

Everything Republicans Always Wanted To Know About the 2010/11 State Budget

1. Under Democratic control, the four-year increase in the general fund budget totals 24% (17.5% in FY 2008/09 and 6.5% in FY 2010/11). And this in the midst of a severe recession when others states are cutting their budgets -- not just slowing the rate of growth, but actually spending less -- by more than 2% on average.

Note: the Democrats may claim the 2010/11 budget was reduced by 1%, but that's an oranges-to-apples comparison which ignores such budget "games" as putting the Liquor Commission budget "off-line."

2. For the first time in state history, our all-funds budget exceeds \$10 billion per year.
3. Democrats "balanced" the FY 2010/11 budget in part by adding 41 new or increased fees and taxes, taking an additional \$150m from taxpayers.

Note: even their brethren in Washington know that raising taxes and fees is not a responsible way to balance a budget in a recession. It's a jobs killer. So what do you do in a recession? You cut spending enough so you don't have to raise taxes and fees. That's the Republican way.

4. The FY 2010/11 budget was balanced in part by downshifting to local taxpayers some obligations previously assumed by the state:
 - a. Democrats reduced the state's share of municipal employee pension costs from 30% to 25%, thus raising local municipal property taxes by \$27m.
 - b. Democrats suspended revenue sharing with municipalities, raising local municipal property taxes by another \$50m.
5. Democrats capped Room and Meals revenues shared with municipalities at the FY 09 level, taking from them the \$15m they would have received from the Democrats' increase in the tax from 8% to 9%.

6. The budget includes Federal State Fiscal Stabilization Fund revenues of over \$337m, including \$160m for adequate education aid.

Note: just who do the Democrats expect to pay to replace this aid when this stimulus money runs out by the end of FY 2011?

7. Democrats borrowed more than \$150m and are selling \$60m of state assets to pay for operating expenses.

Note: Republicans know that the citizens of New Hampshire do not want to go down this road to bankruptcy, nor do they want to ask their children and grandchildren to pay their bills.