, and the governor on or before November 1, 2006.

VI. The commissioner of transportation and the land and community heritage investment program board shall, for the biennium ending June 30, 2007, use \$3,500,000 of funds currently available to the department of transportation for purposes of this pilot program, consistent with federal regulations.

63 State Employees Group Health Insurance; Restrictions on Self-Insured Plans; Required Reserve Reduced. Amend RSA 21-I:30-b, I(a) to read as follows:

(a) An amount estimated to be necessary to pay claims and administrative costs for the assumed risk for ~~[3 months]~~ **one month**; and

64 New Subdivision; Indirect Cost Recovery Program. Amend RSA 21-I by inserting after section 72 the following new subdivision:

Indirect Cost Recovery Program

21-I:73 Definitions. In this subdivision:

I. "Agency" means any agency under RSA 21-G:5, III that receives or provides central support services.

II. "Agency indirect costs" mean all support costs within any agency that cannot be directly charged to any agency program.

III. "Statewide indirect costs" mean all allocated general fund central services costs incurred by any state agency for central support services to any other state agency.

21-I:74 Allocation of Statewide Central Services Costs; Allocation of Statewide Indirect Costs. The commissioner shall allocate statewide indirect costs in a manner consistent with the federally-approved statewide central services cost allocation plan and shall recover such costs from those agencies that benefit from central service support. Agencies shall allocate general fund central services costs incurred by the agency to the appropriate agency funding source for reimbursement to the general fund. Agencies for which internal support costs are appropriated from the general fund shall recover such costs.

21-I:75 Agency Indirect Cost Recovery Plan.

I. An agency that receives outside funding from any source shall prepare and submit to the commissioner for review and approval an indirect cost recovery plan. The plan shall include proposals to recover agency indirect costs, the portion of statewide central service costs (statewide indirect costs) allocated to the agency under the statewide central services cost allocation plan, and any computation of indirect costs under RSA 124:11. By October 1 of each year, and prior to submission to the approving federal agency, if any, the agency shall submit the completed indirect cost rate proposal and supporting documentation to the commissioner for review and approval.

II. Notwithstanding paragraph I, the commissioner may waive the requirement that the agency file an indirect cost recovery plan if the commissioner determines that the cost of preparing and submitting the plan exceeds the benefit to the state of receiving such a plan.

21-I:76 General Fund Reimbursement. Agencies shall reimburse the general fund no later than 30 days after each quarter for all statewide central services costs and that portion of agency indirect costs attributable to recoveries of general fund expenditures. Agencies shall provide such indirect cost information and documentation as may be required by the commissioner to implement this section.

21-I:77 Exemption. The commissioner may waive any requirement under this subdivision if the commissioner determines that it is in conflict with, or contrary to, state objectives.

65 Federal Aid; Computation of Indirect Costs Required; Role of Administrative Services. Amend RSA 124:11 to read as follows:

124:11 Computation of Indirect Costs Required.

I. Each state agency receiving a federal grant or grants shall compute an agency indirect cost rate for each grant as provided by federal regulation and shall apply the same to each grant it receives. Any state agency making grants of federal funds to any other state agency, either directly or as a pass-through, shall fund the indirect costs for each such grant in the amount of the indirect costs of the state agency to which it has granted the funds in accordance with the indirect cost rate computed as provided by federal regulations by the receiving state agency. All such indirect costs received shall accrue to the state general fund and shall not be available for expenditure by the agency, except that in the case of the departments of transportation and fish and game that proportion of any indirect cost recovery which represents costs of either of said departments as opposed to the state-wide overhead cost portion of the rate shall accrue to the highway fund or the fish and game fund as applicable.

II. *The state agency shall include the indirect cost rate for each federal grant in any cost recovery plan filed with the commissioner of administrative services under RSA 21-I:75 and shall notify the department of administrative services of any negotiation with the federal agency relative to the agency's indirect cost rate proposal. The commissioner of the department of administrative services or the commissioner's designee may participate in such negotiations and shall approve the final agreement relative to the agency's indirect cost rate.*

66 New Section; Federal Proposals; Indirect Costs. Amend RSA 124 by inserting after section 11 the following new section:

124:11-a Federal Proposals; Indirect Costs. Any agency that submits an application for federal funds shall include in such application provisions for reimbursement of the allocated statewide central services cost and any agency indirect costs. If no federal funds are approved for indirect costs, the agency shall provide written notice of that determination to the department of administrative services.

67 Personnel Classifications; Agency Appeals. Amend RSA 21-I:42, III to read as follows:

III. Allocating the position of every employee in the classified service to one of the classifications in the classification plan. ***A decision of the director of personnel relating to pay or classification of employees may be appealed to the commissioner of administrative services by the commissioner of the affected department, or if an agency has no commissioner, by the equivalent agency head.***

68 Law Enforcement Salaries; January 6, 2006. RSA 99:1-b is repealed and reenacted to read as follows:

99:1-b Salaries Established; Law Enforcement Employees. The salary ranges for law enforcement employees commencing January 6, 2006, shall be established as follows:

	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08
01	20,042.62	20,640.62	21,240.70	21,889.92	22,563.58	23,285.86	23,910.64	24,608.74
02	20,640.62	21,240.70	21,889.92	22,563.58	23,285.86	23,910.64	24,608.74	25,333.36
03	21,240.70	21,889.92	22,563.58	23,285.86	23,910.64	24,608.74	25,333.36	26,131.30
04	21,889.92	22,563.58	23,285.86	23,910.64	24,608.74	25,333.36	26,131.30	28,003.04
05	22,563.58	23,285.86	23,910.64	24,608.74	25,333.36	26,131.30	28,003.04	29,076.84
06	23,285.86	23,910.64	24,608.74	25,333.36	26,131.30	28,003.04	29,076.84	30,226.04
07	23,910.64	24,833.12	25,882.48	26,905.06	28,003.04	29,076.84	30,226.04	31,524.48
08	24,833.12	25,882.48	26,905.06	28,003.04	29,076.84	30,226.04	31,524.48	32,747.00
09	25,882.48	26,905.06	28,003.04	29,076.84	30,226.04	31,524.48	32,747.00	34,069.62
10	26,905.06	28,003.04	29,076.84	30,226.04	31,524.48	32,747.00	34,069.62	35,441.38
11	28,003.04	29,076.84	30,226.04	31,524.48	32,747.00	34,069.62	35,441.38	36,915.06
12	29,076.84	30,226.04	31,524.48	32,747.00	34,069.62	35,441.38	36,915.06	38,611.30
13	30,226.04	31,524.48	32,747.00	34,069.62	35,441.38	36,915.06	38,611.30	40,258.66
14	31,524.48	32,747.00	34,069.62	35,441.38	36,915.06	38,611.30	40,258.66	42,032.38

