

**SENATE FINANCE COMMITTEE
BUDGET WORK SESSION**

RECAPS ON HOLD

05/11/21

SENATE FINANCE - 2021 BUDGET RECAP SHEET

Veterans Home

Description	Contact	SOF	FY 2022	FY 2023	Total
	Margaret Labrecque, Commandant	G	\$0	\$0	\$0

Bills:
 Pending HB2 amendment #2021-1317s - COVID-19 Nursing Home / Veterans Home audit.
 HB 2 Sections 112 & 113 also contain duplicative language found in section 110.
 Section 111 removed on 5/10 by committee vote.

Sen. Rosenwald, Dist 13
Sen. D'Allesandro, Dist 20
May 4, 2021
2021-1317s
08/05

Amendment to HB 2-FN-A-LOCAL

1 1 Short Title. This act shall be known as the Protect New Hampshire Veterans and Seniors Act
2 of 2021.

3 2 New Subdivision; COVID-19 Nursing Home and Long-Term Care Audit. Amend RSA 151-E
4 by inserting after section 21 the following new subdivision:

5 COVID-19 Nursing Home and Long-Term Care Audit

6 151-E:22 COVID-19 Nursing Home and Long-Term Care Audit. The commissioner of the
7 department of health and human services shall issue a request for proposals for a qualified grantee,
8 with the approval of governor and council, to undertake an independent audit of the COVID-19
9 situation in long-term care and nursing homes in New Hampshire and provide a needs assessment
10 to provide recommendations for further COVID-19 related funding, safety, and public health
11 upgrades, standards and rules for nursing homes, nursing facilities, residential care facilities, long
12 term care facilities, and the New Hampshire veterans' home, and providing a preparedness plan for
13 COVID-19 at such facilities, to be submitted to the governor, the chairpersons of the house and
14 senate finance committees, the chairpersons of the senate health and human services committee and
15 the house health, human services and elderly affairs committee, and the health and human services
16 oversight committee established in RSA 126-A:13, no later than November 1, 2021. All information
17 received or created by the department related to the inspection or survey results of licensed health
18 care facilities may be shared with the grantee, except that protected health information or
19 personally identifiable information shall not be shared with the grantee for any reason. All
20 information which is received by the grantee for the purposes of this section, and which otherwise
21 constitutes confidential information pursuant to state law, shall remain confidential, and shall
22 receive the protections afforded to such confidential information under existing state law.

23 3 Appropriation. The sum of \$250,000 is hereby appropriated for the fiscal year ending June 30,
24 2022 to the commissioner of the department of health and human services from federal COVID-19
25 relief funds for the purpose of hiring a qualified grantee as required in RSA 151-E:22. If such federal
26 funds are unavailable, the governor is authorized to draw a warrant for said sum out of any money
27 in the treasury not otherwise appropriated for the purpose of section 2 of this act.

28 4 Effective Date. Sections 1-3 of this act shall take effect upon its passage.

**Amendment to HB 2-FN-A-LOCAL
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2021-1317s

AMENDED ANALYSIS

1. Requiring a COVID-19 needs assessment of nursing homes and long-term care facilities and making an appropriation therefor.

UNAPPROVED

SENATE FINANCE- 2021 BUDGET RECAP SHEET					
Treasury Department					
Description	Contact	SOF	FY 2022	FY 2023	Total
Move USNH Debt Service back to AU 2109 from AU 2189 if Senate agrees with House change to keep systems separate. FY 2022 \$250K and FY 2023 \$1,335,000. Compare report pages 181 and 182. 189.	Monica Mezzapelle	G	\$0	\$0	\$0
Please explain the 17.2% increase since FY18-19 budget.	Senator Daniels	G	\$0	\$0	\$0
Amendment requests					
HB 2 2021-1322s appropriates \$40 million for municipal aid	Sen. D'Allesandro/ Sen. Rosenwald	N/A	\$20,000,000	\$20,000,000	\$40,000,000

Amendment to HB 2-FN-A-LOCAL

1 1 Appropriation; State Treasurer; Municipal Aid.

