



## **THE PARKER REPORT**

**SEVENTH INNING STRENGTH...**The State Senate passed (15-9) an \$11.6 billion budget this past week and, as expected the two-year funding plan includes legalizing video slot machines. While video gambling is expected to raise \$205 million in badly needed revenue, it is also expected to face strong opposition from House conferees. The Senate version contains a potpourri of tax increases besides video gambling that likely will be acceptable to the House. These would include increasing the Rooms and Meals tax and the Tobacco Tax. Other tax proposals, such as increasing car and truck fees along with eliminating the EZ-Pass discount, may need some tweaking before they are agreed to. The Senate rejected outright the House proposal to impose a 5% tax on capital gains of more than \$5,000 a year with a \$250,000 exemption for those who sell their primary home and an 8% tax on estates worth more than \$2 million. House and Senate Conferees have been appointed and are expected to begin their work in earnest starting Monday. Conferees face a June 18 deadline to sign off on the committee report. The day to act on the committee of conference report is June 25, 2008.

**HEADS UP...**Members of the NH House will get a special budget briefing this Wednesday at 10:00 a.m. in Representatives Hall on the Senate amendments to HB 1-A making appropriations for the expenses of certain departments of the state for fiscal years ending June 30, 2010 and June 30, 2011 and HB 2 relative to state fees, funds, revenues and expenditures. Interested on-lookers are expected to fill the House gallery to listen to the presentation.

**ON THE ROAD AGAIN...**The State Senate gave the go ahead to spending \$117 on public works projects. HB 25 passed the 24-member body unanimously, sending its version back to the House for approval. Some of the projects approved include rebuilding the Hampton Seashell stage and two bathhouses, renovating two technical high schools, removing asbestos from the Hillsborough County Superior Courthouse in Manchester, and designing and locating a new women's prison. The Senate also added funds to expand the Mittersill ski area.

**ACCOUNTING FOR ACCOUNTABILITY...**By a vote of 230-144 the NH House passed SB 180 establishing an accountability system to ensure the opportunity for an adequate education. The measure must now go back to the Senate for its approval of the House amendments included in the bill. This moves the state closer to complying with the 18-year old school funding lawsuit. The court mandated that the state define an adequate education, determine its cost, fund it, and hold schools accountable for

providing it. So far the Legislature has defined adequacy, determined its cost and included money in next year's budget to being the transition to the new aid system.

**BRRRRRR IT'S GETTING COLDER...**The NH Senate passed legislation creating a cold case homicide unit. The unit would examine some 100 unsolved murder cases in the state. HB 690 now goes back to the House for action on Senate amendments that were added to the bill. Under the House version, the unit would include two state police detectives, a paralegal, and a lawyer from the attorney general's office. The Senate changed that to allow the use of existing personnel and fund the unit with grants or federal dollars.

**KNOCK, KNOCK WHO'S THERE...**The House agreed and passed SB 40, holding-parent companies financially liable when subsidiaries fail to give New Hampshire workers 60 days notice of mass layoffs or plant closings. The notice would apply to plant closings and when one-third or more of a work force is laid off. Only a warning is required, no extra pay or benefits. The measure would enhance a worker's ability to get back wages and health coverage. The bill had the support of the Labor Department and the NH AFL-CIO. Business groups opposing the bill said that it would impose stricter regulations than the current federal law imposing a \$500 per-day penalty. SB 40 proposes fines up to \$2,500 plus \$100 per employee per day. The legislation would apply to companies that employ at least 80 workers whereas the federal law requires notice of closings involving at least 100. The bill now returns to the Senate for its approval of the House changes.

**WHEN MORE IS LESS AND LESS IS MORE...**The State Senate agreed to change the retirement eligibility for Group II members of the NH Retirement System. But, the changes will not have the support of some House members. HB 532 passed the House changing Group II retirement eligibility from the current 20 years by age at 45 to retirement after 25 of service at age 50. As passed by the Senate, HB 532 would increase the time Group II members would have to work from 20 to 25 years, but remove the age 50 requirement. Group II employees include not only police and firefighters, but also other public sector workers in the law enforcement community. The bill will head back to the House where it will accept the changes, request a committee of conference, or refuse to accept the changes and let the bill die.

### **THEY SAID IT...**

***"It's cold comfort that the increase in spending is only half the 17 percent in the last budget, and we saw wild revenue projections that helped get us in the budget mess we've been in."*** Senate Republican Leader Peter Bragdon of Milford commenting on the Senate passed version of the state operating budget. (Nashua Telegraph)

***"We ask your support on behalf of the people of New Hampshire who are suffering through the worst economic downturn since the Great Depression."*** Senator Lou D'Allesandro (D-Manchester) Chair of the Senate Finance Committee. (Nashua Telegraph)

***"What is at stake is not just about the short-term financial difficulties we are experiencing as a state, but I hope you will look at the long term impact on our quality of life in New Hampshire...I feel strongly that this is***

***the wrong direction for our state.”*** Attorney General Kelly Ayotte expressing opposition to the expansion of gambling. (Union Leader).

***Denis Parker***