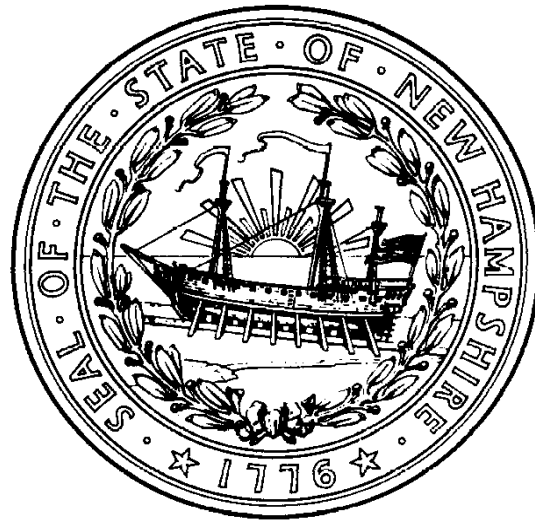


HOUSE FINANCE COMMITTEE

BUDGET BRIEFING - HOUSE BILL 1 & 2

APRIL 5, 2021



**OPERATING BUDGET FOR FISCAL YEARS ENDING
JUNE 30, 2022 AND 2023**

2021-2022 SESSION
HOUSE FINANCE COMMITTEE by DIVISION

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VICE CHAIRMAN – Lynne M. Ober
CLERK – Joseph Pitre

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**HOUSE FINANCE COMMITTEE
BUDGET BRIEFING – HOUSE BILL 1 & 2
FY 2022 - FY 2023**

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**State of New Hampshire
House Finance Committee Budget Highlights
FY 2022-2023**

OVERALL HIGHLIGHTS

Appropriations

- The Committee amendment is a balanced budget that does not rely on new taxes or federal stimulus funds from the American Rescue Plan Act of 2021.
- The Committee amendment provides \$13.46 billion in total funds. This includes \$5.42 billion in general and education trust funds which is -1.4% below the previous biennium.

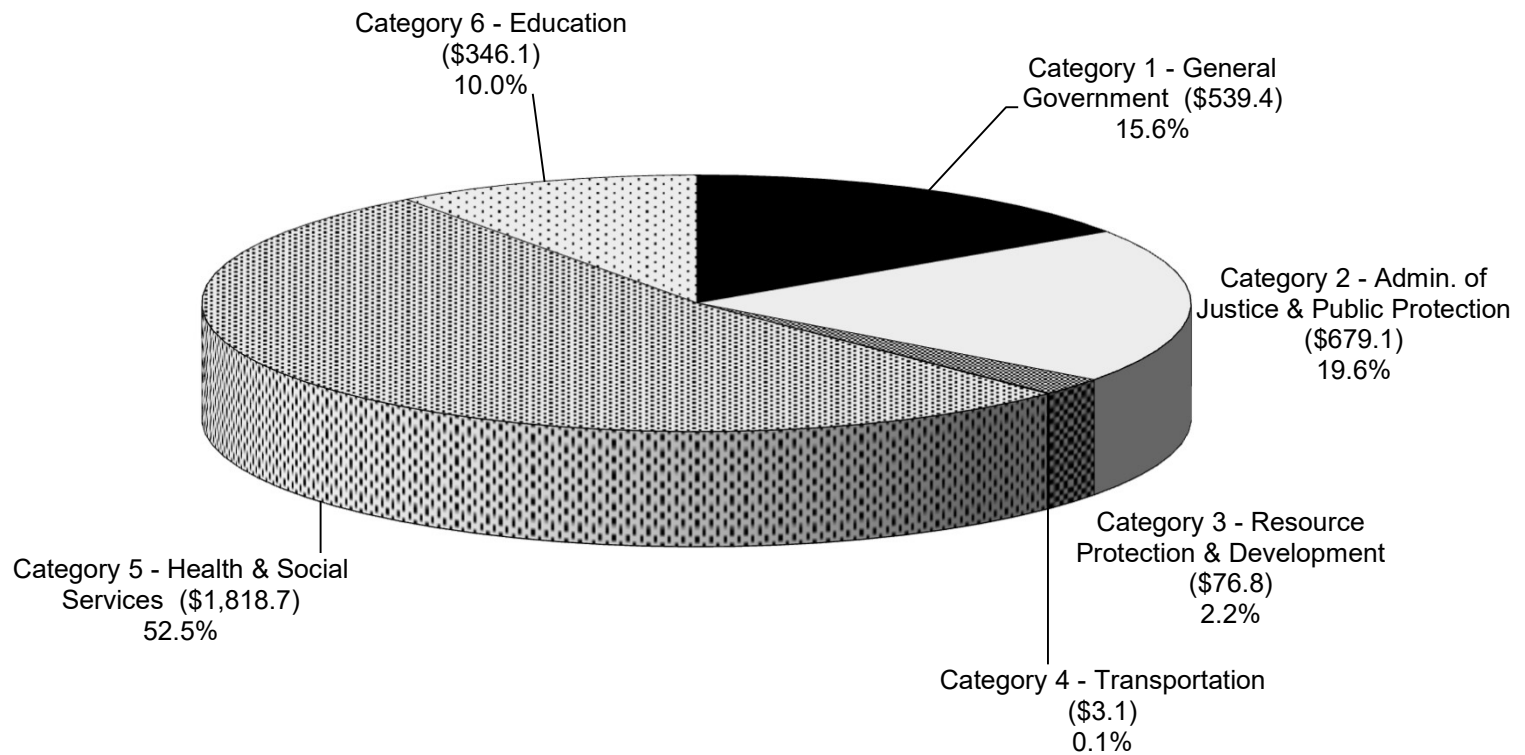
Revenues

- The Committee amendment utilizes revenue projections from existing sources which were estimated unanimously by the House Ways and Means Committee in March.
- The Committee amendment includes various tax reductions, including:
 - Decreases the State-Wide Education Property Tax by \$100 million.
 - Reduces the Meals and Rooms Rate to 8.5%.
 - Reduces the Business Enterprise Tax rate to 0.55% and increases the filling threshold.
 - Reduces the Business Profits Tax rate to 7.6%.
 - Fully phases out the Interest and Dividends Tax over five years.