2 I. The sum of \$20,000,000 for the fiscal year ending June 30, 2022 and the sum of
3 \$20,000,000 for the fiscal year ending June 30, 2023 is hereby appropriated to the state treasurer for
4 the purpose of providing municipal aid to each city, town, and unincorporated place in the state. The
5 treasurer shall distribute the municipal aid to each city, town, and unincorporated place in the state
6 in one payment of 100 percent on or before October 1 of each fiscal year. The proportion of municipal
7 aid distributed to each municipality pursuant to this paragraph shall be calculated pursuant to
8 paragraph II. The governor is authorized to draw a warrant for said sums out of any money in the
9 treasury not otherwise appropriated. Municipal aid received by October 15, 2021 may be considered
10 unanticipated revenue under RSA 31:95-b and may be accepted and expended pursuant to RSA
11 31:95-b, II through IV whether or not a town has adopted the provisions of RSA 31:95-b, II.
12 Municipalities shall use a minimum of 60 percent of the amount anticipated in FY 2022 and FY 2023
13 for property tax rate reduction.

14 II. On July 1 of each fiscal year, the treasurer shall reserve the amount necessary for
15 distributions pursuant to paragraph I of this act and said moneys shall not be used for any other
16 purpose. Distributions shall be determined as follows:

17 (a) Twenty percent of such funds for the determination year shall be distributed to
18 municipalities on the basis of the ratio that each municipality's average daily membership in
19 residence bears to the statewide total membership in residence, as determined by the department
20 and provided to the treasurer.

21 (b) Eighty percent of such funds for the determination year shall be distributed to
22 municipalities on the basis of the ratio that each municipality's number of pupils in the
23 municipality's average daily membership in residence eligible for a free or reduced-price meal bears
24 to the total statewide membership in residence eligible for a free or reduced-price meal, as
25 determined by the department and provided to the treasurer.

26 III. For purposes of this section:

27 (a) "Average daily membership in residence" or "ADMR" means the average daily
28 membership in attendance of pupils who are legal residents of the school district, pursuant to RSA
29 193:12 or RSA 193:27, IV, in kindergarten through grade 12 in the determination year and attend a
30 state-approved public or nonpublic school as assigned by the school district in which the pupil
31 resides, or by the state, or attend an approved chartered public school, and who are educated at the

Amendment to HB 2-FN-A-LOCAL
- Page 2 -

1 school district's expense, which may include costs of attendance at public academies or out-of-district
2 placements.

3 (b) "Department" means the department of education.

4 (c) "Determination year" means the school year immediately preceding the school year
5 for which aid is determined.

6 (d) "Eligible for a free or reduced-price meal" means the ADMR of pupils in kindergarten
7 through grade 12 who are eligible for the federal free or reduced-price meal program.

8 (e) "Municipality" means a city, town, or unincorporated place.

UNAPPROVED

SENATE FINANCE - 2021 BUDGET RECAP SHEET					
Public Employees Labor Relations Board					
Description	Contact	SOF	FY 2022	FY 2023	Total
	Douglas Ingersoll, Director	G	\$0	\$0	\$0
Please explain the 12% increase since the FY18-19 budget.	Senator Daniels	G	\$0	\$0	\$0
<u>Bills:</u>					
None					

SENATE FINANCE COMMITTEE - 2021 BUDGET RECAP SHEET

NH Retirement System

Description	Contact	SOF	FY 2022	FY 2023	Total
	Jan Goodwin Marty Karlon	O	\$0	\$0	\$0
Please explain the reason behind the 41.5% increase in FY20-21 budget compared to FY18-19.	Senator Daniels	O	\$0	\$0	\$0
<u>Bills:</u>					
Amendment requests					
HB 2 amendment 1293s state to pay 5% of contributions of retirement system employers other than the state for group I teachers and group II members (HB 274 estimates used)	Sen. Rosenwald/ Sen. D'Allesandro	G	\$17,660,000	\$18,090,000	\$35,750,000

Sen. Rosenwald, Dist 13
Sen. D'Allesandro, Dist 20
May 4, 2021
2021-1293s
06/05

Amendment to HB 2-FN-A-LOCAL

1 1 Short Title. This act may be known as the "Taxpayer Rescue Act of 2021."

