



Common Cents

New Hampshire Fiscal Policy Institute Blog

Senate Passes Finance Committee Budget Largely Unchanged

June 1, 2017

The Senate, after considering many amendments, made three changes to the [Senate Finance Committee's version](#) of the State Budget bills, [HB 144](#) and [HB 517](#). The changes:

- [altered the title](#) of HB 144 to make it reflect the budget contents of the bill,
- [modified a provision](#) designed to boost rates to providers of early intervention services to fix a technical error that would have diverted funds but does not change the total cost of the budget, and
- [limited](#) the New Hampshire Drinking Water and Groundwater Advisory Commission's ability to award grants, loans, or matching funds to sewer infrastructure projects.

To learn more about the Senate's proposed budget, read NHFPI's Common Cents [blog post](#) on the Senate Finance Committee's budget, the [Senate Finance Committee Budget Briefing](#) to other legislators, and the Office of Legislative Budget Assistant's [breakdown](#) of the differences between the Senate Finance Committee budget and [the Governor's proposed budget](#).

The Senate's proposed total budget grows from the current operating budget's appropriations by about \$508 million, or 4.5 percent, when comparing the appropriations in each budget for the two years and not considering appropriations in other bills passed outside of House Bill 1, Section 1, from the 2015 Session. Other modifications in Section 2 of House Bill 1, House Bill 2, and [Senate Bill 9](#) from the 2015 Session are not included, nor are other bills passed (or likely to be passed) during the 2016 and 2017 Legislative Sessions or Section 2 of the Senate's budget appropriations bill, House Bill 144. Other appropriations [already enacted](#) in the 2017 Session most notably include a dairy farmer drought relief appropriations bill, \$18 million to fund replacements for heat infrastructure in Concord buildings, and [\\$33.2 million](#) to reconcile higher-than-expected Medicaid caseloads in the current operating budget

(the Senate’s proposed version of the budget also included a [larger reduction in expected Medicaid caseloads](#) than the Governor proposed in his budget).

The 4.5 percent growth rate, comparing the current operating budget biennium to the Senate proposal and not adjusting for inflation, is slightly higher than the House Finance Committee’s budget proposal’s growth of 4.4 percent. The Senate proposal appropriates \$5.9 million more than the House Finance Committee’s budget proposal and \$324.7 million less than the Governor’s proposal (including the Governor’s additional proposed allocations for the Community College System). As with the House Finance Committee budget, some of the Senate proposal’s reductions relative to the Governor’s proposal are due to moving federal funds outside of the State Budget, with the expectation that the funds will move through the Joint Legislative Fiscal Committee as they are transferred to the State.

Comparing Appropriations

House Bill 1 and House Bill 144, Section 1 Appropriations

Budget Appropriations (billions)	Current Operating Budget	Governor’s Proposal, SFYs 2018-2019	House Finance Committee Proposal, SFYs 2018-2019	Senate Proposal, SFYs 2018-2019
Total	\$11.35	\$12.18	\$11.85	\$11.86
General Fund	\$2.84	\$3.12	\$3.09	\$3.13
General Fund and Education Trust Fund	\$4.77	\$5.06	\$5.00	\$5.04
Federal Funds	\$3.46	\$3.72	\$3.58	\$3.55

Sources: Chapter 275, Laws of 2015 (HB 1, Section 1); Office of Legislative Budget Assistant Comparative Statement of Undesignated Surplus – Combined General and Education Trust Funds, June 1, 2017; Amendment 2017-2124s; Amendment 2017-2024s; Governor’s Operating Budget for Fiscal Years ending June 30, 2018-2019; Amendment 2017-1179h.

Notes: House Bill 1, Section 1 does not include lapse estimates or other appropriations bills, such as Senate Bill 9 from the 2015 Session for the “Current Operating Budget” column or separate appropriations bills passed in the 2016 and 2017 Sessions. For the Senate Proposal, Section 1 of House Bill 144 is used, as the Senate did not receive House Bill 1 from the House. The Governor’s proposal does not include \$6 million in additional funding to the Community College System of New Hampshire that the Governor later proposed.

For more information, read NHFPI’s Common Cents [blog post](#) highlighting key elements of the Senate Finance Committee’s proposed budget. Further analysis of the Senate’s proposed budget will be forthcoming.

To learn more about how the State collects revenue, see NHFPI's [Revenue in Review](#) resource. For more on the process of creating the State Budget, see NHFPI's [Building the Budget](#) resource.

Comparing Appropriation Growth

House Bill 1 and House Bill 144, Section 1 Appropriations

Budget Appropriations Growth (percentage)	Governor's Proposal for SFY 2018 v. SFY 2017 as Originally Passed	Governor's Proposal, SFY 2019 v. SFY 2018	Governor's Proposal for SFYs 2018-2019 v. SFYs 2016-2017 as Originally Passed
Total	6.2%	1.2%	7.3%
General Fund	8.2%	2.0%	9.6%
General and Education Trust Funds	5.0%	1.2%	6.0%
Federal Funds	7.2%	1.0%	7.6%
	House Finance Committee's Proposal SFY 2018 v. SFY 2017 as Originally Passed	House Finance Committee's Proposal SFY 2019 v. SFY 2018	House Finance Committee's Proposal for SFYs 2018-2019 v. SFYs 2016-2017 as Originally Passed
Total	3.5%	0.9%	4.4%
General Fund	7.2%	1.9%	8.6%
General and Education Trust Funds	3.9%	0.7%	4.7%
Federal Funds	3.2%	0.9%	3.6%
	Senate's Proposal SFY 2018 v. SFY 2017 as Originally Passed	Senate's Proposal SFY 2019 v. SFY 2018	Senate's Proposal for SFYs 2018-2019 v. SFYs 2016-2017 as Originally Passed
Total	3.4%	1.3%	4.5%
General Fund	8.2%	2.5%	9.9%
General and Education Trust Funds	4.5%	1.1%	5.5%
Federal Funds	2.1%	1.4%	2.7%

Sources: Chapter 275, Laws of 2015 (HB 1, Section 1); Office of Legislative Budget Assistant Comparative Statement of Undesignated Surplus – Combined General and Education Trust Funds, June 1, 2017; Amendment 2017-2124s; Amendment 2017-2024s; Governor's Operating Budget for Fiscal Years ending June 30, 2018-2019; Amendment 2017-1179h.

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