	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08
15	32,747.00	34,169.72	35,592.44	37,088.48	38,611.30	40,258.66	42,032.38	43,779.84
16	34,169.72	35,592.44	37,088.48	38,611.30	40,258.66	42,032.38	43,779.84	45,724.90
17	35,592.44	37,088.48	38,611.30	40,258.66	42,032.38	43,779.84	45,724.90	47,647.86
18	37,088.48	38,611.30	40,258.66	42,032.38	43,779.84	45,724.90	47,647.86	49,695.10
19	38,611.30	40,258.66	42,032.38	43,779.84	45,724.90	47,647.86	49,695.10	51,815.92
20	40,258.66	42,032.38	43,779.84	45,724.90	47,647.86	49,695.10	51,815.92	54,536.82
21	42,032.38	43,779.84	45,724.90	47,647.86	49,695.10	51,815.92	54,536.82	56,957.68
22	43,779.84	45,724.90	47,647.86	49,695.10	51,815.92	54,536.82	56,957.68	59,527.52
23	45,724.90	47,747.70	49,919.74	52,189.28	54,536.82	56,957.68	59,527.52	62,223.98
24	47,747.70	49,919.74	52,189.28	54,536.82	56,957.68	59,527.52	62,223.98	65,020.54
25	49,919.74	52,189.28	54,536.82	56,957.68	59,527.52	62,223.98	65,020.54	67,966.08
26	52,189.28	54,536.82	56,957.68	59,527.52	62,223.98	65,020.54	67,966.08	70,984.94
27	54,536.82	56,957.68	59,527.52	62,223.98	65,020.54	67,966.08	70,984.94	74,230.52
28	56,957.68	59,527.52	62,223.98	65,020.54	67,966.08	70,984.94	74,230.52	78,274.04
29	59,527.52	62,223.98	65,020.54	67,966.08	70,984.94	74,230.52	78,274.04	82,017.52
30	62,223.98	65,020.54	67,966.08	70,984.94	74,230.52	78,274.04	82,017.52	85,861.10
31	65,020.54	68,115.06	71,409.52	74,679.54	78,274.04	82,017.52	85,861.10	89,980.28
32	68,115.06	71,409.52	74,679.54	78,274.04	82,017.52	85,861.10	89,980.28	94,072.94
33	71,409.52	74,679.54	78,274.04	82,017.52	85,861.10	89,980.28	94,072.94	98,192.12
34	74,679.54	78,274.04	82,017.52	85,861.10	89,980.28	94,072.94	98,192.12	102,309.22
35	78,274.04	82,017.52	85,861.10	89,980.28	94,072.94	98,192.12	102,309.22	106,403.96

69 Law Enforcement Salaries; July 7, 2006. RSA 99:1-b is repealed and reenacted to read as follows:

99:1-b Salaries Established; Law Enforcement Employees. The salary ranges for law enforcement employees commencing July 7, 2006, shall be established as follows:

	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08
01	20,840.56	21,465.34	22,087.78	22,761.18	23,461.62	24,210.68	24,859.90	25,582.18
02	21,465.34	22,087.78	22,761.18	23,461.62	24,210.68	24,859.90	25,582.18	26,355.94
03	22,087.78	22,761.18	23,461.62	24,210.68	24,859.90	25,582.18	26,355.94	27,180.66
04	22,761.18	23,461.62	24,210.68	24,859.90	25,582.18	26,355.94	27,180.66	29,128.06
05	23,461.62	24,210.68	24,859.90	25,582.18	26,355.94	27,180.66	29,128.06	30,250.48
06	24,210.68	24,859.90	25,582.18	26,355.94	27,180.66	29,128.06	30,250.48	31,424.38
07	24,859.90	25,833.60	26,905.06	27,978.60	29,128.06	30,250.48	31,424.38	32,795.88
08	25,833.60	26,905.06	27,978.60	29,128.06	30,250.48	31,424.38	32,795.88	34,045.18
09	26,905.06	27,978.60	29,128.06	30,250.48	31,424.38	32,795.88	34,045.18	35,441.38
10	27,978.60	29,128.06	30,250.48	31,424.38	32,795.88	34,045.18	35,441.38	36,864.10
11	29,128.06	30,250.48	31,424.38	32,795.88	34,045.18	35,441.38	36,864.10	38,386.66
12	30,250.48	31,424.38	32,795.88	34,045.18	35,441.38	36,864.10	38,386.66	40,158.56
13	31,424.38	32,795.88	34,045.18	35,441.38	36,864.10	38,386.66	40,158.56	41,881.32

	STEP 01	STEP 02	STEP 03	STEP 04	STEP 05	STEP 06	STEP 07	STEP 08
14	32,795.88	34,045.18	35,441.38	36,864.10	38,386.66	40,158.56	41,881.32	43,704.18
15	34,045.18	35,541.22	37,015.16	38,562.42	40,158.56	41,881.32	43,704.18	45,524.70
16	35,541.22	37,015.16	38,562.42	40,158.56	41,881.32	43,704.18	45,524.70	47,547.76
17	37,015.16	38,562.42	40,158.56	41,881.32	43,704.18	45,524.70	47,547.76	49,544.04
18	38,562.42	40,158.56	41,881.32	43,704.18	45,524.70	47,547.76	49,544.04	51,691.38
19	40,158.56	41,881.32	43,704.18	45,524.70	47,547.76	49,544.04	51,691.38	53,887.86
20	41,881.32	43,704.18	45,524.70	47,547.76	49,544.04	51,691.38	53,887.86	56,708.86
21	43,704.18	45,524.70	47,547.76	49,544.04	51,691.38	53,887.86	56,708.86	59,229.56
22	45,524.70	47,547.76	49,544.04	51,691.38	53,887.86	56,708.86	59,229.56	61,899.50
23	47,547.76	49,668.58	51,916.02	54,288.00	56,708.86	59,229.56	61,899.50	64,720.50
24	49,668.58	51,916.02	54,288.00	56,708.86	59,229.56	61,899.50	64,720.50	67,614.82
25	51,916.02	54,288.00	56,708.86	59,229.56	61,899.50	64,720.50	67,614.82	70,684.64
26	54,288.00	56,708.86	59,229.56	61,899.50	64,720.50	67,614.82	70,684.64	73,830.38
27	56,708.86	59,229.56	61,899.50	64,720.50	67,614.82	70,684.64	73,830.38	77,200.24
28	59,229.56	61,899.50	64,720.50	67,614.82	70,684.64	73,830.38	77,200.24	81,393.00
29	61,899.50	64,720.50	67,614.82	70,684.64	73,830.38	77,200.24	81,393.00	85,287.54
30	64,720.50	67,614.82	70,684.64	73,830.38	77,200.24	81,393.00	85,287.54	89,306.88
31	67,614.82	70,835.96	74,254.96	77,673.96	81,393.00	85,287.54	89,306.88	93,575.04
32	70,835.96	74,254.96	77,673.96	81,393.00	85,287.54	89,306.88	93,575.04	97,843.20
33	74,254.96	77,673.96	81,393.00	85,287.54	89,306.88	93,575.04	97,843.20	102,111.36
34	77,673.96	81,393.00	85,287.54	89,306.88	93,575.04	97,843.20	102,111.36	106,403.96
35	81,393.00	85,287.54	89,306.88	93,575.04	97,843.20	102,111.36	106,403.96	110,672.12

70 New Section; Longevity Payments for Law Enforcement Employees. Amend RSA 99 by inserting after section 5 the following new section:

99:5-a Longevity Payments for Law Enforcement Employees. Any law enforcement employee who has completed 10 years of continuous service for the state shall be paid, in addition to the salary to which he or she is entitled by the classification plan, the sum of \$300 annually and an additional \$300 for each additional 5 years of continuous law enforcement service. The additional compensation provided by the provisions of this section shall not affect the maximums set by the classification plan and the receipt of said long service payments shall not prohibit the recipient from receiving the yearly increments to which he or she may be otherwise entitled within his or her classification ranges. Any law enforcement employee who transfers, without a break in service, to a position in the unclassified system may transfer all time served for purposes of longevity pay.