2 2 Retirement System; Employer Contributions; State Share of Contributions. Amend RSA 100-
3 A:16, II(b) and (c) to read as follows:

4 (b) The contributions of each employer for benefits under the retirement system on
5 account of group II members shall consist of a percentage of the earnable compensation of its
6 members to be known as the "normal contribution," and an additional amount to be known as the
7 "accrued liability contribution;" provided that beginning with state fiscal year ~~[2013]~~ **2022** and for
8 each state fiscal year thereafter, any employer ~~[shall pay the full amount of such total contributions],~~
9 ***other than the state, shall pay 95 percent of such total contributions, and 5 percent thereof***
10 ***shall be paid by the state; and provided further that, in case of group II members employed***
11 ***by the state, the state shall pay both normal and accrued liability contributions.*** The rate
12 percent of such normal contribution, including contributions on behalf of group II members whose
13 group II creditable service is in excess of 40 years, in each instance shall be fixed on the basis of the
14 liabilities of the system with respect to the particular members of the various member classifications
15 as shown by actuarial valuations, except as provided in subparagraph (i).

16 (c) The contributions of each employer for benefits under the retirement system on
17 account of group I members shall consist of a percentage of the earnable compensation of its
18 members to be known as the "normal contribution," and an additional amount to be known as the
19 "accrued liability contribution;" provided that beginning with state fiscal year ~~[2013]~~ **2022** and for
20 each state fiscal year thereafter, ***in the case of teachers,*** any employer ~~[shall pay the full amount of~~
21 ~~such total contributions],~~ ***other than the state, shall pay 95 percent of such total***
22 ***contributions, and 5 percent thereof shall be paid by the state; and provided further that,***
23 ***in case of teacher members employed by the state, the state shall pay both normal and***
24 ***accrued liability contributions.*** The rate percent of such normal contribution in each instance
25 shall be fixed on the basis of the liabilities of the system with respect to the particular members of
26 the various member classifications as shown by actuarial valuation, except as provided in
27 subparagraph (i).

28 3 Repeal. RSA 100-A:16, II(c-1) relative to employer contributions for fiscal year 2012, is
29 repealed.

**Amendment to HB 2-FN-A-LOCAL
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2021-1293s

AMENDED ANALYSIS

1. Provides that the state shall pay 5 percent of contributions of retirement system employers other than the state for group I teachers and group II members.

UNAPPROVED

SENATE FINANCE COMMITTEE - 2021 BUDGET RECAP SHEET

Military Affairs and Veterans Services

Description	Contact	SOF	FY 2022	FY 2023	Total
New Hampshire National Guard Enlistment Incentive Program. (SB 143, part XII) Request for an appropriation of \$25,000.	Adjutant General, Major General David Mikolaities	G	\$25,000	\$0	\$25,000
Please explain the reasons behind the 24.9% increase.	Senator Daniels				
<i>Bills:</i>					
HB2 - If the program above is funded, insert the language from SB 143.					

Senator Daniels and Members of the Finance Committee,

I would like to apologize for the confusion this afternoon during the budget working session. I briefed that we had a 4.09% increase in our FY 22 budget and a 6.34% increase in our FY 23 budget. Those increases were calculated based on our FY21 adjusted authorized budget. I realized after my testimony that you were asking about the 24.9% increase based on our FY 20 actual expenditure plus the FY 21 adjusted authorized. The correct answer is that the FY 20 actual expenditures were way down due to the impact of COVID, the hiring freeze, and federal waivers for federal funds requiring a state match (the federal government agreed to pay 100% of cost for certain facility maintenance projects that usually require a 50% match).