Rainy Day Fund

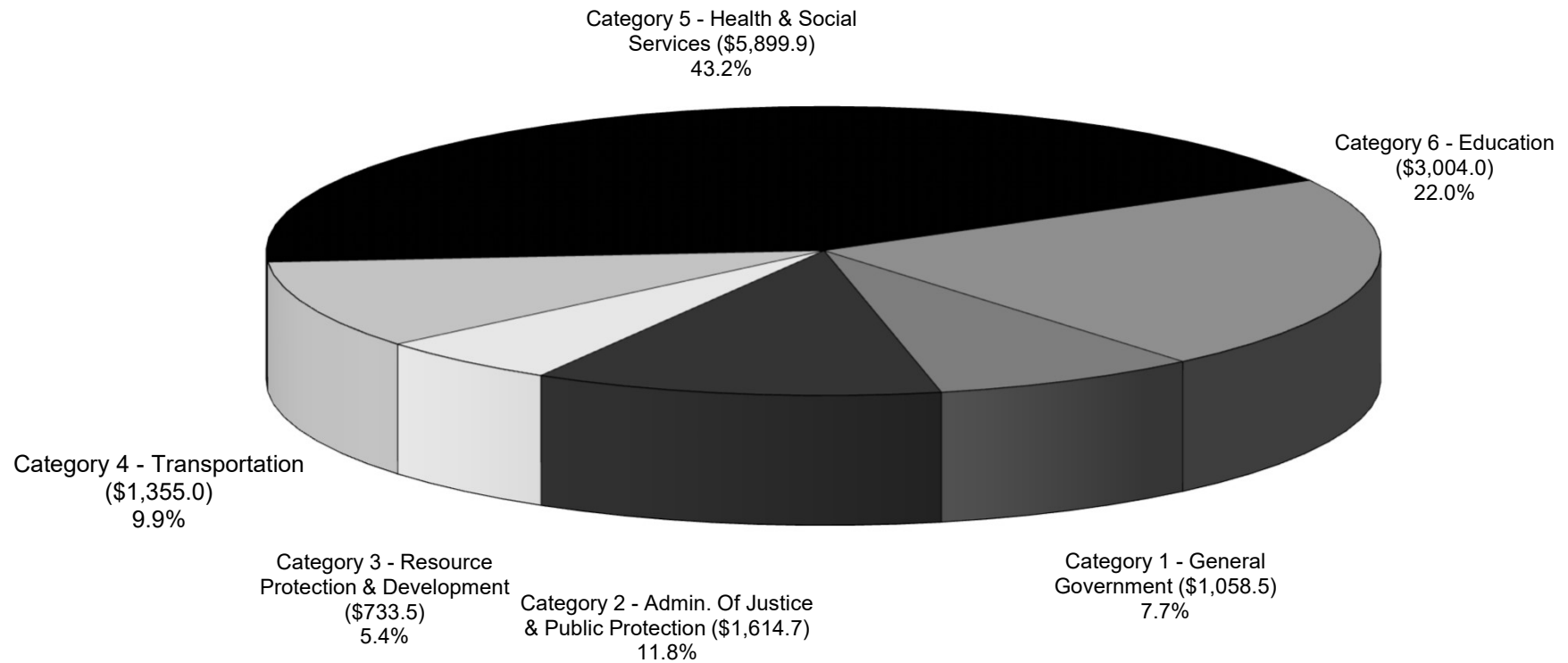
- The Committee amendment increases the Rainy Day Fund to \$142.6 million at the end of the biennium, which would be the highest total in the State's history.

**HB 1, AS AMENDED BY THE HOUSE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 22/23 (APPROPRIATIONS BY CATEGORY)
GENERAL FUNDS - \$3,463.1**



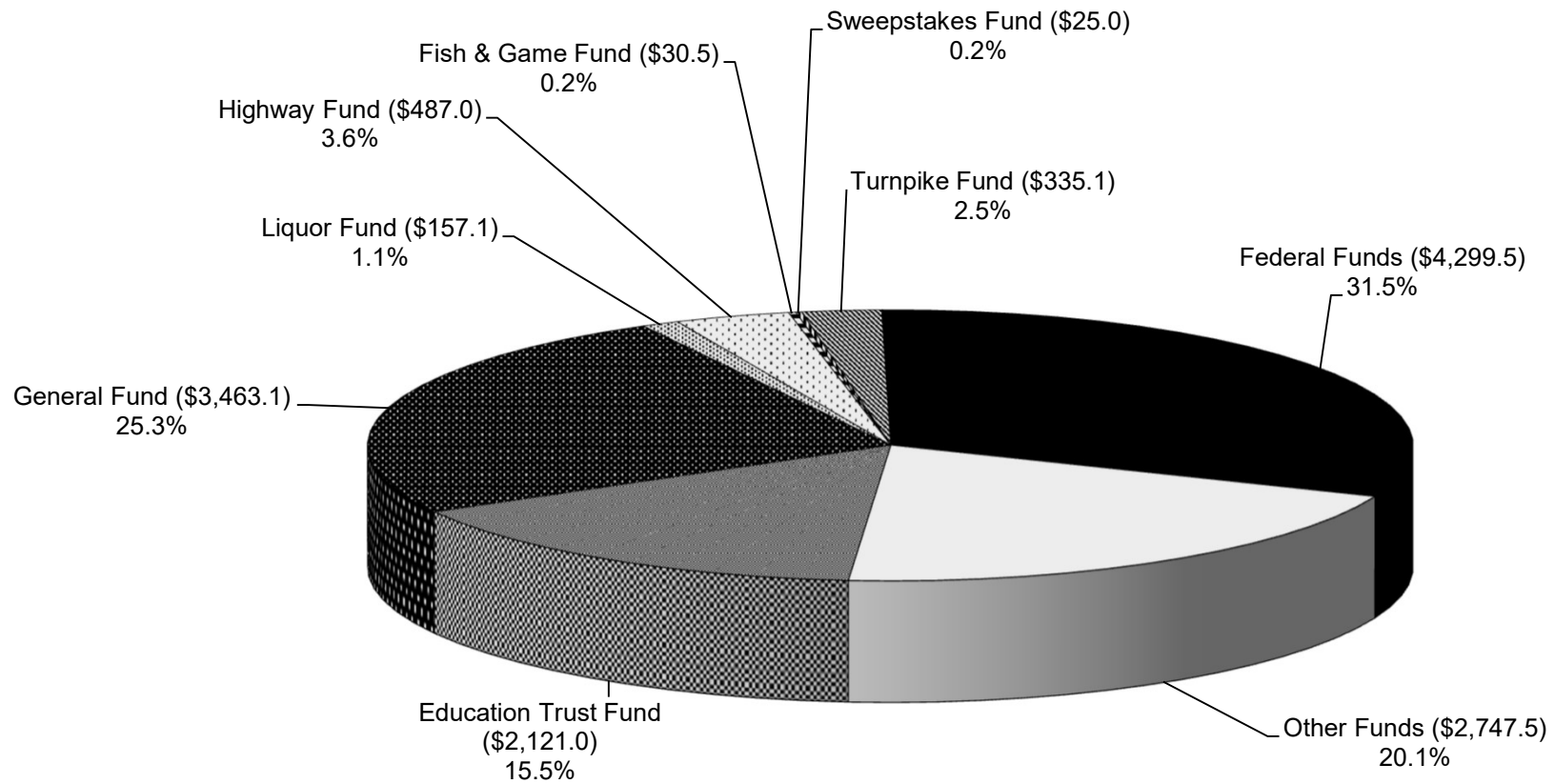
Section 1 Only
Source of Funds in Millions
Variances in totals due to rounding.

**HB 1, AS AMENDED BY THE HOUSE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 22/23 (APPROPRIATIONS BY CATEGORY)
TOTAL FUNDS - \$13,665.7**



