



GREATER MANCHESTER CHAMBER OF COMMERCE

SPONSORED BY:



ATTORNEYS AT LAW
Sheehan Phinney Bass + Green



POWERED BY:



SPONSOR INSIGHT

EYE ON POLITICS

EDITORIAL TEAM

CHAMBER INSIGHT

SPONSOR INSIGHT:

Budget & School Funding Amendment Dominate Legislative Debate

This year's legislative session continues to have its primary focus be on the state budget for state services as well as on the Governor's proposed constitutional amendment that would address certain school funding levels required by the state. While we have reported to you over the last several weeks on a variety of issues, this week's report returns to the "Big 2", the budget and how education aid may be directed under the state constitution.

Budget

The House has passed its version of the budget over to the Senate. Its budget had significantly more spending (\$176 mm) in it than Governor Lynch had proposed in February with accompanying revenue increases to support the additional expenditures. The Senate has hosted its public hearings on the budget and is currently engaged with agency hearings. The agency hearings enable the Senators to round out their intake of information relative to the state's needs after hearing from the public. The word in the "halls" of the State House is that the State Senate wants to find a way to reduce not only the overall amount of spending in the two-year state budget but to also reduce the revenues that support it.

While no specifics have emerged for targets to reduce spending in the budget, it has become clear the Senate does not want to increase the tobacco tax by 45 cents per pack (\$4.50 per carton which draws cross border sales) but would prefer something less than that, yet higher than the governor's recommendation of 28 cents per pack (\$2.80 per carton). Tobacco sales are already running over 3% below last year's rate as well as this year's projections. Clearly, any increase will continue to diminish sales in New Hampshire, especially for those border stores that have invested and grown as NH has marketed itself to out-of-staters for commerce.

So as we enter the final two months of the legislative session, we will look to see what imprint the Senate decides to leave on the state budget. After their input and eventual passage of the document, look for the House to reject the Senate plan and request a committee of conference to iron out the differences between the two lawmaking bodies before sending it on to the Governor for his signature.

Constitutional Amendment

The constitutional amendment to address school funding and attempt to diminish the court's role in determining how school aid is meted out is moving through the process in the opposite direction from the state budget. The Senate started this process, has passed it by the constitutionally required three-fifths and sent it to the House for its review.

Prior to and since the Senate passed the governor's proposed constitutional amendment to address school funding in NH, there have been many critiques of the measure and as a result of those critiques, it has become clear that the proposal in its current form has little chance of being passed by the House. As such, when the House Finance Committee has its public hearing on the measure, we can expect changes to be offered and seriously contemplated by House members. Its hearing is this upcoming Thursday, May 10 and several full committee work sessions have been scheduled throughout the remainder of the month.

The politics of the issue have both ends of the political spectrum working against the middle with even many middle of the road legislators having doubts about the proposal.

In the coming weeks, we will be reporting further on both of these very critical components to how our state will operate into the future. Remember, politics is a contact sport and we will certainly be seeing a great deal more contact in the next seven weeks.

Bruce Berke
Sheehan Phinney Capitol Group
bberke@sheehan.com

CHAMBER INSIGHT:

As we enter the homestretch of the 2007 Legislative session several key bills on the Chamber's radar are entering critical phases.

Senate Bill 42, the smoking ban in bars and restaurants, despite flying through the Senate has hit a snag in the House Commerce Committee. The subcommittee reviewing SB 42 recommended this week an amendment that gives bars and restaurants the option to create segregated smoking rooms within their establishments. These rooms would be exempt from the indoor smoking ban as long as they fulfilled the amendment's criteria, which include having a separate ventilation system for the smoking room.

As you know, the Chamber strongly supports SB 42 as introduced. This proposed amendment damages the original intention of this bill, to protect worker's health, and raises several red flags. First, it is unclear who would be responsible in maintaining compliance with this regulation. Second, the cost of creating a segregated smoking room under this amendment is thought to be upwards of 15 thousand dollars. How many establishments could actually afford to utilize this exception? Also, as mentioned this amendment truly attacks the original intention of SB 42, which is to protect workers. A recent report of the U.S. Surgeon General concluded that there simply is no safe method to disperse indoors. The only safe environment to disperse smoke and avoid the impacts of second hand smoke is outdoor dispersal. Even with the enclosed smoking room this amendment allows, smoke will continue to endanger the health of those working in that establishment. With all the issues this amendment raises, the Chamber continues to support SB 42 in its original form. SB 42, as introduced, deserves an up or down vote by House. The proposed amendment would be better served being submitted in its own bill

so that all stakeholders in this issue can weigh in.

Senate Bill 75 & House Bill 311 , the commuter rail related bills, both faced critical hearings in the past two weeks. HB 311, which creates a study committee on rail liability issues, flew through its hearing at the Senate Judiciary committee with no trouble. In fact, the committee immediately recommended the bill for passage following the hearing. SB 75, establishing a state rail authority, may undergo some slight changes at the House Transportation Committee. Rail advocates are currently working with the committee to ensure a fair and equitable amendment is brought forward. The Chamber continues to strongly support both measures as Commuter Rail is one of the Chamber's top strategic priorities for 2007.

House Bill 143 , relating to the apportionment of civil damages, is finally scheduled for its public hearing in the Senate. As you may recall, HB 143 changes the definition of the term "party" to mean only those who are named in a lawsuit. Currently, a court can assign fault to parties not named in a suit. We feel that this change will allow for defendants to possibly having pay civil damages that are grossly disproportionate to their amount of blame. HB 143 passed the House by a 50 vote margin and faces a close battle in the Senate. The Chamber will continue to strongly oppose HB 143 and will join dozens of other business organizations in doing so at its May 22 nd public hearing.

As always, please feel free to contact the Chamber with feedback regarding these issues or other issues of concern.

Michael Skelton
Director of Economic Development and Advocacy
Greater Manchester Chamber of Commerce
michaels@manchester-chamber.org

EYE ON POLITICS:

NH State Legislature www.state.nh.us

The Union Leader www.theunionleader.com/primaryindex.html

NH Primary Info www.nhprimary.com

EDITORIAL TEAM:

Brad Cook
Sheehan, Phinney, Bass, + Green, P.A.
1000 Elm Street
Manchester , New Hampshire 03101
bcook@sheehan.com
800-625-SPBG

Valerie Acres
Sheehan Phinney Capitol Group
2 Eagle Square
Concord , New Hampshire 03301
vacres@sheehan.com
603-228-2370

Bruce Berke

Sheehan Phinney Capitol Group
2 Eagle Square
Concord , New Hampshire 03301
bberke@sheehan.com
603-228-2370

Henry Veilleux

Sheehan Phinney Capitol Group
2 Eagle Square
Concord , New Hampshire 03301
hveilleux@sheehan.com
603-228-2370

Liz Murphy

Sheehan Phinney Capitol Group
2 Eagle Square
Concord , New Hampshire 03301
lmurphy@sheehan.com
603-228-2370

Michael Skelton

Greater Manchester Chamber of Commerce
889 Elm Street , Third Floor
Manchester , New Hampshire 03101
michaels@manchester-chamber.org
603-666-6600 ext. 107