71 Single Payment Salary Adjustment; Law Enforcement Employees. A single salary adjustment payment of \$500 shall be made to each full-time law enforcement employee on or before July 1, 2005.

72 Appropriation. The following sums are appropriated from the following sources for the purposes of sections 68-71 of this act for the fiscal years ending June 30, 2006 and June 30, 2007:

FY 2006						
All	General	Federal	Highway	Turnpike	Fish & Game	Other
\$765,518	\$ 27,167	\$0	\$738,351	\$0	\$0	\$0
FY 2007						
All	General	Federal	Highway	Turnpike	Fish & Game	Other
\$1,462,895	\$ 52,861	\$0	\$1,410,034	\$0	\$0	\$0

73 Salary Wages for Councilors and Commissioners; July 8, 2005. RSA 94:1-a, II is repealed and reenacted to read as follows:

II. The salary wages for the positions set forth below shall be as follows commencing July 8, 2005:

	Minimum	Maximum
Governor's councilors		\$12,397
Pari-mutuel commissioners		\$9,400
Sweepstakes commission, chairman		\$14,106
Sweepstakes commission, members		\$7,523

74 Salary Wages for Councilors and Commissioners; January 6, 2006. RSA 94:1-a, II is repealed and reenacted to read as follows:

II. The salary wages for the positions set forth below shall be as follows commencing January 6, 2006:

	Minimum	Maximum
Governor's councilors		\$12,645
Pari-mutuel commissioners		\$9,588
Sweepstakes commission, chairman		\$14,388
Sweepstakes commission, members		\$7,673

75 Salary Wages for Councilors and Commissioners; July 7, 2006. RSA 94:1-a, II is repealed and reenacted to read as follows:

II. The salary wages for the positions set forth below shall be as follows commencing July 7, 2006:

	Minimum	Maximum
Governor's councilors		\$12,898
Pari-mutuel commissioners		\$9,780
Sweepstakes commission, chairman		\$14,676
Sweepstakes commission, members		\$7,826

76 Judicial Salaries; July 8, 2005. RSA 491-A:1 is repealed and reenacted to read as follows:

491-A:1 Salaries Established. The salaries for the positions set forth below shall be as follows:

Chief justice, supreme court	\$132,382
Associate justices, supreme court	\$128,368
Chief justice, superior court	\$128,368
Associate justices, superior court	\$120,346
District court justices prohibited from practice pursuant to RSA 502-A:21	\$120,346
Probate judges prohibited from practice pursuant to RSA 547:2-a	\$120,346

77 Judicial Salaries; January 6, 2006. RSA 491-A:1 is repealed and reenacted to read as follows:

491-A:1 Salaries Established. The salaries for the positions set forth below shall be as follows:

Chief justice, supreme court	\$135,029
Associate justices, supreme court	\$130,935
Chief justice, superior court	\$130,935
Associate justices, superior court	\$122,753
District court justices prohibited from practice pursuant to RSA 502-A:21	\$122,753
Probate judges prohibited from practice pursuant to RSA 547:2-a	\$122,753

78 Judicial Salaries; July 7, 2006. RSA 491-A:1 is repealed and reenacted to read as follows:

491-A:1 Salaries Established. The salaries for the positions set forth below shall be as follows:

Chief justice, supreme court	\$137,730
Associate justices, supreme court	\$133,554
Chief justice, superior court	\$133,554
Associate justices, superior court	\$125,208
District court justices prohibited from practice pursuant to RSA 502-A:21	\$125,208
Probate judges prohibited from practice pursuant to RSA 547:2-a	\$125,208

79 Judicial Employees; July 8, 2005. All judicial employees shall receive 2 percent salary increases on July 8, 2005.

80 Judicial Employees; January 6, 2006. All judicial employees shall receive 2 percent salary increases on January 6, 2006.

81 Judicial Employees; July 7, 2006. All judicial employees shall receive 2 percent salary increases on July 7, 2006.

82 Legislative Employees; July 8, 2005. Legislative employees shall receive 2 percent salary increases effective July 8, 2005, if such increases are approved by the appointing authority.

83 Legislative Employees; January 6, 2006. Legislative employees shall receive 2 percent salary increases effective January 6, 2006, if such increases are approved by the appointing authority.

84 Legislative Employees; July 7, 2006. Legislative employees shall receive 2 percent salary increases effective July 7, 2006, if such increases are approved by the appointing authority.

85 Compensation for Certain State Officers; Unclassified State Employees; July 8, 2005. RSA 94:1-a, I (a) is repealed and reenacted to read as follows:

I.(a) The following salary ranges shall apply to the following grades:

GROUP	MINIMUM	1	2	3	4	MAXIMUM
AA	41,938	44,735	47,532	50,329	53,126	55,922
BB	43,645	46,554	49,463	52,372	55,281	58,190
CC	45,715	48,764	51,812	54,860	57,908	60,957
DD	48,181	51,391	54,602	57,813	61,024	64,235
EE	51,084	54,490	57,896	61,302	64,708	68,115
FF	54,683	58,329	61,975	65,621	69,267	72,912
GG	59,105	63,044	66,983	70,922	74,861	78,800
HH	64,443	68,737	73,032	77,327	81,622	85,917
II	68,188	72,733	77,278	81,823	86,368	90,911
JJ	71,933	76,728	81,522	86,316	91,110	95,904
KK	73,796	78,715	83,634	88,553	93,472	98,390
LL	-	-	-	-	-	101,303
MM	-	-	-	-	-	104,758
NN	-	-	-	-	-	108,816
OO	-	-	-	-	-	113,560
PP	-	-	-	-	-	119,230
QQ	-	-	-	-	-	126,055

86 Compensation for Certain State Officers; Unclassified State Employees; January 6, 2006. RSA 94:1-a, I (a) is repealed and reenacted to read as follows:

I.(a) The following salary ranges shall apply to the following grades:

GROUP	MINIMUM	1	2	3	4	MAXIMUM
AA	42,777	45,629	48,482	51,335	54,188	57,040
BB	44,518	47,485	50,452	53,419	56,386	59,354
CC	46,629	49,739	52,848	55,957	59,066	62,176
DD	49,145	52,420	55,695	58,970	62,245	65,520
EE	52,106	55,580	59,054	62,528	66,002	69,477
FF	55,777	59,495	63,214	66,933	70,652	74,370
GG	60,287	64,305	68,323	72,341	76,359	80,376
HH	65,732	70,113	74,494	78,875	83,256	87,635
II	69,552	74,187	78,822	83,457	88,092	92,729
JJ	73,372	78,262	83,152	88,042	92,932	97,822
KK	75,272	80,289	85,306	90,323	95,340	100,358
LL	-	-	-	-	-	103,329
MM	-	-	-	-	-	106,853
NN	-	-	-	-	-	110,992
OO	-	-	-	-	-	115,831
PP	-	-	-	-	-	121,615
QQ	-	-	-	-	-	128,576

87 Compensation of State Officers; Unclassified State Employees; July 7, 2006; RSA 94:1-a, I(a) is repealed and reenacted to read as follows:

I.(a) The following salary ranges shall apply to the following grades:

GROUP	MINIMUM	1	2	3	4	MAXIMUM
AA	43,633	46,542	49,452	52,362	55,272	58,181
BB	45,408	48,435	51,462	54,489	57,516	60,541
CC	47,562	50,733	53,905	57,077	60,249	63,420
DD	50,128	53,468	56,809	60,150	63,491	66,830
EE	53,148	56,692	60,236	63,780	67,324	70,867
FF	56,893	60,686	64,479	68,272	72,065	75,857
GG	61,493	65,591	69,689	73,787	77,885	81,984
HH	67,047	71,515	75,983	80,451	84,919	89,388
II	70,943	75,671	80,399	85,127	89,855	94,584
JJ	74,839	79,827	84,815	89,803	94,791	99,778
KK	76,777	81,895	87,013	92,131	97,249	102,365
LL	-	-	-	-	-	105,396
MM	-	-	-	-	-	108,990
NN	-	-	-	-	-	113,212
OO	-	-	-	-	-	118,148
PP	-	-	-	-	-	124,047
QQ	-	-	-	-	-	131,148

88 Department of Justice; Attorney Salaries; July 8, 2005. RSA 94:1-a, I(c) is repealed and reenacted to read as follows:

I.(c) For attorney positions in the department of justice, except for the attorney general and deputy attorney general, the following shall apply commencing on July 8, 2005:

	Minimum	Market anchor	Maximum
	\$38,760		\$93,840
Attorney		\$46,920	
Assistant attorney general		\$64,260	
Senior assistant attorney general		\$79,560	
Associate attorney general		\$87,720	

89 Department of Justice; Attorney Salaries; January 6, 2006. RSA 94:1-a, I(c) is repealed and reenacted to read as follows:

I.(c) For attorney positions in the department of justice, except for the attorney general and deputy attorney general, the following shall apply commencing on January 6, 2006:

	Minimum	Market anchor	Maximum
	\$39,535		\$95,717
Attorney		\$47,858	
Assistant attorney general		\$65,545	
Senior assistant attorney general		\$81,151	
Associate attorney general		\$89,474	

90 Department of Justice; Attorney Salaries; July 7, 2006. RSA 94:1-a, I(c) is repealed and reenacted to read as follows:

I.(c) For attorney positions in the department of justice, except for the attorney general and deputy attorney general, the following shall apply commencing on July 7, 2006:

	Minimum	Market anchor	Maximum
	\$40,326		\$97,631
Attorney		\$48,816	
Assistant attorney general		\$66,856	
Senior assistant attorney general		\$82,774	
Associate attorney general		\$91,264	

91 Increases in Salary; Other Non-Classified or Unclassified Employees. All other nonclassified or unclassified employees not covered by the provisions for salary increases in this act shall be granted a salary increase of 2 percent effective July 8, 2005, an additional salary increase of 2 percent effective January 6, 2006, and an additional salary increase of 2 percent effective July 7, 2006.

92 Longevity Payments for State Officials; July 8, 2005. RSA 94:4 is repealed and reenacted to read as follows:

94:4 Longevity Pay. Any state official who has completed 10 years of service for the state shall be paid, in addition to his or her statutory salary the sum of \$300 annually and an additional \$300 for each additional 5 years of state service. Any state official who transfers, without a break in service, to a position in the classified system may transfer all time served for purposes of **longevity** pay.

93 Appropriation. The following sums are appropriated from the following sources for the purposes of sections 73-92 of this act for the fiscal years ending June 30, 2006 and June 30, 2007:

FY 2006						
All	General	Federal	Highway	Turnpike	Fish & Game	Other
\$2,159,652	\$ 1,776,955	\$89,495	\$187,513	\$17,047	\$9,376	\$79,267

FY 2007						
All	General	Federal	Highway	Turnpike	Fish & Game	Other
\$4,422,207	\$3,643,493	\$182,105	\$381,552	\$34,687	\$19,078	\$161,293

94 Acquisition of Property by Regional Community-Technical College System.

I. The department of regional community-technical colleges shall acquire the building located on the premises at 320 Corporate Drive, Portsmouth, New Hampshire, from the Pease development authority for fair market appraised value, not to exceed \$3,800,000. Prior to acquisition by the department of regional community-technical colleges, the Pease development authority shall obtain required federal approval for the sale proceeds to be used to reduce the Pease development authority's outstanding debt to the state.

II. Prior to acquisition by the department of regional community-technical colleges, and notwithstanding any other provision of law, the department of regional community-technical colleges and the Pease development authority shall negotiate and execute a ground lease, for a term of not less than 20 years at fair market value, not to exceed \$13,000 per acre at the start of the ground lease, for the approximately 13 acres on which the building known as 320 Corporate Drive is located. Such ground lease shall be subject to the approval of the governor and council.

III. If the department of regional community-technical colleges cannot acquire the building known as 320 Corporate Drive on or before July 1, 2005, the department of regional community-technical colleges and the Pease development authority shall enter into a lease agreement for the entirety of the building known as 320 Corporate Drive. In exchange, the state shall reduce by \$675, 000 per year, starting with the commencement of the lease on July 1, 2005, the Pease development authority's debt owed to the state relative to start-up funding costs under RSA 12-G:33 through 12-G:35; and 1991, 355:110, as amended by 1992, 260:11; 1992, 260:12, as amended by 1993, 358:3; 1994, 415:1; and 1995, 307:10. The lease term shall be 2 years or until such time as the acquisition by the department of regional community-technical colleges is complete or until such time as the debt owed to the state relative to the authority's start-up funding costs has been exhausted. In the event the regional community-technical college acquires the building known as 320 Corporate Drive after July 1, 2005 but before June 30, 2006, the proceeds from sale by the Pease development authority to the department of regional community-technical colleges shall be prorated.

IV. Any acquisition or lease agreement executed under this section shall supersede any existing lease arrangement for the property between the department of regional community-technical colleges and the Pease development authority.

95 Judicial Salaries. Amend RSA 491-A:1 to read as follows:

491-A:1 Salaries Established. The salaries for the positions set forth below shall be as follows:

Chief justice, supreme court	[\$128,488] 129,786
Associate justices, supreme court	[\$124,593] 125,851
Chief justice, superior court	[\$124,593] 125,851
Associate justices, superior court	[\$116,806] 117,986
District court justices prohibited from practice pursuant to RSA 502-A:21,	[\$116,806] 117,986
Probate judges prohibited from practice pursuant to RSA 547:2-a	[\$116,806] 117,986

96 Boiler Inspection Fees; Increase. Amend RSA 157-A:3-a to read as follows:

157-A:3-a Charge for Inspection. The commissioner shall charge ~~[\$45]~~ **\$100** per hour ~~[with a minimum charge of \$45;]~~ for inspections performed by employees of the department of labor.

97 Boiler Inspection Fees; Increase. Amend RSA 157-A:9-a, I to read as follows:

I. Subsequent to the inspection of a boiler or pressure vessel, an inspector shall file with the commissioner an inspection report on a form prescribed by the commissioner indicating whether or not the inspected object is certifiable and shall communicate the results of such inspection to the owner or the owner's designee. When an object passes inspection, the commissioner shall furnish an inspection certificate to its owner or the owner's designee on a form prescribed by the commissioner. A fee of ~~[\$25]~~ **\$50** shall be charged for each certificate. If the fee is not paid within 30 days of the date on which the certificate is issued, the certificate shall be void.

