

Budget Reduction Lowlights for FY 2016/2017

All references to cuts are from HB 1 & HB 2 as introduced – the Governor's budget.

Over \$76 million dollars of federal money is left behind in D.C. that will be distributed to other states.

Emptied the Rainy Day Fund!

- The House passed budget empties the Rainy Day Fund, which will have a negative effect on NH's bond rating.

Raid of Dedicated Funds!

Renewable Energy Fund – RAID of \$51 million PLUS the additional \$1.3 million that was left in the account, for a total of \$52.3 million, the largest raid of dedicated funds in recent history of state budget writing. Leaves this fund empty!

Educational Credentialing - Transfers \$2.5 million of dedicated funds collected for educational credentialing.

Road Toll Funds - Transfers 8 million swept from road toll; was in a "lock-box" in statute from the 4.2 cent road toll increase in 2014 – dedicated to a block grant to cities & towns.

DOWNSHIFTING!

- **Aid to municipalities for infrastructure.**
- **Reduction in Rooms & Meals distribution.**
- **DOT cuts may affect local communities.**
- **State Police patrols in small communities may be cut.**
- **Election law 28A issue regarding the taking of photographs of voters without identification. The NH Secretary of State will no longer be required to provide each city and town the photography and printing supplies necessary.**
- **Reduction of funds to nursing home patients will be borne by the county property tax payer.**
- **Renewable Energy Fund – RAID of this fund means that municipalities, as well as businesses and low-income individuals, will not be able to access energy grants and weatherization programs.**

Increases in Taxes & Fees

- Vanity Plates – increase in fee from \$40 to \$43.
- Fish & Game – Relinquishes fee setting to the executive director, thereby avoiding a vote on increasing fees.
- Nursing home tax increase of \$26 million.

BUDGET REDUCTIONS from HB 1 & HB 2 as Introduced – the Governor's Budget

Administrative Services

- Elimination of the State Employee pay raise agreed to in the collective bargaining agreement.
- Retired State Employee under age 65 health care benefit increase in payment from 12.5% to 20%.
- “Cadillac tax” on state employees’ health benefits.

Treasury Department

- Reduces meals & rooms tax to municipalities. Downshifting!

Public Utilities Commission

- Renewable Energy Fund - \$51 million raid from the program of dedicated renewable energy funds intended to help businesses, consumers and local communities cut their energy costs.

Department of Resources and Economic Development

- Decrease in funding for travel and tourism will reduce economic activity for NH businesses.

Department of Safety - \$2.5 million cut

- Will cause the closure of three motor vehicle substations in Gorham, Epping & Milford.
- Reduces State Police patrols at Hampton Beach by 50% and eliminates State Police auxiliary – including State House security.

Department of Transportation

- **\$20 million cut from operating budget**
- Cutting all aid to local communities for infrastructure.

Department of Corrections

- Reduction in general fund for overtime costs by \$4,000,000 for the biennium.

Education

University System

- \$28 million cut to the University System
- Currently, NH has the highest tuition in the country.

Community Colleges

- \$3,430,000 - cut
5,225,000

Health & Human Services

Many of the cuts to HHS will also cause the loss of Federal Funds, often a 50% match.

Medicaid Expansion

- Repeals the NH Health Protection Program (Medicaid Expansion)
- Currently there are 39,000 low income adults enrolled in the program and increasing every month. Under this House Republican budget proposal, the program will sunset on 12/31/16.

Developmental Disability Services

- \$52 million cut

Alcohol and Drug Abuse Prevention Services

- \$6 million cut
- In addition, eliminates substance disorder benefit for Medicaid clients

Emergency Shelters - includes shelters for homeless & veterans and domestic violence victims.

- \$4 million cut

Elderly Services

- \$25 million cut
- Funding reduced by 50% for services
- Eliminates Service Link
- Reductions include Meals on Wheels, congregate meals, transportation and other community-based programs.

Mental Health Services

- Delays by one year the opening of a 10 bed crisis unit at NH Hospital. Current waiting list includes 40 adults and children waiting in emergency rooms.
- Non Medicaid low-utilizer patients' services cap lowered from \$400 to \$200.

New Hampshire Hospital

- A \$2 million cut in seven nursing positions, including 6 nurse coordinator positions

Community Health Centers

- \$2 million cut

Nursing Home Care

- Unknown impact of \$7 million general fund cut for managed care step 2

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