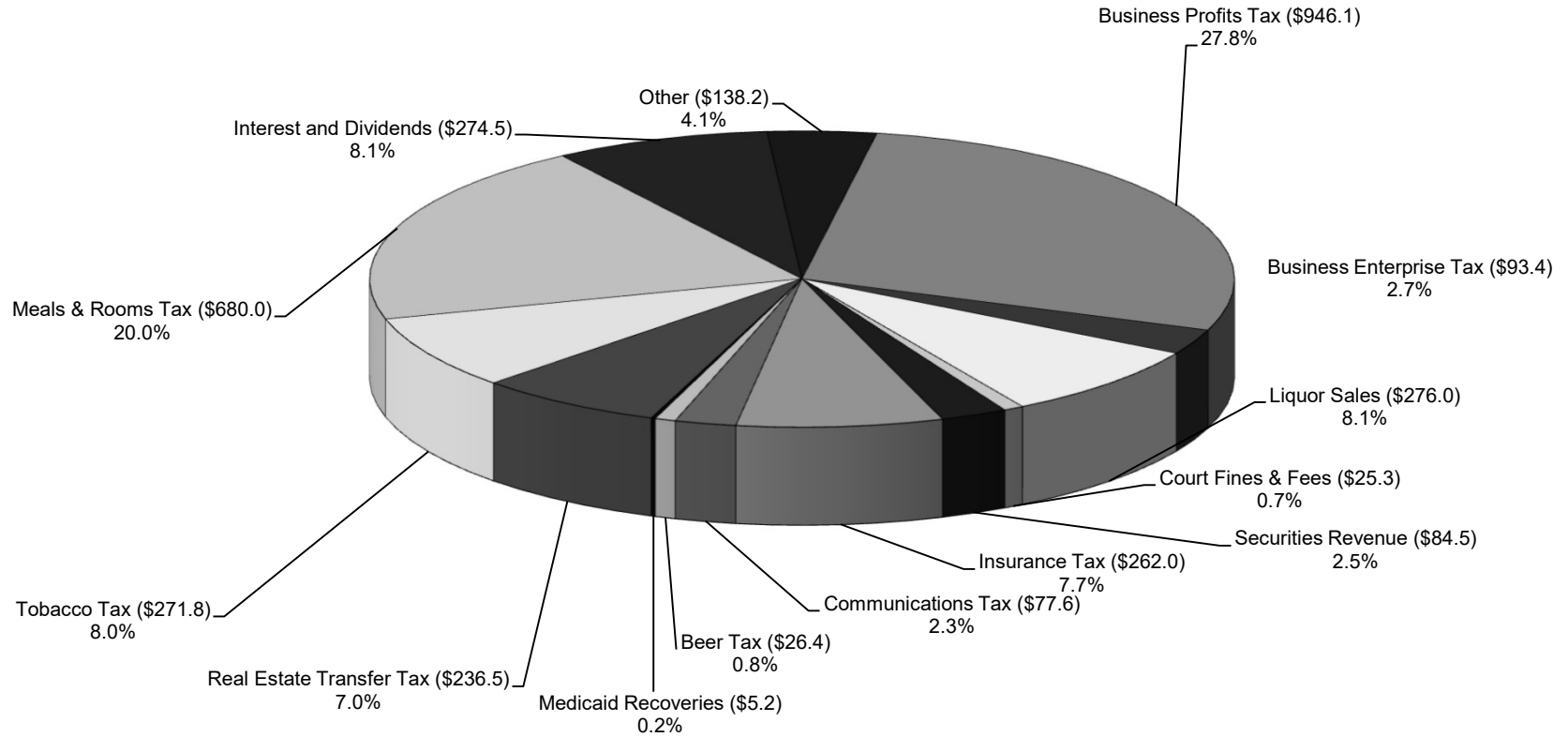
Section 1 Only
Totals NOT Net of Transfers
Amounts in Millions
Variances in totals due to rounding.

**HB 1, AS AMENDED BY THE HOUSE FINANCE COMMITTEE
THE OPERATING BUDGET FOR FY 22/23 (APPROPRIATIONS BY SOURCE)
TOTAL FUNDS - \$13,665.7**



Section 1 Only
Other Funds NOT Net of Transfers
Amounts in Millions
Variances in totals due to rounding.

HB 1, AS AMENDED BY THE HOUSE FINANCE COMMITTEE THE OPERATING BUDGET FOR FY 22/23 (UNRESTRICTED REVENUE) GENERAL FUNDS - \$3,397.5



Section 14 Only
Amounts in Millions
Variances in totals due to rounding

DIVISION I

Department of Administrative Services

- Utilizes savings from errata and insurance re-allocation to restore 20 positions that had been unfunded in the previous budget rounds due to the uncertain economic picture.
- Moves the appropriation to pay sheriffs for the transport of prisoners out of the budget of Administrative Services and into the Judicial Branch.
- Allocates the cost of cybersecurity insurance across state government through the Department of Information Technology. Each agency now will pay its relative share of the cost instead of the burden being borne by the state general fund.
- Deletes over \$500,000 in premature budget dollars in HB 1 under DAS for a law enforcement commission that has not yet been recommended from legislative studies. This initiative is now funded in HB 2 at \$100,000 with a contingency in place as part of a comprehensive re-write of that section with stakeholder input.
- Reaffirms the responsibility of the Lakeshore Redevelopment Planning Commission to make recommendations regarding any sale of any part of the Lakes Region Facility to the commissioner of the department of administrative services and the legislative Long Range Capital Planning and Utilization Committee as part of the existing statutory requirements.

Department of Information Technology

- Appropriates funds to the Department of Information Technology to restore four shared positions that provide IT services across state government. This model has proved to be an efficient way for agencies to benefit from information technology without the duplication and additional cost of have in-house IT staff at each department.

- Permits the department to fill unfunded positions during the biennium only if the total expenditure for such positions does not exceed the amount appropriated for personnel services.

Department of Revenue Administration

- Funds 2 auditor positions that will collect \$3M in state-owed revenue in FY 2023.
- Fully funds flood control programs at \$1.8 million over the biennium.

State Treasury

- Distributes \$152.6 million of meals and rooms revenue to cities and towns over the biennium, an increase of \$15 million over the prior biennium for this statutory distribution (RSA 78-A:26).
- Re-allocates the \$6 million general fund appropriation for the Governor's Scholarship Fund to restore funding to the education and vocational programs for the Department of Corrections.
- Approves the Governor's requested change to the statutory cap on the revenue stabilization reserve account (Rainy Day Fund) based on the prior biennium's general fund unrestricted revenue, rather than the prior fiscal year total, thus increasing the allowable amount that may be deposited into this account.

Office of Strategic Initiatives

- Moves the planning function of this office into the Department of Business and Economic Affairs, the conservation land stewardship function to the Department of Administrative Services, and the energy related programs into the new Department of Energy.

Judicial Branch

- Transfers the appropriation for prisoner transport from the Department of Administrative Services to the Judicial Branch. The appropriations for custody and transport of prisoners and court security are now all within one entity.
- Provides the Supreme Court the authority to transfer funds within the Judicial Branch's budget as deemed necessary and appropriate to address budget reductions or to respond to changes in federal laws, regulations, or programs, and otherwise as necessary for the efficient management of the judicial branch. Such transfers in excess of \$100,000 shall require approval of the Fiscal Committee.

Department of Military Affairs and Veterans Services

- Provides that the Department of Military Affairs and Veterans Services shall coordinate access to mental health programs available through the United States Department of Veterans Affairs.

Department of Agriculture, Markets and Food

- Authorizes the commissioner of the department of agriculture, markets, and food to create a database for animal records by transferring money from certain funds. Makes an appropriation of \$250,000 in FY2023 for maintenance of the database. Establishes a position in the department of information technology for the building and management of the database.

Department of Justice

- Recognizes general fund savings of \$278,000 by delaying the start of a new program and two new attorney positions. The general fund savings recognizes it takes a time to advertise, interview, extend an offer and finally fill a new position. The new positions are funded effective July 1, 2021. These new activities are authorized but will start later.

Banking Department

- Requires the bank commissioner to charge the public deposit investment pool for actual costs incurred by the banking department to operate the pool. This mitigates a potential conflict between the Department's role in regulating state-chartered entities and the Commissioner's role in supporting the public deposit investment pool.

Liquor Commission

- Amends the State liquor laws to change the enforcement division from a "police division" to a "licensing and education division". The uniformed positions will end on December 31, 2021 to provide 6 months for the officers to join other police entities. Full funding of the positions is provided in the first budget year to cover the cost of paying accumulated leave and any other termination costs.

Department of Energy

- Proposes the Energy Department, which combines the Public Utilities Commission, the Consumer Advocate, the Site Evaluation Committee, and portions of the Office of Strategic Initiatives. The House Finance amendment makes technical corrections to the proposed language and moves some positions to the appropriate functional area within the new organization.

Department of Corrections

- Restores the Transition housing programs at the Shea Farm and Calumet House. Transitional Housing beds cost significantly less to operate than a prison bed. Without this resource those without the income to secure housing would remain in prisons longer while trying to find suitable housing programs. While in transitional housing programs, Medicaid eligible residents can start using this benefit and reduce the general fund cost for their healthcare.
 - Restores the transitional housing program coordinator position and the operating costs for the transitional housing program at the Shea Farm in Concord. Transferred the staff back from the men's prison in Concord to the Shea Farm. General fund cost \$378,875 for the biennium.