98 Elevator Inspection Fees; Increase. Amend RSA 157-B:5, I to read as follows:

I. Subsequent to the inspection of an elevator or accessibility lift, an inspector shall file with the commissioner an inspection report on a form prescribed by the commissioner indicating whether or not the elevator or accessibility lift is certifiable and shall provide a copy of the inspection report to the owner or the owner's designee. When an elevator or accessibility lift passes inspection, the commissioner shall furnish an inspection certificate to its owner or the owner's designee on a form prescribed by the commissioner. A fee of ~~[\$25]~~ **\$50** shall be charged for each certificate. If the fee is not paid within 30 days of the date on which the certificate is issued, the certificate shall be void.

99 Elevator Inspection Fees; Increase. Amend RSA 157-B:9 to read as follows:

157-B:9 Installation of New Elevators and New Accessibility Lifts; Fees. Detailed plans or specifications of each new or altered elevator or accessibility lift shall be submitted to and approved by the commissioner or the commissioner's authorized representative before the construction of the elevator or accessibility lift may be started. Fee for examination of the plans or specifications is ~~[\$2]~~ **\$4** per \$1,000 of the valuation of the elevator or accessibility lift as covered by the blueprints. The minimum fee is ~~[\$100]~~ **\$200**.

100 Labor Enforcement; Increased Civil Penalties. Amend RSA 273:11-a, I to read as follows:

I. In addition to any criminal penalty provided under this title, the commissioner may, after hearing, impose a civil penalty not to exceed ~~[\$1,000]~~ **\$2,500**, as determined by the commissioner, for any violation of any of the provisions of this title or of any rule adopted pursuant to this title. Any person on whom a penalty is imposed under this section may appeal as provided in RSA 273:11-c and 273:11-d. All moneys collected under this section shall be deposited in the general fund.

101 Insurance Department; Insurance Fraud Prosecutor. Amend RSA 400-A:6, VII to read as follows:

VII. The commissioner shall appoint, as the commissioner's assistants, a health care policy analyst, a health care statistician, ~~[and]~~ a legal counsel, ~~[who]~~ **and an insurance fraud attorney, each of whom** shall serve at the pleasure of the commissioner during good behavior. The health care policy analyst, health care statistician, ~~[and]~~ legal counsel, **and insurance fraud attorney** shall perform such duties and exercise such powers as the commissioner may authorize.

102 Insurance Department; Salaries. Amend RSA 94:1-a, I by inserting the following in group FF:

FF Insurance department insurance fraud prosecutor

103 New Paragraph; Division of Fire Safety; Administration of the Modular Building Standards Program Added. Amend RSA 21-P:12 by inserting after paragraph III the following new paragraph:

III-a. Administration of the modular building standards program under RSA 205-C.

104 New Paragraph; State Fire Marshal; Bureau of Electrical Safety and Licensing. Amend RSA 21-P:12 by inserting after paragraph V the following new paragraph:

VI. Administration, supervision, and enforcement of RSA 319-C regulating electricians. There is hereby established within the division of fire safety a bureau of electrical safety and licensing under the supervision of the state fire marshal, which shall include the electricians' board and staff.

105 Bureau of Electrical Safety and Licensing. RSA 319-C:4, IV is repealed and reenacted to read as follows:

IV. The board shall be within the bureau of electrical safety and licensing, division of fire safety, department of safety, administered and enforced by the state fire marshal.

106 Inspectors. Amend RSA 319-C:5, I to read as follows:

I. The state fire marshal **and the board**, with the ~~[advice and consent of the board]~~ **approval of the commissioner of safety**, shall be empowered to appoint such inspectors as may be necessary to carry out the purposes of this chapter. Any person so employed shall be ~~[located in the office of the state fire marshal and]~~ under the administration and supervisory direction of the state fire marshal.

107 Rulemaking By the Board. Amend the introductory paragraph of RSA 319-C:6-a to read as follows:

The board, **with the approval of the commissioner of safety**, shall adopt rules, pursuant to RSA 541-A, relative to:

108 Electricians; Fees. Amend RSA 319-C:6-b to read as follows:

319-C:6-b Fees. The board, **with the approval of the commissioner of safety**, shall establish fees for examination of applicants, for licensure, for renewal, and for late renewal of licenses to practice under this

chapter, and for transcribing and transferring records and other services. The fees established by the board shall be sufficient to produce estimated revenues equal to 125 percent of the direct operating expenses of the board for the previous fiscal year. ***Fees collected shall be deposited in the fire standards and training and emergency medical services fund, established in RSA 21-P:12-d, and used for the purposes of operating expenses of the electricians' board. Fees collected in excess of actual operating expenses shall be deposited in the general fund as unrestricted revenue.***

109 Disposition of Funds. RSA 319-C:11 is repealed and reenacted to read as follows:

319-C:11 Disposition of Funds. The state fire marshal shall cause to be recorded all receipts and disbursements under this chapter. The state fire marshal or designee shall forward all funds received under this chapter to the state treasurer for deposit in the fire standards and training and emergency medical services fund established in RSA 21-P:12-d.

110 Department of Health and Human Services; Psychiatric Research Center. Funding in PAU 05-01-09-04-01, class line 94, shall be restricted to research and related services or activities approved by the commissioner of the department of health and human services, or designee. Such research and related activities or services shall be jointly determined by the commissioner of the department of health and human services or designee and the psychiatric research center of Dartmouth college and shall be designed to develop an integrated mental health care system to serve the mission and goals of New Hampshire hospital. The commissioner shall report annually to the fiscal committee of the general court regarding the purpose and benefits of funds expended through the psychiatric research center of Dartmouth college.

111 Department of Health and Human Services; Local Access Program; Lapse Extension. The appropriation made to the department of health and human services in 2003, 318:1, PAU 05-04-07, class 90, for the local access program is extended to June 30, 2007, and may be used by the department for administrative costs associated with the medicaid radiology prior authorization program.

112 New Hampshire Vaccine Association; Cost of Vaccines. Amend RSA 126-Q:4, III to read as follows:

III. For any year in which the total ~~[non-federal program cost exceeds 50 percent of the estimated vaccine cost, then the amount to be raised by the association shall be determined by multiplying the ratio of the number of covered lives to the total number of non-elderly New Hampshire residents by 50 percent of the estimated vaccine cost]~~ ***calculated cost to be received is less than the anticipated cost for vaccines, the association shall pay the amount of the increase to the state.***

113 Department of Health and Human Services; Reporting Requirement for Area Agencies and Community Mental Health Centers. For the biennium ending June 30, 2007, each area agency designated by the commissioner of health and human services pursuant to RSA 171-A:18, and each community mental health program approved by the director of community mental health programs pursuant to RSA 135-C:10, shall submit a report to the commissioner, no later than June 1 of each year, detailing the administrative cost containment measures taken by the agency or program and the specific savings resulting from those measures. The commissioner shall forward copies of all such reports to the governor, the president of the senate, and the speaker of the house of representatives.

114 New Paragraph; Public Assistance Recovery. Amend RSA 167:14-a by inserting after paragraph II the following new paragraph:

II-a. The commissioner may recover the amount of medical assistance furnished to a dependent child from the child's responsible parents to the extent authorized under Title XXI of the Social Security Act. In such cases, the amount of assistance furnished and subject to reimbursement shall include, but not be limited to, expenditures for medical care and health insurance premiums and other expenditures paid by the state for enrollment or other fees for participation in the program.

115 New Section; Children's Health Plan; Eligibility. Amend RSA 167 by inserting after section 67 the following new section:

167:67-a Eligibility; Resources.

I. Eligibility for assistance shall be based in part on the equity value of all countable resources available to the assistance group.

II. The department shall establish resource limits for applicant and participant assistance groups by rules adopted pursuant to RSA 541-A.

