

SB 238-FN-A – AS INTRODUCED

2014 SESSION

14-2657
01/10

SENATE BILL **238-FN-A**

AN ACT relative to restoring moneys to the department of health and human services and depositing the balance of the surplus into the revenue stabilization reserve account.

SPONSORS: Sen. Larsen, Dist 15; Sen. Fuller Clark, Dist 21; Sen. D'Allesandro, Dist 20; Sen. Gilmour, Dist 12; Sen. Kelly, Dist 10; Sen. Lasky, Dist 13; Sen. Pierce, Dist 5; Sen. Soucy, Dist 18; Sen. Watters, Dist 4; Sen. Woodburn, Dist 1; Rep. Rosenwald, Hills 30; Rep. Wallner, Merr 10; Rep. J. MacKay, Merr 14

COMMITTEE: Finance

ANALYSIS

This bill restores certain moneys to the department of health and human services for cuts made in 2013, 143:10. This bill also requires certain surplus moneys, less the amount restored to the department, to be deposited in the revenue stabilization reserve account.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT relative to restoring moneys to the department of health and human services and depositing the balance of the surplus into the revenue stabilization reserve account.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Department of Health and Human Services; General Fund Surplus. Amend RSA 2013, 143:10
2 to read as follows:

3 143:10 Department of Health and Human Services; Reduction in Appropriation; **General Fund**
4 **Surplus.**

5 **I.** Department of Health and Human Services; Reduction in Appropriation. The department
6 of health and human services is hereby directed to reduce state general fund appropriations by
7 \$7,000,000 for the biennium ending June 30, 2015. The department shall provide a quarterly report
8 of reductions made under this section to the fiscal committee of the general court and the governor
9 and council.

10 **II.** *The reduction amount in paragraph I shall be offset by any fiscal year 2013*
11 *general fund surplus greater than \$57,000,000 as determined by the official audit*
12 *performed pursuant to RSA 21-I:8, II(a) and certified to the joint legislative fiscal*
13 *committee. The maximum amount of the offset to the reduction shall be \$7,000,000.*

14 2 Transfer of Surplus to Revenue Stabilization Reserve Account. The state treasurer shall
15 transfer to the revenue stabilization reserve account, established in RSA 9:13-e, an amount equal to
16 any surplus greater than \$64,000,000 for the fiscal year ending June 30, 2013 as determined by the
17 official audit performed pursuant to RSA 21-I:8, II(a).

18 3 Effective Date. This act shall take effect upon its passage.

SB 238 FISCAL NOTE

AN ACT relative to restoring moneys to the department of health and human services and depositing the balance of the surplus into the revenue stabilization reserve account.

FISCAL IMPACT:

The Office of Legislative Budget Assistant states this bill, **as introduced**, may increase state expenditures and revenue by an indeterminable amount in FY 2014. There will be no fiscal impact on county or local revenues and expenditures.

METHODOLOGY:

The Office of Legislative Budget Assistant states this bill will reduce or eliminate the back-of-the-budget appropriation reduction for the Department of Health and Human Services (DHHS) if the state general fund surplus for FY 2013 exceeds \$57 million. The FY 2014-15 Operating Budget, Chapter 143:10, Laws of 2013, requires the DHHS to reduce state general fund appropriations by \$7 million for the biennium ending June 30, 2015. The projected combined general and education trust fund surplus for FY 2013 was \$56.9 million in June. Pursuant to RSA 21-I:8(a), the final audited comprehensive annual financial report (CAFR) shows a combined general and education trust fund surplus for FY 2013 of \$72.2 million. Since the final surplus for FY 2013 exceeds the surplus anticipated in June by \$15.3 million, the Department's budget reduction will be decreased by \$7 million. Federal funds are available to match state general fund expenditures at various rates in different programs in the Department's budget. The impact on federal revenue cannot be determined at this time because it is not known which specific program or personnel lines would be impacted.

In addition, the bill requires the Treasurer to transfer any FY 2013 surplus amount in excess of \$64 million to the revenue stabilization reserve account established in RSA 9:13-e. As a result, \$8.2 million of the surplus would be transferred to the revenue stabilization reserve account. The bill is effective upon passage.