

FOR IMMEDIATE RELEASE

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NHFPI Statement on Governor Hassan's Proposed Budget

CONCORD, NH – Governor Hassan today presented her budget proposal for Fiscal Years 2016-2017, illustrating the challenging choices before state policymakers during this budget cycle. New Hampshire Fiscal Policy Institute Executive Director Jeff McLynch issued the following statement in response to the Governor's budget proposal:

"Governor Hassan should be commended for acknowledging the chief source of New Hampshire's fiscal challenges – the failure of its revenue system to recover from the last recession – and for taking steps to address it, such as closing offshore tax loopholes. By doing so, the Governor's budget is able to preserve valuable investments in higher education and other areas critical to the state's economic future.

NHFPI applauds the Governor for her commitment to the reauthorization of the New Hampshire Health Protection Program, which enables the state to access federal funds to provide affordable health coverage to thousands of low-income Granite Staters. Research shows that providing access to preventative health care significantly reduces the need for expensive interventions down the road, which in turn will reduce the costs the state would ultimately bear in future budgets.

Still, the Governor's budget neglects other opportunities to reform New Hampshire's rickety revenue system, such as extending the state's interest and dividends tax to include capital gains. This incremental, common sense change would generate needed resources and make New Hampshire's revenue system more equitable and more sustainable over time.

Finally, the Governor's budget demonstrates quite clearly that New Hampshire cannot afford costly and ineffective business tax cuts at a time when revenues remain insufficient to address critical needs. State policymakers should take this opportunity to work together on behalf of New Hampshire's citizens to craft a budget that is both fiscally and socially responsible, a budget that puts the state on a path for a prosperous future that can be shared by all Granite Staters."

The New Hampshire Fiscal Policy Institute is an independent, non-profit, non-partisan organization dedicated to exploring, developing, and promoting public policies that foster economic opportunity and prosperity for all New Hampshire residents, with an emphasis on low- and moderate-income families and individuals. Learn more at www.nhfpi.org.