III. All resources owned by any member of the assistance group shall be considered as countable, unless specifically excluded by paragraph IV.

IV. The following resources shall be excluded when determining eligibility for assistance:

- (a) The primary residence of the household.
- (b) One vehicle per parent or caretaker relative.
- (c) Resources less than \$250,000 belonging to and used solely by a business.
- (d) All household possessions.
- (e) Any resource that is not legally available to the assistance group.

116 New Paragraph; Medicaid Hospital Outpatient Rates. Amend RSA 126-A:3 by inserting after paragraph VI the following new paragraph:

VII. Medicaid Hospital Outpatient Services; Designation in Operating Budget. Notwithstanding any other provision of law to the contrary, beginning with the biennium beginning July 1, 2005 and continuing thereafter, the department shall designate in its operating budget requests specific class lines for hospital outpatient services. The department shall not increase expenditures in approved budgets for such outpatient services without prior approval and additional appropriations from the general court. If expenditures for any quarter exceed 25 percent of the annual appropriation, the department shall reduce the rates paid to providers for the subsequent quarter to offset the amount of any such deficit.

117 Department of Health and Human Services; Home Health Services Rate Setting Requirement Suspended. Notwithstanding any provision of law or administrative rule to the contrary, for the biennium ending June 30, 2007, RSA 126-A:18-a, relative to rate setting for home health services, is suspended.

118 Department of Health and Human Services; Infrastructure Support. The department of health and human services shall apply for federal funding to develop an electronic health information infrastructure that enables performance measurement, care coordination, and case management in the delivery of state-funded, health insurance services. As part of the electronic health information infrastructure, the department may, in conformance with the Health Insurance Portability and Accountability Act (HIPAA) requirements, enter into collaborative agreements with the department of insurance, private health insurance plans, hospitals, clinics, physician's offices, and other health care providers relative to the use of information technology as a means of cost containment and quality improvement in the delivery of such services.

119 Department of Health and Human Services; Healthy Kids Silver Program; Cap. Notwithstanding any other provision of law, for the biennium beginning July 1, 2005 and continuing thereafter, the department of health and human services shall not increase expenditures in approved budgets for the Healthy Kids Silver Program without prior approval and additional appropriations from the general court.

120 Appropriation to Revenue Stabilization Reserve Account; Suspension of Payments to Federal Medicare Program.

I. The commissioner of the department of administrative services shall deposit the sum of \$13,470,651 on July 1, 2005 and the sum of \$30,148,637 on July 1, 2006 into the revenue stabilization reserve account established by RSA 9:13-e.

II. For the biennium ending June 30, 2007, no payments shall be made to the federal Medicare program, unless a court has determined that the provisions of Medicare Part D enacted in the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, popularly known as "the clawback," are constitutional.

121 Department of Health and Human Services; Care Management Pilot Program.

I. The department of health and human services shall establish and implement a care management pilot program that supports the efficient and effective delivery of primary and specialty care services focused on prevention and each client having a medical home. The department shall accomplish this through 2 complementary, strategies: (a) centrally managing the care of medicaid clients through a care coordination vendor, and (b) working to implement a provider-based primary care case management program, that incorporates pay-for-performance and holds providers accountable for health and financial outcomes.

II. The department shall explore the cost effectiveness of entering into an administrative service contract to provide comprehensive care coordination services for medicaid clients. The scope of services shall bridge financial and clinical management, and include, but not be limited to, the following:

(a) Coordination of the various existing contracts for disease management, case management, and utilization management.

(b) High cost, high complexity case management using predictive modeling and an individualized intervention plan.

(c) Linking patients and providers to various department programs and services to maximize efficiency and reduce redundancy. These services include public health programs, maternal and child health programs, immunization, home visiting, transportation, translation, prevention services for the elderly, and substance abuse treatment.

(d) Coordination of the primary medical care and mental health care of medicaid recipients.

III. The department shall explore the cost effectiveness of entering into contracts to establish a primary care case management methodology for reimbursing providers that holds providers accountable for health and financial outcomes. Such contracts could be made directly with various provider organizations or sub-contracted with providers through an administrative services organization. Primary care case management shall include, but not be limited to:

(a) Establishment of a medical home for medicaid clients. To facilitate greater access to preventive care, and more appropriate utilization of specialty services, each enrollee shall choose or be assigned a primary care provider. Patient education programs, after hours nurse support and triage systems, and recipient incentives may be provided to support the implementation of a medical home.

(b) Increase the utilization of evidence-based medicine and preventive services.

(c) Explore the feasibility of implementing a pay-for-performance reimbursement methodology.

IV. Not later than December 31, 2007, the commissioner shall submit to the president of the senate, the speaker of the house of representatives, and the governor a report describing the results of the pilot project. The report shall include:

(a) Information regarding:

(1) recipient and provider satisfaction;

(2) recipient access to primary and specialty care services;

(3) recipient outcomes, including health status improvement; and

(4) the fiscal impact to political subdivisions of this state in the areas in which the pilot project is implemented, including any cost savings realized by those entities from the implementation.

(b) Recommendations on whether to implement the pilot project on a state-wide basis.

V. If before implementing any provision of this section the commissioner determines that a waiver or other authorization from a federal agency is necessary for implementation of that provision, the department shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted. The state shall enter into Medicaid waivers from the federal Centers for Medicare and Medicaid Services, subject in each case to a review by the oversight committee on health and human services, established in RSA 126-A:13, which shall make a report to the legislative fiscal committee which shall have final approval authority.

122 Department of Revenue Administration and Department of Health and Human Services; Memorandum of Understanding Relative to Information Exchange. The commissioner of the department of revenue administration shall enter into a memorandum of understanding with the commissioner of the department of health and human services for the purpose of defining and implementing an information exchange to facilitate the eligibility determination and recovery of public assistance. The memorandum of understanding shall include staff training procedures, security and privacy criteria, requirements for employees who work with the information, and the conditions and methods upon which information shall be provided to the department of health and human services.

123 Department of Health and Human Services; Medical Education Payments. For the biennium ending June 30, 2007, the department of health and human services shall suspend payments for indirect medical education in PAU 05-01-02-01-05, class 90 and PAU 05-01-08-04-01, class 98.

124 Department of Health and Human Services; Residential Services; Rate Setting Requirement Suspended. Notwithstanding any provision of law or administrative rule to the contrary, for the biennium ending June 30, 2007, He-C 6422, relative to the residential child care facilities rate setting, is suspended.

125 Department of Health and Human Services; Integration of Medical and Mental Health Care of Medicaid Recipients.

I. The department of health and human services shall explore strategies to integrate the medical care and mental health care of its Medicaid recipients including the following:

(a) Location of a mental health provider within a primary care setting to provide on-site assessment and treatment, or location of a primary care provider within a mental health setting.

(b) Disease management for individuals with severe mental illness including identification of those with severe mental illness and chronic diseases such as diabetes and heart and lung disease, the provision of nurse case management within community mental health centers to coordinate and monitor health care, and the provision of patient education and skills training in illness self-management.

(c) Enhanced collaboration between community mental health centers and community health centers.

II. The department of health and human services shall seek appropriate federal waivers or authority from the Centers for Medicare and Medicaid Services and the Health Resources and Services Administration, United States Department of Health and Human Services. The department of health and human services shall additionally establish a system to track claims data from primary care and mental health venues to measure cost offset and total cost.