I hope this answers your question. If not please let me know.

Respectfully
Warren

Warren M. Perry
Deputy Adjutant General

SENATE FINANCE - 2021 BUDGET RECAP SHEET

Lottery Commission

Description	Contact	SOF	FY 2022	FY 2023	Total
Appropriate \$2.75M in FY 2021 to pay-off the outstanding mortgage on the Lottery Commission's headquarters (would need HB 2 amendment). This enables a decrease of debt service (class 043) in FY 2022 and FY 2023, which results in an increase of net Lottery revenue to the education trust fund.	Senator Morse / Charlie McIntyre, Executive Director	O	(\$205,195)	(\$205,195)	(\$410,390)
		ETF Rev	\$205,195	\$205,195	\$410,390
Add four (4) positions and funding relative to administration of historical horse racing. Positions include two (2) Program Assistant II (LG 15), one (1) Investigator (LG 22), and one (1) Agency Auditor Manager (LG 25).	Charlie McIntyre, Executive Director	O	\$291,974	\$446,164	\$738,138
Please explain the 20.5% increase since the FY18-19 budget.	Senator Daniels	O			

Bills:

HB 2 (Sections 291-301, Page 146) / SB 112 / HB 626 - Relative to historical horse racing.

SENATE FINANCE - 2021 BUDGET RECAP SHEET

Department of Labor

Description	Contact	SOF	FY 2022	FY 2023	Total
HB1 Budget approved 5-10-21, possible HB2 amendments below.	Ken Merrifield, Commissioner	0	\$0	\$0	\$0

Bills:

HB2 pending amendment to delete Section 126. Contents included in HB301 Provides that per diem payments to board members shall be prorated to an hourly basis.

HB2 pending amendment to delete Section 128. Contents included in HB261 Language to align State law to match the reality of federal control over registered apprenticeships in NH. Since 2007, the State Apprenticeship Council has only an advisory role in the approval or recommendation of apprenticeships.

SENATE FINANCE COMMITTEE - 2021 BUDGET RECAP SHEET					
Department of State					
Description	Contact	SOF	FY 2022	FY 2023	Total
	William Gardner David Scanlan	G,O,F	\$0	\$0	\$0
Please explain the 11% increase in the FY20-21 budget compared to FY18-19.	Senator Daniels	G,O,F	\$0	\$0	\$0
Can ARPA funds be used to fund HB 516?	Senator Daniels	G,O,F	\$0	\$0	\$0
<u>Bills:</u>					
HB 2, (Section 71 page 32-33). Transfers up to \$1M each fiscal year from Dept of State's investor education fund to FRM victims' contribution recovery fund. (In addition transfers up to \$4M each fiscal year from DOJ consumer protection escrow account to FRM victims' contribution recovery fund). Replaced appropriation of \$500K in FY 2022 and \$500K in FY 2023. See also SB 127 Part V below	Rep. Weyler	O	\$0	\$0	\$0
HB 516-FN <u>allowing voters to vote by absentee ballot.</u> BILL STATUS IS MISCELLANEOUS \$2.6M in CARES act funds was used to reimburse municipalities in 2020. Dept. estimates \$125K cost to dept. only for primary and general election cycle. ARPA possible.?	William Gardner David Scanlan	G	\$125,000	\$0	\$125,000
SB 127-FN-A-L <u>adopting omnibus legislation on appropriations.</u> <u>Tabled in Senate. Pending Motion ordered to 3rd reading.</u> Part V Crediting excess funds in the investor education fund to the FRM victim's fund. (Also in HB 2 amended section 71.) Up to \$500K decrease in general funds and increase in FRM funds in FY 2021-FY 2023.					
Amendments Requested					
HB 2 amendment 2021-1377s to delete sections 71, 73,74 and 75	Senator Rosenwald				

Sen. Rosenwald, Dist 13
May 10, 2021
2021-1377s
08/04

Amendment to HB 2-FN-A-LOCAL

- 1 Amend the bill by deleting sections 71, 73, 74, and 75.

