

GREATER NASHUA CHAMBER OF COMMERCE

THE CHAMBER

THE "BOTTOM LINE" LEGISLATIVE REPORT

A Weekly Report From the Chamber on Issues Affecting You in the State Capital

June 3, 2005

Issue #21

THE WEEK JUST PAST...

The Senate Finance Committee has completed two weeks of intensive vetting of the state budget and school funding. When they wrapped things up on Thursday, this is where things stood:

School Funding: The Committee voted - by a 4-3 squeaker - for a plan authored by Senate Finance Committee Chair Chuck Morse. The Morse plan retains the statewide property tax (actually, it was the only one of the plans considered by the Committee to keep the SWP Tax), and it therefore does not run afoul of the utility property tax problem we reported on not long ago here (plans which repeal the statewide property tax run the risk of causing double taxation for utilities, which pay a separate utility property tax that goes into the state's education trust fund; they have an exemption from the statewide property tax, but in the statutes or proposed bills there is at present no exemption against the local property taxes which might be raised to replace the statewide property tax money).

The Morse plan is designed so that all cities and towns receive at least 90% of their current state education funding. Nashua sees a reduction of over \$2 million dollars from its present funding levels, but it appears that other towns in the region do better under the Morse plan than under the other plans being considered.

The Morse plan may have a tough road ahead. Even the Senators who voted for the plan have expressed their desire to find a different funding source than the cigarette tax increase which the Morse plan presently relies on. So this is going to be a busy week for the Senators, as they prepare for next Thursday's floor vote.

Cigarette Tax. Speaking of the cigarette tax, the full Senate voted yesterday to kill the proposed 28 cent/pack increase, by a vote of 14-10. This does not necessarily mean that the cigarette tax is dead, because it is still contained in the budget's trailer bill which will be voted on next week. But yesterday's vote underscores the desire of some Senators to do something, anything, other than a cigarette tax increase. We'll see what the next week brings.

EZ-Pass. The Senate Finance Committee also approved a plan which would see the new EZ-Pass system implemented by Labor Day. The plan preserves a 30% discount for New Hampshire

EZ-Pass holders, and eliminates tokens as of January 1, 2006. The Governor and Executive Council (which currently has the statutory authority to set tolls) passed their own plan on Wednesday, which would keep tokens in use until July of 2007. If the Senate plan passes, however, the Executive Council version would be moot.

THE WEEKS AHEAD...

June 9, 2005 **HB 544** (land and community heritage program) – Ret Subcommittee Work Session – 10:00 a.m., LOB 307
<http://gencourt.state.nh.us/legislation/2005/HB0544.html>

HB 121 (local land use approval for facilities requiring air pollution control permits) – Ret Subcommittee Work Sessions – 1:30 p.m., LOB 301
<http://gencourt.state.nh.us/legislation/2005/HB0121.html>

June 14, 2005 **HB 176** (relative to the provision of rental and lease information of commercial and industrial property to assessing officials) - Ret Subcommittee Work Session - 10 a.m., LOB 301
<http://gencourt.state.nh.us/legislation/2005/HB0176.html>

HB 657 (relative to promoting community revitalization) - Ret Subcommittee Work Session - 1:30 p.m., LOB 301
<http://gencourt.state.nh.us/legislation/2005/HB0657.html>

June 15, 2005 **HB 176** (relative to the provision of rental and lease information of commercial and industrial property to assessing officials) - Ret Subcommittee Work Session - 1:30 p.m., LOB 301
<http://gencourt.state.nh.us/legislation/2005/HB0176.html>

HB 657 (relative to promoting community revitalization) - Ret Subcommittee Work Session - 10:00 a.m., LOB 301
<http://gencourt.state.nh.us/legislation/2005/HB0657.html>

June 16, 2005 **SB 104** (relative to the tax exemption for water and air pollution control facilities) - Ret Subcommittee Work Session - 10:00 a.m., LOB 301
<http://gencourt.state.nh.us/legislation/2005/SB0104.html>

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