126 New Chapter; Pharmaceutical Marketing Disclosure. Amend RSA by inserting after chapter 5-C the following new chapter:

CHAPTER 5-D PHARMACEUTICAL MARKETING DISCLOSURE

5-D:1 Definitions. In this chapter:

I. "Clinical trial" means an approved clinical trial conducted in connection with a research study designed to answer specific questions about vaccines, new therapies, or new ways of using known treatments.

II. "Pharmaceutical marketer" means a person who, while employed by or under contract to represent a pharmaceutical manufacturing company, engages in pharmaceutical detailing, promotional activities, or other marketing of prescription drugs in this state to any physician, hospital, nursing home, pharmacist, health benefit plan administrator, or any other person authorized to prescribe, dispense, or purchase prescription drugs. The term shall not include a wholesale drug distributor or the distributor's representative who promotes or otherwise markets the services of the wholesale drug distributor in connection with a prescription drug.

III. "Pharmaceutical manufacturing company" means any entity which is engaged in the production, preparation, propagation, compounding, conversion, or processing of prescription drugs, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, or any entity engaged in the packaging, repackaging, labeling, relabeling, or distribution of prescription drugs. The term shall not include a wholesale drug distributor or pharmacist licensed under this chapter.

IV. "Trade secret information" includes but is not limited to, any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to certain individuals within a commercial concern, and which gives its user or owner an opportunity to obtain business advantage over competitors who do not know it or use it.

5-D:2 Pharmaceutical Marketers.

I.(a) Annually on or before January 1 of each year, every pharmaceutical manufacturing company shall disclose to the secretary of state the value, nature, and purpose of any gift, fee, payment, subsidy, or other economic benefit provided in connection with detailing, promotional, or other marketing activities by the company, directly or through its pharmaceutical marketers, to any physician, hospital, nursing home, pharmacist, health benefit plan administrator, or any other person in this state authorized to prescribe, dispense, or purchase prescription drugs. Disclosure shall be made on a form and in a manner prescribed by the secretary of state. The secretary of state shall provide to the office of the attorney general complete access to the information required to be disclosed under this subparagraph. The secretary of state shall report annually on the disclosures made under this section to the general court and the governor on or before March 1.

(b) Each company subject to the provisions of this section shall also disclose to the secretary of state, on or before January 1, 2006 and annually thereafter, the name and address of the individual responsible for the company's compliance with the provisions of this section.

(c) The secretary of state shall keep confidential all trade secret information. The disclosure form prescribed by the secretary of state shall permit the company to identify any information that is a trade secret.

(d) The following shall be exempt from disclosure:

(1) Free samples of prescription drugs intended to be distributed to patients.

(2) The payment of reasonable compensation and reimbursement of expenses in connection with bona fide clinical trials.

(3) Any gift, fee, payment, subsidy, or other economic benefit the value of which is less than \$25.

(4) Scholarship or other support for medical students, residents, and fellows to attend a significant educational, scientific, or policy-making conference of a national, regional, or specialty medical or other professional association if the recipient of the scholarship or other support is selected by the association.

II. The attorney general may bring an action in superior court for injunctive relief, costs, and attorneys fees, and to impose on a pharmaceutical manufacturing company that fails to disclose as required under this section a civil penalty of no more than \$10,000 per violation. Each unlawful failure to disclose shall constitute a separate violation.

127 New Section; Department of Revenue Administration; Sham Transactions May Be Disregarded. Amend RSA 21-J by inserting after section 38 the following new section:

21-J:38-a Sham Transactions May Be Disregarded.

I. The commissioner may disregard any sham transaction in ascertaining any taxpayer's tax liability. With respect to transactions between members of a controlled group, the taxpayer shall bear the burden of establishing by a preponderance of the evidence that a transaction or a series of transactions between the taxpayer and one or more members of the controlled group was not a sham transaction. For all other taxpayers, the commissioner shall bear the burden of establishing by a preponderance of the evidence that a transaction or series of transactions was a sham transaction.

II. In administering any tax, the commissioner may apply the doctrines of economic reality, substance over form, and step transaction.

III. The commissioner may adopt rules under RSA 541-A that are necessary to administer this section, including rules establishing criteria for identifying sham transactions.

IV. In this section:

(a) "Controlled group" means 2 or more person related in such a way that one person directly or indirectly owns or controls the business operation of another member of the group.

(b) "Sham transaction" means a transaction or series of transactions without economic substance because there is no business purpose or expectation of profit other than obtaining tax benefits.

(c) "Tax" includes any tax administered by the commissioner.

(d) "Taxpayer" includes any person or entity subject to a tax.

128 Senior Prescription Drug Discount Program; Transfer of Certain Funds Authorized. The commissioner of the department of health and human services may transfer funds collected from the medicaid supplemental prescription rebate program beyond those currently projected not to exceed \$1,200,000 to offset the administrative, marketing, and contract costs of implementing the New Hampshire Rx program, if such program is enacted by the general court. Such authorization shall continue until such time as the New Hampshire Rx plus program rebates funding is received. The New Hampshire Rx plus rebates shall first be used to repay funds transferred from the medicaid supplemental rebate program, and then according to the allowable expenses specified under the New Hampshire Rx plus program.

129 Tobacco Tax; Definition of Tobacco Products; Tax Imposed on Loose Tobacco and Tobacco Products Other Than Cigarettes.

I. Amend RSA 78:1, XIV to read as follows:

XIV. "Tobacco products" means cigarettes, ***loose tobacco***, and smokeless tobacco.

II. Amend RSA 78:7-c to read as follows:

78:7-c Tax Imposed on ***Loose Tobacco and Tobacco Products Other Than Cigarettes***. A tax upon the retail consumer is hereby imposed on ***loose tobacco and tobacco products other than cigarettes*** at a rate of 19

percent of the wholesale sales price. The tax under this section may be rounded to the nearest cent if the commissioner determines that the amount of tax would not thereby be made materially disproportionate. No such tax is imposed on any transactions, the taxation of which by this state is prohibited by the Constitution of the United States.

130 New Paragraph; County Nursing Facility Beds; Certificate of Need Requirement Eliminated. Amend RSA 151-C:6 by inserting after paragraph III the following new paragraph:

IV. Any county that surrenders the license for a bed at a county-owned nursing facility may at any time in the future reestablish and relicense that bed at the same facility without being subject to any requirement for a certificate of need pursuant to this chapter.

131 Tax Amnesty. Notwithstanding the provisions of any other law, with respect to real estate transfer taxes under RSA 78-B administered by the department of revenue administration, an amnesty from the assessment or payment of all penalties and interest greater than 10 percent per annum shall apply with respect to unpaid taxes reported and paid in full during the period from December 1, 2005, through and including February 15, 2006, regardless of whether previously assessed. This amnesty shall only apply to taxes due but unpaid on or before February 15, 2006.

132 Repeal. RSA 82-A:5, relative to the communications tax exemption for the first \$12 of a residential customer's telephone service charge, is repealed.

133 Effective Date.

I. Paragraph II of section 18 of this act shall take effect July 1, 2005 at 12:01 a.m.

II. Sections 6, 53, and 111 of this act shall take effect June 30, 2005.

III. Sections 73, 76, 79, 82, 85, 88, 91, and 92 of this act shall take effect July 8, 2005.

IV. Sections 68, 74, 77, 80, 83, 86, and 89 of this act shall take effect January 6, 2006.

V. Sections 69, 75, 78, 81, 84, 87 and 90 of this act shall take effect July 7, 2006.

VI. Section 126 of this act shall take effect January 1, 2006.

VII. The remainder of this act shall take effect July 1, 2005.

2005-1794s

AMENDED ANALYSIS

This bill:

I. Authorizes the office of information technology to transfer funds within and among all PAU's within the office, with the approval of the fiscal committee, for the biennium ending June 30, 2007.