- Restores the transitional housing program coordinator position and the operating costs for the transitional housing program at the Calumet House in Manchester. Transferred the staff back from the men’s prison in Concord to the Calumet House. General fund cost of \$495,660 for the biennium.
- Restores funding to the department’s education and vocational programs. These long-standing educational programs at the State Prisons have reduced recidivism and contribute to a person’s success upon release from prison. The Committee received numerous handwritten letters from individuals sharing stories of success and how have they have benefitted from these programs.
- Provides the Department, subject to approval of the Fiscal Committee and the Governor and Executive Council, the ability to transfer funds between and among appropriations for salaries, overtime pay, holiday pay, part-time pay and benefits, allowing the Commissioner to effectively manage the Department’s personnel costs. This language is critical to the Department’s ability to manage overtime costs resulting from vacant positions.

Department of Employment Security

- Authorizes the commissioner of the department of employment security to participate in the United States Department of Labor’s Integrity Data Hub for the purpose of preventing and detecting fraud in the unemployment compensation system as well as efficiently coordinating and streamlining integrity improvement efforts

Judicial Council

- Includes language to provide that in the event that expenditures for termination of parental rights services are greater than amounts appropriated in the operating budget, the judicial council may request, with prior approval of the Fiscal Committee, that the Governor and Executive Council authorize additional funding.

Department of Business and Economic Affairs

- Increases funding to the Small Business Development Center from \$50k to \$450k for the biennium. This was funded by reducing \$400,000 of the over \$17M funds budgeted for Travel and Tourism in the Governor’s proposed budget.

Department of Natural and Cultural Resources

- Provides over \$1 million in general funds to the department for improvements at Jericho Mountain beach area campground and the Hampton RV Park that should lead to increased usage and associated revenues. Eliminates requests totaling \$1 million for 3 other proposed projects at this time.

Department of Environmental Services

- Suspends the state aid grants for the biennium; however, provides that the Commissioner can seek additional general fund appropriations from the Fiscal Committee and the Governor and Executive Council if unrestricted revenue is above the revenue plan after 6 months and each 6 months thereafter.

DIVISION II

Department of Transportation

- Based on revenue estimates, fully funds highway block grants (“Apportionment A”) to cities and towns at \$68.1 million over the biennium (equal to 12% of the previous year’s road toll/“gas tax” and motor vehicle fee revenue).
 - In recognition of the pandemic’s impact on road toll and motor vehicle fee revenue, this budget provides an additional \$4.0 million general fund appropriation to this program.
- Based on revenue estimates, fully funds the Highway and Bridge Betterment Program at \$80.6 million over the biennium. This program is funded by \$0.03 per gallon of the road toll (less “Apportionment A”) and a portion of the “SB367” \$0.042 restricted road toll, and is primarily used for paving on the state highway system, as well as bridge rehabilitation and other work improving the condition of the system across the state.

- In recognition of the pandemic's impact on road toll revenue, this budget provides an additional \$5.0 million general fund appropriation to this program.
- Provides approximately \$11.8 million (including \$6.0 million from the General Fund) over the biennium for the maintenance and acquisition of fleet vehicles and equipment.
- Provides approximately \$66.6 million (including \$4.0 million from the General Fund) over the biennium to fund winter maintenance operations.
- Provides \$13.6 million over the biennium for the State Bridge Aid Program, which provides a state match for construction or reconstruction of municipally owned bridges.

Department of Education

- In recognition of the pandemic's impact on enrollments, allows for the Department to make certain adjustments to free and reduced meal eligible pupil counts for the purpose of calculating adequate education grants. This would provide approximately \$16.7 million in FY 2022 and \$17.5 million in FY 2023 of additional aid to school districts, above estimates under current law.
- Relative to the FY 2023 proposed \$100.0 million reduction to the statewide education property tax (SWEPT), provides authority, if necessary, to the Department to make supplemental education payments in the event a municipality's total education grant (including SWEPT raised and retained locally) is negatively affected. This ensures state aid would not be impacted by the SWEPT reduction.
- In recognition of the one-year lag between student counts and adequacy payments, provides full funding to school districts that began full-day kindergarten programs the 2019-20 and 2020-21 school years. Language included in HB 2 would ensure school districts that begin full-day kindergarten programs would receive full adequacy payments in the first year of the program.
- Fully funds aid to public charter schools, based on enrollment estimates provided by the Department, totaling approximately \$47.0 million in FY 2022 and \$49.5 million in FY 2023.

- Provides \$1.0 million over the biennium for lease aid to public charter schools. Also increases the maximum annual aid amount per school from \$30,000 to \$50,000 (HB 521).
- Provides \$79.9 million for school building aid, which includes:
 - \$52.0 million for payments on previously approved projects
 - \$19.9 million for new school building aid projects
 - \$8.0 million to make accelerated payments on previously approved projects, designed to pay down existing state obligations sooner, which would allow for aid for new building aid projects in future budgets.
- Provides \$67.2 million over the biennium to fully-fund special education aid for higher cost students (formerly known as “catastrophic aid”) to school districts.
- Provides \$18.0 million over the biennium for career and technical education (CTE) tuition and transportation aid to school districts.
- Provides \$1.5 million over the biennium for the NH Robotics Education Development Program.

Lottery Commission

- Authorizes historical horse racing, consistent with HB 626 (as recommended out of the Committee on Ways and Means), which is estimated to generate an estimated \$18.0 million in additional education trust fund revenue over the biennium.

Community College System of New Hampshire (CCSNH) and University System of New Hampshire (USNH)

- Maintains separate governance and state support appropriations for CCSNH and USNH, while supporting a new commission to explore, study, and assess the potential for establishing a collaborative and strategic merging of the two systems. Also, \$1.5 million is appropriated to the commission to carry out its work.

- Provides funding for both CCSNH (\$56.0 million per year) and USNH (\$88.5 million per year) at FY 2021 levels.
- Moves administration of the Dual and Concurrent Enrollment Program from the Department of Education to CCSNH and provides \$1.5 million per year (the program's full projected cost).

Department of Safety

- Provides the Department with highway funds (including costs associated with collecting motor vehicle fees and road toll), at a level well below the allowable statutory limit set by RSA 9:9-b.
- Establishes the Body-Worn and Dashboard Camera Fund, with \$1.0 million, to provide matching grants to local law enforcement agencies to assist with the purchase, maintenance, and replacement of equipment, as well as ongoing costs associated with data storage. This is in response to a recommendation of the NH Commission on Law Enforcement Accountability, Community, and Transparency (LEACT).
- Provides additional funding for the Department's top three (3) prioritized needs: Two (2) positions in the toxicology lab and one (1) in the forensic lab. These positions will help meet demand and help prevent delays and backlogs.

Fish and Game Department

- Provides approximately \$1.2 million in general funds over the biennium to support the Fish and Game Fund. This amount is less than previous budgets as the Fund is healthier, with a projected surplus of over \$6.0 million at the end of FY 2023.

Police Standards and Training Council

- Supports Governor's recommended funding levels, including \$210,000 over the biennium for the purpose of providing crisis intervention team training programs.

Not Agency Specific

- Makes no changes to the funding of the NH Excellence in Higher Education Endowment Trust Fund, however, does authorize the NH College Tuition Savings Plan Advisory Commission to transfer funds between it and the Governor’s Scholarship Program Fund, as it deems appropriate.
- Forms a commission to develop recommendations for legislation to establish a single, neutral, and independent statewide entity to receive complaints alleging misconduct regarding all sworn and elected law enforcement officers. This is in response to a recommendation of the NH Commission on Law Enforcement Accountability, Community, and Transparency (LEACT). Also sets aside \$100,000 to fund the proposed entity in FY 2023.