2021-1377s

AMENDED ANALYSIS

Delete:

36. Transfers funds from the investors education fund and the department of justice consumer protection escrow account to the FRM victims recovery fund and removes the prospective repeal of the fund.

UNAPPROVED

SENATE FINANCE - 2021 BUDGET RECAP SHEET					
University System of New Hampshire					
Description	Contact	SOF	FY 2022	FY 2023	Total
Bills:					
HB 2 (Sections 117-120, Page 45) - Relative to establishment of the New Hampshire Higher Education Merger Assessment Commission, which includes a \$1.5 million general fund appropriation for the biennium ending June 30, 2023.					
Amendment requests					
HB 2 Amendment #2021-1381s - Amends Sections 117-120 (Page 45) to change the make-up of the commission, as well as increase the appropriation from \$1,500,000 to \$2,000,000.	Senator D'Allesandro	G	\$500,000	\$0	\$500,000

SENATE FINANCE - 2021 BUDGET RECAP SHEET					
Community College System of New Hampshire					
Description	Contact	SOF	FY 2022	FY 2023	Total
Bills:					
HB 2 (Sections 117-120, Page 45) - Relative to establishment of the New Hampshire Higher Education Merger Assessment Commission, which includes a \$1.5 million general fund appropriation for the biennium ending June 30, 2023.					
Amendment requests					
HB 2 Amendment #2021-1381s - Amends Sections 117-120 (Page 45) to change the make-up of the commission, as well as increase the appropriation from \$1,500,000 to \$2,000,000.	Senator D'Allesandro	G	\$500,000	\$0	\$500,000

Amendment to HB 2-FN-A-LOCAL

1 Amend the bill by replacing sections 117-120 with the following:

2

3 117 New Chapter; New Hampshire Higher Education Merger Assessment Commission
4 (HEMAC). Amend RSA by inserting after chapter 188-H the following new chapter:

5

CHAPTER 188-I

6

NEW HAMPSHIRE

7

HIGHER EDUCATION MERGER ASSESSMENT COMMISSION (HEMAC)

8 188-I:1 Findings. The general court finds that affordable access to public higher education at all
9 levels is essential to the health, welfare, and security of all New Hampshire citizens and to the
10 future vitality of the state. To be effective, public higher education must respond to the changing
11 needs and interests of citizens and employers while ensuring those services remain affordable and
12 accessible. The exploration of a single, well-coordinated system of public higher education at all
13 levels, pursuing the unique and diverse missions of its member institutions, offering seamless access
14 to and between all levels of higher education, adapting to the rapidly evolving challenges facing all of
15 higher education, and governed by a unified board of trustees, may be an efficient and effective
16 means for meeting the needs of the citizens and the state.

17 188-I:2 Purpose. The commission is established to explore, study, and assess the potential for
18 establishing a collaborative and strategic merging of the university system of New Hampshire,
19 established in RSA 187-A, and the community college system of New Hampshire, established in RSA
20 188-F. The goal of the commission shall be to determine if a unified system of public higher
21 education is, in all respects, beneficial to the citizens of New Hampshire, and if so, to recommend
22 legislation to provide for the implementation of a coordinated, comprehensive system of public
23 higher education.

24 188-I:3 Membership.

25 I. The membership of the commission shall be as follows:

26 (a) Four members appointed by the chairperson of the university system of New
27 Hampshire board of trustees as follows:

28 (1) One of whom shall have experience and an understanding of governance,
29 especially in higher education.

30 (2) One of whom shall have extensive experience in 4-year institutions.

31 (3) One of whom shall have experience in university system administration.

Amendment to HB 2-FN-A-LOCAL
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1 (4) One of whom shall be a member of the university system of New Hampshire
2 board of trustees.

3 (b) Four members appointed by the chairperson of the community college system of New
4 Hampshire board of trustees as follows:

5 (1) One of whom shall have extensive experience in community college leadership.