II. For the biennium ending June 30, 2007, allows the department of fish and game, the department of transportation, and the department of regional community-technical colleges to lease vehicles and equipment at the discretion of the agency head.

III. Prohibits the department of safety from expending funds for collection and administration costs in the current fiscal year if the department has not yet filed the previous year's collection cost report.

IV. Limits the ability of the department of health and human services to change program eligibility standards and rates in the biennium ending June 30, 2007.

V. Provides that, for the biennium ending June 30, 2007, the department of health and human services may accept and expend additional revenues above budgeted amounts for provider payments and certain other programs and services, subject to approval of the fiscal committee and governor and council.

VI. Authorizes the department of health and human services to transfer funds within and among all PAUs within the department for certain purposes, subject to approval of the fiscal committee and governor and council.

VII. Provides that, for the biennium ending June 30, 2007, revenue generated by the liquor commission shall be deposited in the general fund.

VIII. Provides that in each year of the biennium ending June 30, 2007, all tobacco settlement funds received by the state shall be deposited in the education trust fund, and the balance of the tobacco use prevention fund as of June 30, 2005 shall lapse to the general fund.

IX. Establishes a \$4,000 cap on community mental health services benefits available to persons identified as adults with low service utilization of such services, and requires the department to establish, by rule, a procedure to waive the financial cap.

X. Extends the current funding formula relative to county nursing homes and proportionate share payments to July 1, 2007, and provides that, in calculating such expenditures, pharmaceutical services include the Medicare prescription drug benefit.

XI. Requires that acceptance and expenditures of federal aid and any other non-state funds in excess of \$50,000 be approved by the joint legislative fiscal committee.

XII. Increases the local medical assistance contribution from counties.

XIII. Establishes the judicial branch family division.

XIV. Appropriates federal emergency assistance funds to the department of transportation.

XV. Defines a family mutual support organization as a nonprofit corporation that provides certain assistance to families and individuals with mental illness.

XVI. Requires that the oversight committee on health and human services include a member of the house finance committee and a member of the senate finance committee.

XVII. Provides that for the biennium ending June 30, 2007, interest income on appropriations to the land and community heritage investment program (LCHIP) fund shall be deposited in the LCHIP administrative fund.

XVIII. Increases motor vehicle fines.

XIX. Provides that the budget surplus as of June 30, 2005 shall remain in the general fund.

XX. Requires the commissioner of the department of transportation to implement the regional electronic toll collection system on September 1, 2005.

XXI. Discontinues the sale of tokens on September 1, 2005 and the collection of tokens on January 1, 2006.

XXII. Establishes discounts for passenger and commercial vehicles using the regional electronic toll collection system.

XXIII. Increases the tobacco tax.

XXIV. Provides for the rehiring of laid off state employees for available state positions.

XXV. Allows the lottery commission to deduct instant ticket delivery fees deducted from lottery receipts.

XXVI. Establishes the position and salary of finance director for the department of transportation.

XXVII. Establishes a 2-year pilot program and a committee on investment of state highway mitigation funds for the purposes of natural, cultural, and historical resource conservation, consistent with the land and community heritage investment program.

XXVIII. Reduces the minimum reserve required for the state self-insured health insurance plan.

XXIX. Establishes an indirect cost recovery program under the department of administrative services.

XXX. Allows the commissioner of an agency that is affected by an employee classification decision made by the director of personnel to appeal such decision to the commissioner of administrative services.

XXXI. Establishes salaries for law enforcement employees.

XXXII. Establishes salaries for councilors and commissioners, judges, unclassified employees, and judicial and legislative employees.

XXXIII. Provides for the department of regional community-technical colleges to acquire or lease certain property from the Pease development authority. The bill also provides that proceeds from the sale or lease shall be used to reduce the authority's debt owed to the state.

XXXIV. Increases judicial salaries.

XXXV. Increases inspection fees for elevators and boilers, and increases civil penalties for violations of labor statutes.

XXXVI. Establishes the position and salary of the insurance fraud attorney in the insurance department.

XXXVII. Adds administration of the modular building standards program to the responsibilities of the state fire marshal.

XXXVIII. Establishes a bureau of electrical safety and licensing in the department of safety, division of fire safety, and transfers the electricians' board and administration and enforcement of electricians' licensing to the state fire marshal.

XXXIX. Establishes restrictions on certain appropriations for community mental health services.

XL. Extends a prior appropriation to the department of health and human services for a local access program.

XLI. Requires the New Hampshire vaccine association to pay to the state the amount of the increase in any year in which the total calculated cost to be received is less than the anticipated cost for vaccines.

XLII. Requires the area agencies and community mental health programs to submit a cost containment report to the department of health and human services for each year of the biennium.

XLIII. Allows the commissioner of the department of health and human services to recover assistance costs furnished to children from the children's parents, and establishes eligibility criteria for the children's health plan.

XLIV. Requires the department of health and human services to designate in its operating budget specific class lines for medicaid hospital outpatient services.

XLV. Suspends existing law relative to rate setting for home health services.

XLVI. Authorizes the department of health and human services to apply for federal funding to establish an electronic health information infrastructure and to enter into collaborative agreements with other departments and entities relative to the expanded use of information technology.

XLVII. Prohibits the department of health and human services from increasing expenditures for the Healthy Kids Silver program without additional appropriations from the general court.

XLVIII. Requires the commissioner of administrative services to deposit certain sums in the revenue stabilization reserve account. The bill also suspends payments by the state to the federal Medicare program, unless a court determines that provisions of Medicare Part D, popularly known as "the clawback" are constitutional.

XLIX. Establishes a care management pilot program for medicaid clients in the department of health and human services.

L. Requires the department of health and human services and the department of revenue to enter into a memorandum of understanding relative to information exchanged between the 2 agencies for purposes of public assistance eligibility and recovery.

LI. Suspends certain payments for indirect medical education for the biennium ending June 30, 2007.

LII. Suspends administrative rules relative to residential child care facility rate setting.

LIII. Requires the department of health and human services to explore strategies to integrate the medical care and mental health care of its medicaid recipients.

LIV. Requires the disclosure of pharmaceutical marketing to the secretary of state, and provides a civil penalty for failing to disclose.

LV. Authorizes the commissioner of revenue administration to disregard sham transactions for purposes of assessing tax liability and shifts the burden of proof in determining whether a transaction is a sham based on the parties involved.

LVI. Authorizes the commissioner of the department of health and human services to transfer funds collected from the medicaid supplemental rebate program for the purposes of start-up costs for the New Hampshire Rx plus program, if such program is enacted by the general court.

LVII. Imposes the same tax on loose tobacco as is currently imposed on tobacco products other than cigarettes.

LVIII. Allows any county that surrenders the license for a bed at a county-owned nursing facility to reestablish and relicense that bed at the same facility without meeting certificate of need requirements.

LIX. Provides for an amnesty period on payment of penalties and interest on unpaid real estate transfer taxes owed to the state.

LX. Repeals the communications tax exemption for the first \$12 of a residential customer's monthly telephone bill.

Amendment adopted.