DIVISION III

Department of Health and Human Services General Fund Appropriations, FY 2018 - FY 2023 Proposed						
	FY 2018 Adopted	FY 2019 Adopted	FY 2020 Adopted	FY 2021 Adopted	FY 2022 House Finance Proposed	FY 2023 House Finance Proposed
HB 1 Appropriation Totals	\$ 705,400,000	\$ 723,641,943	\$ 791,208,976	\$ 821,440,681	\$ 866,437,735	\$ 915,993,015
HB 1 Back-of-Budget	\$ -	\$ -	\$ (13,204,790)	\$ (13,445,658)	\$ (41,300,000)	\$ (31,300,000)
HB 2 & Other Appropriations	\$ -	\$ 100,000	\$ 73,443,000	\$ 18,853,000	\$ 18,351,552	\$ 13,031,765
Total:	\$ 705,400,000	\$ 723,741,943	\$ 851,447,186	\$ 826,848,023	\$ 843,489,287	\$ 897,724,780
Biennial Increase:			17.4%		3.7%	
Compound Annual Growth Rate, FY 2018 - FY 2023:						4.9%

Department of Health and Human Services – Agencywide

- Limits growth in DHHS general fund appropriations. As seen in the preceding table, the FY 20/21 budget represented an increase of 17.4 percent over FY18/19, while the proposed FY22/23 budget limits growth to 3.7 percent over FY20/21, resulting in a compound annual growth rate of 4.9 percent from FY 2018 to FY 2023.
- Incorporates a back-of-the-budget reduction of \$30 million in FY 2022 and \$20 million in FY 2023, keeping expenditures down while providing the Department with managerial flexibility. Gives priority to direct service provision by exempting the following from the reduction: developmental services, including acquired brain disorder services and children’s in-home support services; the children’s health insurance program; and county programs, including the state share of funding for nursing facilities and other long-term care services.
- Incorporates a second back-of-the-budget reduction specific to personnel costs, requiring DHHS to reduce personnel-related appropriations by \$22.6 million over the biennium, equivalent to 226 full-time positions. Further states that at no time during the biennium shall the Department exceed 3,000 full-time authorized positions.
- Funds modernized IT infrastructure, allowing the Department to better manage programs and ensure more reliable eligibility cross-checks. Provides one-time maintenance funding for the legacy Medicaid Management Information System as the Department transitions to new modular information technology systems.
- Provides \$3.3 million in funding to implement recommendations made by a consultant retained to identify areas in which agency operations could be streamlined, resulting in greater efficiencies and accountability. The recommendations are expected to save \$4 million in FY 2022 and \$6.2 million in FY 2023, and the statewide lapse estimate has been increased to reflect these savings.

DHHS – Division of Children, Youth, and Families

- Saves over \$12 million in annual general fund expenditures by closing the Sununu Youth Services Center (SYSC) on July 1, 2022. Includes funding for transitional costs including employee retraining, and turns over the property and facilities to the Department of Administrative Services for unspecified repurposing.
- Following closure of the SYSC, provides funding for placement of minors who are not able to be served in community settings.

DHHS – Division of Economic and Housing Stability

- Helps parents go back to work by allowing the child development program to utilize federal Temporary Assistance to Needy Families funds in the event budgeted funds are insufficient to prevent a waitlist for employment-based child day care services.

DHHS – Office of Medicaid Business and Policy

- Funds Medicaid programs at the governor’s recommended levels, including managed care, fee-for-service, and the children’s health insurance program.
- Recognizes additional federal revenue from the enhanced Federal Medical Assistance Percentage (FMAP) for the first six months of FY 2022 which had been budgeted as general funds in the governor’s recommended budget.

DHHS – Elderly and Adult Services

- Reduces the annual growth in county costs for long-term care services to 2 percent, compared to 3 percent in previous budgets. Provides an additional \$29.1 million in general funds over governor-recommended levels. Further states that when paying for long-term care services, state funds shall be used first, followed by county funds, preventing county funds from being exhausted if expenditures are below budgeted levels.
- In keeping with previous budgets, directs that if nursing home rates paid to providers are less than the rates established by DHHS, any appropriations unspent at the end of each fiscal year shall be distributed as a lump-sum payment to providers of said services.

DHHS – Developmental Services

- Funds developmental services at the governor’s recommended levels, providing \$335 million in general funds and another \$330 million in federal funds over the biennium. Funds services for approximately 5,000 individuals statewide, preventing the need for a waitlist.
- Funds acquired brain disorder services at the governor’s recommended levels, providing \$26 million in general funds and \$24.3 million in federal funds over the biennium. Funds services for over 260 individuals with brain and spinal cord injuries.

- Funds children’s in-home support services at the governor’s recommended levels, providing \$8.2 million general funds and \$8.2 million in federal funds over the biennium for over 500 youth with developmental disabilities and significant medical or behavioral challenges.

DHHS – Division of Public Health

- Funds the family planning program at the governor’s recommended level, and adds \$50,000 in general funds to provide incentives to first-time contract awardees.
- Adds an HB 2 (budget trailer bill) section stating that state funds shall not be awarded to family planning programs unless physically and financially separate from reproductive health facilities where abortions are offered or performed.

New Hampshire Hospital and State Mental Health System

- Adds \$9 million in general funds for the purpose of providing mental health worker enhancements for NH Hospital direct care workers.
- Removes a provision authorizing a new 60-bed forensic hospital, allowing time for an integrated hearing on the subject with multiple House committees, including Public Works, Finance Division III, and the Health, Human Services, and Elderly Affairs Committee.

Veterans Home

- Funds the state Veterans Home at an assumed resident census of 225.
- Provides the Veterans Home with budgetary flexibility in the event income from residents’ payments and Veterans Administration payments are less than anticipated.

STATE OF NEW HAMPSHIRE							LBA	
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS							4/5/2021	
COMBINED GENERAL AND EDUCATION TRUST FUNDS								
(Dollars in Thousands)								
	FY 2021		FY 2022		FY 2023			
	Governor	H Finance	Governor	H Finance	Governor	H Finance		
1	<u>Beginning Balance, July 1</u>	\$ (54,400)	\$ (54,407)	\$ 5,500	\$ 19,896	\$ 5,830	\$ 67,144	1
2								2
3	<u>Revenues:</u>							3
4	Estimated Revenues	2,687,300	2,725,700	2,748,000	2,764,000	2,799,900	2,800,500	4
5	Revenue Adjustments	62,500	62,500	(22,510)	(14,663)	(29,690)	(118,063)	5
6	Total Revenues	2,749,800	2,788,200	2,725,490	2,749,337	2,770,210	2,682,437	6
7								7
8	<u>Appropriations:</u>							8
9	Budget Appropriations	(2,796,000)	(2,796,021)	(2,759,400)	(2,753,274)	(2,834,400)	(2,830,815)	9
10	Appropriation Adjustments	(74,300)	(76,206)	(32,760)	(19,815)	(1,400)	17,968	10
11	Less Lapses	150,500	150,500	67,000	71,000	92,000	98,200	11
12	Total Appropriations	(2,719,800)	(2,721,727)	(2,725,160)	(2,702,089)	(2,743,800)	(2,714,647)	12
13								13
14	Current Year Balance	30,000	66,473	330	47,248	26,410	(32,210)	14
15								15
16	Cumulative Ending Balance, June 30	(24,400)	12,066	5,830	67,144	32,240	34,934	16
17								17
18	Transfer (To)/From Rainy Day Fund to GF	29,900	7,830	-	-	(70)	(34,934)	18
19								19
20	Balance After Transfers, June 30	\$ 5,500	\$ 19,896	\$ 5,830	\$ 67,144	\$ 32,170	\$ -	20
21								21
22								22
23	Rainy Day Fund Balance (Current = \$115.5M)	\$ 85,600	\$ 107,670	\$ 85,600	\$ 107,670	\$ 85,670	\$ 142,604	23

