

A budget that works for NH families, businesses, and taxpayers

JUST LAST WEEK, the House and Senate budget conferees finished working out the details of the Fiscal Year 2018-19 state spending plan. Since the budget process began, I've solicited input and listened to individuals, organizations, businesses and colleagues who are impacted by the state's budget. I strongly believe this is the best budget compromise we could have achieved. What we've produced is a budget that spends only what the state can afford, grows New Hampshire's economy and provides for our citizens who are most in need.

The committee of conference budget relies on lower revenue projections by \$24 million. As a result, the budget agreement spends \$104 million less in total funds and \$24 million less in general funds than the Senate budget, with total spending at \$11.7 billion. In addition to keeping spending low, we've ensured not to further burden Granite State taxpayers by not including any new taxes or fees.

We've also continued our focus on strengthening our state's economy and growing jobs. The committee of conference budget includes additional business tax relief by lowering the Business Profits Tax to 7.5 percent and the Business Enterprise Tax to 0.5 percent. Although House conferees offered tax reductions contingent upon meeting certain revenue triggers, we were able to compromise to have business tax reductions without them. This is an important compromise as contingencies may send a message of uncertainty to small businesses.

The budget also allows businesses to take deductions on capital expenses up to \$500,000, so they can invest in their business and create more jobs. We've already seen real results from the first round of lowering business taxes, with business tax revenues currently running 12 percent ahead of projections. We have the fourth-lowest unemployment rate in the nation with the fourth-fastest growing economy in the country. We only expect this trend to continue once these progrowth proposals take effect.

We've also continued to address the high cost of energy by eliminating the Electric Consumption Tax, which homeowners and businesses alike pay every month. We have more work to do, but this is an important step to lowering our high electric rates. Eliminating the Electric Consumption Tax sends a

Just two years ago, our state's balance was a paltry \$9 million under Democratic leadership. I'm proud to say this budget moves it to \$100 million.

The importance of a healthy Rainy Day Fund was reinforced this past week, when S&P reduced Massachusetts' bond rating. What was their reasoning for the downgrade? Missed opportunities to improve the state's financial stability for the future. New Hampshire's budget is squarely focused on taking every opportunity to grow our state's economy and provide a strong, stable economic foundation for our future.

In addition to keeping spending down, we've also ensured that we are taking care of those truly in need. This budget continues to fight the heroin and opioid crisis by doubling substance abuse funding, and creating a new youth drug treatment center at the underutilized Sununu Youth Services Center. It also provides strong leadership and takes deliberate action to address the needs of our friends and neighbors waiting for weeks in emergency rooms for mental health treatment by adding 60 new beds for community treatment options.

In order to help keep our children safe, this budget also shows strong leadership by changing the culture at the Division of Children, Youth and Families. It creates an office of the Child Advocate to provide greater oversight and transparency outside of the department and also requires the lead attorney to be supervised by the attorney general to ensure enhanced effectiveness in prosecutions.

Sadly, throughout the process, Democrats proposed hundreds of millions in new spending, often duplicating programs already in place. While more can always be done, we must balance the needs versus wants and provide for the critical needs but also create a competitive environment for the future. This budget does just that.

We need to look at this budget as a whole and ask ourselves if we believe business tax relief, lower energy costs and growing the rainy day fund are policies worthy of your support. I believe the answer is a resounding yes, and I urge full support of this plan on Thursday.

message to all ratepayers that we hear your concerns, and we must reverse the trend.

Sen. Gary Daniels, R-Milford, chairs the Senate Finance Committee.

Although having a healthy Rainy Day Fund is one of the most important things we can do to ensure financial stability, New Hampshire has struggled.

Another View

Sen. Gary Daniels