6 (2) One of whom shall have extensive experience in 2-year institutions.

7 (3) One of whom shall have experience at community college system administration.

8 (4) One of whom shall be a member of the community college system of New
9 Hampshire board of trustees.

10 (c) Three members appointed by the governor who have educational experience in
11 university or community college system administration.

12 II Any vacancy in membership shall be filled in the same manner as the commission
13 membership originally established.

14 188-I:4 Operation of the Commission.

15 I. The commission shall elect a chairperson and vice-chairperson upon its initial formation.

16 II. Seven members of the commission shall constitute a quorum.

17 III. The commission shall meet at such times and places as it may determine. The
18 chairperson shall call special meetings upon the written request of any 3 commission members or
19 upon the chairperson's motion.

20 IV. Members shall receive no compensation for their services but shall be reimbursed for
21 expenses reasonably incurred by them in the performance of their duties. Legislative members shall
22 receive mileage at the legislative rate for attending to the duties of the commission.

23 188-I:5 Duties of the Commission.

24 I. On or before January 1, 2022, the commission shall recommend legislation, if determined
25 both prudent and necessary, that would result in the merging of the community college system and
26 the university system into a single entity called the "New Hampshire college and university system,"
27 to be effective no later than July 1, 2023. In the development of the proposed legislation, the
28 commission shall address and consider issues including, but not limited to, the following:

29 (a) Changes to the governance structure of public higher education in New Hampshire.

30 (b) Changes to state laws to improve the systems' efficiency and effectiveness.

31 (c) Development of a reasonable time line for implementation of a merged system.

32 (d) Potential synergies and reduction of unnecessary duplication of programs between
33 the systems.

34 (e) Opportunities for sharing best practices and individual efficiencies, building cross-
35 system economies of scale and sharing of resources.

36 (f) College affordability.

37 (g) Collaborative strategies to attract and retain greater proportions of New Hampshire

Amendment to HB 2-FN-A-LOCAL
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1 high school graduates entering the systems.

2 (h) In consultation with the commissioner of the department of education, investigating
3 and pursuing opportunities for collaboration and student pathways for New Hampshire high school
4 students.

5 (i) Financial and social impacts of the merging of disparate collective bargaining
6 agreements.

7 (j) Preserving the unique character and educational missions of 2 systems in a merged
8 system.

9 (k) Ensuring that a merged system will not result in the elimination of physical
10 education locations in any one part of the state.

11 (l) Minimizing or eliminating barriers to student transfer between the systems.

12 (m) The contents and recommendations of the "Final Report of the Study Group for Post-
13 Secondary Education" dated March 19, 2021.

14 (n) Other issues the commission identifies as pertinent to its duties.

15 II. The commission shall use such funds as appropriated to hire necessary consultants as
16 deemed necessary by the commission.

17 III. The commission shall serve as the search committee to select a chancellor once
18 legislation has been submitted, should the commission recommend a single chancellor.

19 188-I:6 Reporting. The commission shall submit interim monthly reports to the public higher
20 education study committee established in RSA 187-A:28-a, the governor, and the chancellors of the
21 university system of New Hampshire and the community college system of New Hampshire, and
22 shall submit a final report by August 31, 2022. Additional copies shall be delivered, on a monthly
23 basis, to the fiscal committee of the general court, the house education committee, and the senate
24 education committee.

25 118 Appropriation. There is hereby appropriated the sum of \$2,000,000 for the biennium ending
26 June 30, 2023 to the New Hampshire higher education merger assessment commission established
27 in RSA 188-I for the purposes established in RSA 188-I. The appropriation shall be nonlapsing for
28 the biennium. The governor is authorized to draw a warrant for said sum out of any money in the
29 treasury not otherwise appropriated.

30 119 Repeal. RSA 188-I, relative to the New Hampshire higher education merger assessment
31 commission, is repealed.

32 120 Effective Date. Section 119 of this act shall take effect August 31, 2022.