STATE OF NEW HAMPSHIRE							LBA	
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS							4/5/2021	
GENERAL FUND								
(Dollars in Thousands)								
	FY 2021		FY 2022		FY 2023			
	Governor	H Finance	Governor	H Finance	Governor	H Finance		
1	<u>Beginning Balance, July 1</u>	\$ (51,200)	\$ (51,200)	\$ -	\$ -	\$ (4,450)	\$ 40,194	1
2								2
3	<u>Revenues:</u>							3
4	Estimated Revenues	1,616,400	1,638,500	1,668,700	1,682,700	1,689,400	1,714,800	4
5	Schedule 2 Adjustments	-	-	(16,890)	(15,063)	(17,580)	(16,143)	5
6	Total Revenues	1,616,400	1,638,500	1,651,810	1,667,637	1,671,820	1,698,657	6
7								7
8	<u>Appropriations:</u>							8
9	Budget Appropriations	(1,717,400)	(1,717,430)	(1,705,500)	(1,696,906)	(1,772,900)	(1,766,213)	9
10	Schedule 2 Adjustments	(11,800)	(11,800)	(17,760)	(1,537)	13,600	29,526	10
11	<i>Less Lapse Estimate</i>	<i>134,100</i>	<i>134,100</i>	<i>67,000</i>	<i>71,000</i>	<i>92,000</i>	<i>98,200</i>	11
12	<i>Lapse Estimate %</i>	<i>-7.8%</i>	<i>-7.8%</i>	<i>-3.9%</i>	<i>-4.2%</i>	<i>-5.2%</i>	<i>-5.7%</i>	12
13	Total Appropriations	(1,595,100)	(1,595,130)	(1,656,260)	(1,627,443)	(1,667,300)	(1,638,487)	13
14								14
15	Current Year Balance	21,300	43,370	(4,450)	40,194	4,520	60,170	15
16								16
17	Cumulative Ending Balance, June 30	(29,900)	(7,830)	(4,450)	40,194	70	100,364	17
18								18
19	Transfer (To)/From Education Trust Fund*	-	-	-	-	-	(65,430)	19
20								20
21	Net Cumulative Ending Balance, June 30	(29,900)	(7,830)	(4,450)	40,194	70	34,934	21
22								22
23	<i>Transfer (To)/From Rainy Day Fund</i>	<i>29,900</i>	<i>7,830</i>	<i>-</i>	<i>-</i>	<i>(70)</i>	<i>(34,934)</i>	23
24								24
25	Balance After Transfers, June 30	\$ -	\$ -	\$ (4,450)	\$ 40,194	\$ -	\$ -	25
26								26
27								27
28	Rainy Day Fund Balance (Current = \$115.5M)	\$ 85,600	\$ 107,670	\$ 85,600	\$ 107,670	\$ 85,670	\$ 142,604	28
29	*Includes HB 2 GF transfer appropriation to ETF of \$63.3M							29

STATE OF NEW HAMPSHIRE		SCHEDULE 1						LBA
COMPARATIVE STATEMENT OF REVENUE								4/5/2021
GENERAL FUND								
(Dollars in Thousands)								
		FY 2021		FY 2022		FY 2023		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	Business Profits Tax	\$ 440,500	\$ 461,000	\$ 450,300	\$ 466,900	\$ 472,800	\$ 479,200	1
2	Business Enterprise Tax	43,300	45,500	44,300	46,100	25,400	47,300	2
3	<i>Subtotal</i>	<i>\$ 483,800</i>	<i>\$ 506,500</i>	<i>\$ 494,600</i>	<i>\$ 513,000</i>	<i>\$ 498,200</i>	<i>\$ 526,500</i>	3
4	Meals & Rooms	302,600	301,700	333,600	330,800	352,300	349,200	4
5	Tobacco Tax	141,600	138,800	138,700	137,100	134,600	134,700	5
6	Transfers from Liquor Sales	128,400	129,000	136,700	138,000	136,300	138,000	6
7	Interest & Dividends Tax	131,200	128,800	138,100	136,500	140,900	138,000	7
8	Insurance Tax	128,000	130,000	127,000	128,000	133,300	134,000	8
9	Communications Tax	38,800	38,800	38,800	38,800	38,800	38,800	9
10	Real Estate Transfer Tax	128,900	130,000	122,400	121,900	113,700	114,600	10
11	Court Fines & Fees	11,300	12,300	11,900	12,600	12,600	12,700	11
12	Securities Revenue	43,000	41,300	43,000	42,000	43,000	42,500	12
13	Beer Tax	13,000	13,200	13,100	13,200	13,100	13,200	13
14	Other	62,800	64,800	68,100	68,100	70,100	70,100	14
15	Tobacco Settlement	-	-	-	-	-	-	15
16	Medicaid Recovery	3,000	3,300	2,700	2,700	2,500	2,500	16
17	TOTAL GENERAL FUND	\$ 1,616,400	\$ 1,638,500	\$ 1,668,700	\$ 1,682,700	\$ 1,689,400	\$ 1,714,800	17

STATE OF NEW HAMPSHIRE		SCHEDULE 2				LBA		
ADJUSTMENTS - SCHEDULE 2						4/5/2021		
GENERAL FUND								
(Dollars in Thousands)								
		FY 2021		FY 2022		FY 2023		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	REVENUE ADJUSTMENTS:							1
2	HB 1 - DRA Auditor Positions Revenue			500	500	2,100	4,100	2
3	HB 2 - Interest and Dividends Tax Phase Out					(6,300)	(6,300)	3
4	HB 2 - Meals and Rooms Tax Rate to 8.5%			(18,480)	(11,100)	(18,480)	(18,400)	4
5	HB 2 - BET Threshold Increase to \$250,000			(380)		(210)	(280)	5
6	HB 2 - BET Rate 0.55%			(780)	(800)	(1,210)	(1,200)	6
7	HB 2 - BET change impact on BPT credits			2,250		6,520		7
8	HB 2 - Business Taxes Credit Carryforward				(2,400)		(6,700)	8
9	HB 2 - Single Sales Factor Delay (HB 281)						16,200	9
10	HB 2 - Liquor License (HB 591)				37		37	10
11	HB 2 - BPT Rate to 7.6%				(1,300)		(3,600)	11
12	TOTAL REVENUE ADJUSTMENTS			\$ (16,890)	\$ (15,063)	\$ (17,580)	\$ (16,143)	12
13								13
14	APPROPRIATION ADJUSTMENTS:							14
15	Statutory/Fiscal/G&C Estimated Appropriations	(11,800)	(11,800)					15
16	GAAP Adjustments (27th Pay Period)					13,600	13,600	16
17	<u>Division I</u> -							17
18	HB 1 - DoIT Shared Services Positions				(233)		(242)	18
19	HB 2 - DMAVS, Veteran Support Services			(1,500)				19
20	HB 2 - Justice, Internet Crimes Against Children			(500)	(250)		(250)	20
21	HB 2 - FRM Victim's Contribution Recovery Fund			(1,000)				21
22	HB 2 - DNCR State Parks Projects			(2,017)	(1,002)			22
23	HB 2 - Animal Records Database						(250)	23
24	<u>Division II</u> -							24
25	HB 2 - Higher Education Merger Commission				(1,500)			25
26	HB 2 - Body Worn and Dashboard Camera Fund			(1,000)	(1,000)			26
27	HB 2 - Law Enforcement Misconduct Complaints						(100)	27
28	HB 2 - Dual and Concurrent Enrollment				(1,500)		(1,500)	28
29	HB 2 - DOT Appropriations				(19,000)			29
30	<u>Division III</u> -							30
31	HB 1 - DHHS Personnel Reduction					11,300	11,300	31
32	HB 1 - DHHS Department Wide Reduction					30,000	20,000	32
33	HB 2 - DHHS, Alvarez & Marsal Financial Review			(10,043)	(3,300)			33
34	HB 2 - DHHS, Senior Support Services			(1,500)				34

