

## A Few Facts about the N.H. State Budget

by Rep. Neal M. Kurk  
August 9, 2008

1. The budget covers a two-year (biennial) period.
2. The 2008/9 budget is \$10.3 billion:

| <u>Source of Funds</u>                     | <u>Amount</u> | <u>Percentage</u> |
|--|---------------|-------------------|
| General fund (N.H. taxpayer dollars)       | \$4.8b        | 46.0              |
| Federal funds (U.S. taxpayer dollars)      | \$3.0b        | 28.8              |
| Other funds (e.g., county reimbursements)  | \$1.8b        | 17.3              |
| Highway funds (e.g., gas tax)              | \$0.56b       | 5.4               |
| Turnpikes (tolls)                          | \$0.16        | 1.5               |
| Fish & Game (e.g., license fees)           | \$0.025b      | 0.2               |
| Sweepstakes (e.g., lottery)                | \$0.018b      | 0.2               |
| <br><u>Use of Funds</u>                    |               |                   |
| Health and human services (e.g., Medicaid) | \$3.8b        | 37.1              |
| Education (e.g., adequacy grants)          | \$2.9b        | 28.3              |
| Transportation (e.g., highway maintenance) | \$1.1b        | 10.8              |
| General government                         | \$1.0b        | 9.7               |
| Justice and public protection              | \$1.0b        | 9.6               |
| Resource protection and development        | \$0.46b       | 4.4               |

3. Under the Democrats, the general fund budget grew excessively.

- a. Excessive spending

While the total budget increased about 11% over the last biennial budget, the general fund budget -- the part paid for with N.H. taxpayer dollars -- increased by 17.5%, the highest rate in the last 20 years.

- b. Unrealistically high revenue estimates

Democrats ignored fiscally prudent Republic revenue estimates which contemplated the economic slowdown.

- c. Increased taxes and fees

More than 20 were raised, bringing in \$185m to balance the budget as passed.  
(That's about \$142 for every man, woman and child in the state.)

4. The general fund budget is estimated to be out of balance by about \$175 - \$200 m, or 4%.

Democrats' plan to balance the budget:

- by spending cuts (about \$75m)
- by yet again raising taxes and fees (about \$50m)
- by borrowing (as much as \$91m)