STATE OF NEW HAMPSHIRE		SCHEDULE 2						LBA
ADJUSTMENTS - SCHEDULE 2								4/5/2021
GENERAL FUND								
(Dollars in Thousands)								
		FY 2021		FY 2022		FY 2023		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
35	HB 2 - DHHS - Expanded and Countinued Admission			(200)				35
36	HB 2 - SYSC Study Commission				(100)			36
37	HB 2 - SYSC Closure Job Training				(500)			37
38	HB 2 - SYSC Closure Contingency				(2,050)			38
39	HB 2 - MMIS Appropriation				(12,402)		(13,032)	39
40	TOTAL APPROPRIATION ADJUSTMENTS	\$ (11,800)	\$ (11,800)	\$ (17,760)	\$ (1,537)	\$ 13,600	\$ 29,526	40

STATE OF NEW HAMPSHIRE							LBA	
COMPARATIVE STATEMENT OF FUND BALANCE							4/5/2021	
EDUCATION TRUST FUND								
(Dollars in Thousands)								
	FY 2021		FY 2022		FY 2023			
	Governor	H Finance	Governor	H Finance	Governor	H Finance		
1	<u>Beginning Balance, July 1</u>	\$ (3,200)	\$ (3,207)	\$ 5,500	\$ 19,896	\$ 10,280	\$ 26,950	1
2								2
3	<u>Revenues:</u>							3
4	Estimated Revenues	1,070,900	1,087,200	1,079,300	1,081,300	1,110,500	1,085,700	4
5	Schedule 4 Adjustments	62,500	62,500	(5,620)	400	(12,110)	(101,920)	5
6	Total Revenue	1,133,400	1,149,700	1,073,680	1,081,700	1,098,390	983,780	6
7								7
8	<u>Appropriations:</u>							8
9	Budget Appropriations	(1,078,600)	(1,078,591)	(1,053,900)	(1,056,368)	(1,061,500)	(1,064,602)	9
10	Schedule 4 Adjustments	(62,500)	(64,406)	(15,000)	(18,278)	(15,000)	(11,558)	10
11	<i>Less Lapse Estimate</i>	16,400	16,400	-	-	-	-	11
12	Total Appropriations	(1,124,700)	(1,126,597)	(1,068,900)	(1,074,646)	(1,076,500)	(1,076,160)	12
13								13
14	Current Year Balance	8,700	23,103	4,780	7,054	21,890	(92,380)	14
15								15
16	Cumulative Ending Balance, June 30	5,500	19,896	10,280	26,950	32,170	(65,430)	16
17								17
18	<i>Transfer (To)/From General Fund*</i>	-	-	-	-	-	65,430	18
19								19
20	Balance After Transfers, June 30	\$ 5,500	\$ 19,896	\$ 10,280	\$ 26,950	\$ 32,170	\$ -	20
21	<i>*Includes HB 2 GF transfer appropriation to ETF of \$63.3M</i>							21

STATE OF NEW HAMPSHIRE		SCHEDULE 3						LBA
COMPARATIVE STATEMENT OF REVENUE								4/5/2021
EDUCATION TRUST FUND								
(Dollars in Thousands)								
		FY 2021		FY 2022		FY 2023		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	Business Profits Tax	\$ 106,600	\$ 108,200	\$ 109,000	\$ 109,500	\$ 114,400	\$ 112,400	1
2	Business Enterprise Tax	216,500	222,300	221,300	225,200	253,500	231,100	2
3	<i>Subtotal</i>	<i>\$ 323,100</i>	<i>\$ 330,500</i>	<i>\$ 330,300</i>	<i>\$ 334,700</i>	<i>\$ 367,900</i>	<i>\$ 343,500</i>	3
4	Meals & Rooms	9,300	9,300	10,300	10,200	10,900	10,800	4
5	Tobacco Tax	109,800	109,000	109,000	107,700	105,700	105,800	5
6	Real Estate Transfer Tax	64,300	64,000	61,100	60,100	56,800	56,400	6
7	Transfer from Lottery	120,600	130,600	125,000	125,000	127,500	127,500	7
8	Tobacco Settlement	38,400	38,400	38,200	38,200	36,300	36,300	8
9	Utility Property Tax	42,300	42,300	42,300	42,300	42,300	42,300	9
10	Statewide Education Property Tax (SWEPT)	363,100	363,100	363,100	363,100	363,100	363,100	10
11	TOTAL EDUCATION TRUST FUND	\$ 1,070,900	\$ 1,087,200	\$ 1,079,300	\$ 1,081,300	\$ 1,110,500	\$ 1,085,700	11

STATE OF NEW HAMPSHIRE		SCHEDULE 4						LBA
ADJUSTMENTS - SCHEDULE 2								4/5/2021
EDUCATION TRUST FUND								
(Dollars in Thousands)								
		FY 2021		FY 2022		FY 2023		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	REVENUE ADJUSTMENTS:							1
2	Ch.346:237, L'19 - Designated Education Aid	62,500	62,500					2
3	HB 1 - DRA Auditor Positions Revenue			200	200	1,100	2,100	3
4	HB 2 - Meals and Rooms Tax Rate to 8.5%			(570)	(300)	(570)	(600)	4
5	HB 2 - BET Threshold Increase to \$250,000			(1,920)		(2,090)	(2,820)	5
6	HB 2 - BET Rate 0.55%			(3,880)	(3,900)	(12,130)	(12,100)	6
7	HB 2 - BET change impact on BPT credits			550		1,580		7
8	HB 2 - Business Taxes Credit Carryforward				(1,600)		(4,300)	8
9	HB 2 - Single Sales Factor Delay (HB 281)						3,800	9
10	HB 2 - Historic Horse Racing (HB 626)				6,000		12,000	10
11	HB 2 - SWEPT Reduction of \$100M						(100,000)	11
12	TOTAL REVENUE ADJUSTMENTS	\$ 62,500	\$ 62,500	\$ (5,620)	\$ 400	\$ (12,110)	\$ (101,920)	12
13								13
14	APPROPRIATION ADJUSTMENTS:							14
15	Ch.346:237, L'19 - Designated Education Aid	(62,500)	(62,500)					15
16	HB 2 - Public School Infrastructure Fund			(15,000)	(1,000)	(15,000)	(1,000)	16
17	HB 2 - Kindergarten Adequate Education Grants		(1,906)					17
18	HB 2 - Building Aid				(17,278)		(10,558)	18
19	TOTAL APPROPRIATION ADJUSTMENTS	\$ (62,500)	\$ (64,406)	\$ (15,000)	\$ (18,278)	\$ (15,000)	\$ (11,558)	19

STATE OF NEW HAMPSHIRE								
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS								
HIGHWAY FUND								
(Dollars in Thousands)								
		FY 2021		FY 2022		FY 2023		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	Beginning Balance, July 1 (Budgetary)	\$ 63,792	\$ 63,792	\$ 23,644	\$ 27,844	\$ 52,543	\$ 54,248	1
2								2
3	Additions:							3
4	Revenue:							4
5	Road Toll	114,400	114,400	123,700	120,300	124,900	121,500	5
6	Motor Vehicle Fees & Fines	123,500	123,700	128,400	128,500	129,400	129,500	6
7	Miscellaneous	200	200	100	200	100	200	7
8	Total Revenue	238,100	238,300	252,200	249,000	254,400	251,200	8
9	Addition Adjustments:							9
10	HB 1 - Dept. of Safety Cost of Collections Appropriations	(33,696)	(33,696)	(30,293)	(30,293)	(31,679)	(31,679)	10
11	Less: Estimated Lapse	4,000	4,000	2,000	2,000	2,000	2,000	11
12	Net Dept. of Safety Cost of Collections Appropriations	(29,696)	(29,696)	(28,293)	(28,293)	(29,679)	(29,679)	12
13	HB 2 - Lapse from HB 1817 (2018) Appropriation	-	-	8,100	8,100	-	-	13
14	Total Revenue Adjustments	(29,696)	(29,696)	(20,193)	(20,193)	(29,679)	(29,679)	14
15	Total Additions	208,404	208,604	232,007	228,807	224,721	221,521	15
16								16
17	Deductions:							17
18	HB 1 - Appropriations	(266,252)	(266,252)	(218,608)	(217,824)	(270,378)	(269,156)	18
19	Appropriation Adjustments:							19
20	HB 1 - Dept. of Information Technology Shared Services	-	-	-	(79)	-	(86)	
21	Transfer from Surplus (Winter Maintenance) (RSA 228:12)	(9,000)	(5,000)	-	-	-	-	20
22	Other Appropriation Adjustments/Other Debits	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	(1,500)	21
23	Total Appropriation Adjustments	(10,500)	(6,500)	(1,500)	(1,579)	(1,500)	(1,586)	22
24	Less: Lapse	28,200	28,200	17,000	17,000	17,500	17,500	23
25	Total Deductions	(248,552)	(244,552)	(203,108)	(202,403)	(254,378)	(253,242)	24
26								25
27								26
28	Current Year Balance	(40,148)	(35,948)	28,899	26,404	(29,657)	(31,721)	27
29								28
30	Balance, June 30 (Budgetary)	23,644	27,844	52,543	54,248	22,886	22,527	29
31								30
32								31
33	GAAP Adjustments	(27,000)	(27,000)	(27,000)	(27,000)	(22,500)	(22,500)	32
34								33
35	Balance, June 30 (GAAP)	(3,356)	844	25,543	27,248	386	27	34

Note: Budgetary balances and GAAP adjustments do not include bonds authorized/unissued

STATE OF NEW HAMPSHIRE								
COMPARATIVE STATEMENT OF UNDESIGNATED SURPLUS								
FISH AND GAME FUND								
(Dollars in Thousands)								
		FY 2021		FY 2022		FY 2023		
		Governor	H Finance	Governor	H Finance	Governor	H Finance	
1	Beginning Balance, July 1 (Budgetary)	\$ 7,647	\$ 7,647	\$ 8,400	\$ 8,400	\$ 8,121	\$ 8,095	1
2								2
3	<u>Additions:</u>							3
4	Unrestricted Revenue	<u>13,600</u>	<u>13,600</u>	<u>13,300</u>	<u>13,300</u>	<u>13,300</u>	<u>13,300</u>	4
5	Total Additions	13,600	13,600	13,300	13,300	13,300	13,300	5
6								6
7	<u>Deductions:</u>							7
8	Budget Appropriation (HB 1)	(14,047)	(14,047)	(14,779)	(14,800)	(15,640)	(15,662)	8
9	HB 1 - Dept. of Information Technology Shared Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5)</u>	<u>-</u>	<u>(6)</u>	9
10	Total Appropriations Net of Estimated Revenues	(14,047)	(14,047)	(14,779)	(14,805)	(15,640)	(15,668)	10
11	Less: Lapse	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	11
12	Net Appropriations	(12,847)	(12,847)	(13,579)	(13,605)	(14,440)	(14,468)	12
13								13
14	Total Deductions	(12,847)	(12,847)	(13,579)	(13,605)	(14,440)	(14,468)	14
15								15
16								16
17	Current Year Balance	753	753	(279)	(305)	(1,140)	(1,168)	17
18								18
19	Balance, June 30 (Budgetary)	8,400	8,400	8,121	8,095	6,981	6,927	19
20								20
21								21
22	GAAP Adjustments	(1,200)	(1,200)	(1,200)	(1,200)	(900)	(900)	22
23								23
24	Balance, June 30 (GAAP)	7,200	7,200	6,921	6,895	6,081	6,027	24

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2022	FY 2023
<u>AID BY CATEGORY</u>	<u>Actual</u>	<u>Budget</u>	<u>Gov Rec</u>	<u>Gov Rec</u>	<u>H Finance</u>	<u>H Finance</u>
EDUCATION						
1 Adequate Education Aid	962,496,843	1,024,052,596	939,374,511	946,400,169	939,374,511	946,400,169
2 Kindergarten Aid ¹	178,501	-	-	-	1,906,313	-
3 Building Aid ²	37,294,872	30,500,000	26,972,728	24,960,075	44,250,728	35,518,075
4 Court Ordered Placements	3,281,971	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
5 Dropout Prevention	325,322	500,000	-	0	-	-
6 School Breakfast	176,927	496,500	496,500	496,500	496,500	496,500
7 School Lunch	832,003	832,003	832,003	832,003	832,003	832,003
8 Special Education	30,798,879	30,800,000	30,800,000	30,800,000	33,252,000	33,917,000
9 Tuition & Transportation	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000	9,000,000
10 Public School Infrastructure Fund ³	3,952,325	-	15,000,000	15,000,000	1,000,000	1,000,000
Education Total	1,048,337,642	1,098,181,099	1,024,475,742	1,029,488,747	1,032,112,055	1,029,163,747
ENVIRONMENTAL						
11 Flood Control	789,328	887,000	887,000	887,000	887,000	887,000
12 Landfill Closure Grants	388,936	395,824	375,602	368,194	375,602	368,194
13 Public Water System Grants	651,960	624,048	582,445	545,225	582,445	545,225
14 State Aid Grants - Pollution Control	6,876,737	9,307,838	8,096,438	7,480,501	-	-
Environmental Total	8,706,960	11,214,710	9,941,485	9,280,920	1,845,047	1,800,419
OTHER GEN. FUNDS						
15 Meals & Rooms Distribution	68,805,057	68,805,057	73,805,057	78,805,057	73,805,057	78,805,057
16 Railroad Tax - RSA 82:21 ⁴	88,370	84,793	88,370	88,370	88,370	88,370
17 Railroad Tax - RSA 288:69	75,993	73,000	80,000	80,000	80,000	80,000
18 Municipal Aid	20,000,000	20,000,000	-	0	0	0
19 State Revenue Sharing ⁵	-	-	-	-	0	0
20 Block Grants Apportionment A ⁶	-	-	-	-	2,000,000	2,000,000
Other General Funds Total	88,969,420	88,962,850	73,973,427	78,973,427	75,973,427	80,973,427
HIGHWAY FUNDS						
21 Block Grants Apportionment A	36,911,575	36,425,092	29,516,608	31,306,831	29,541,759	30,891,787
22 Highway Construction Aid	618,339	-	-	-	-	-
23 Block Grants Apportionment A - SB 367	-	-	3,745,051	4,050,901	3,745,051	3,937,500
24 Municipal Bridge Aid	5,247,887	6,800,000	6,800,000	6,800,000	6,800,000	6,800,000
Highway Funds Total	42,777,801	43,225,092	40,061,659	42,157,732	40,086,810	41,629,287
GRAND TOTAL	1,188,791,824	1,241,583,751	1,148,452,313	1,159,900,826	1,150,017,339	1,153,566,880
Notes:						
1. HB2 makes an appropriation of \$1.9 million for FY 2021. Row #2 assumes this amount will be expended in FY 2022.						
2. In addition to the appropriations in HB1, HB2 makes appropriations of \$17,278,000 for FY 2022 and \$10,558,000 for FY 2023 for building aid payments.						
3. The nonlapsing Public School Infrastructure Fund is not included in the operating budget. Appropriations in HB 2 are detailed above.						
4. Amounts for FY 2022, FY 2023, are estimated based on FY 2020 actual expenditures.						
5. The House Finance amendment to HB2, continues the suspension of revenue sharing for the biennium ending June 30, 2023						
6. HB2 includes appropriation of \$4 million for Apportionment A distributions for the biennium ending June 30, 2023. The amounts above assume one-half of the appropriation will be spent in each year of the biennium.						