



NEW HAMPSHIRE LIBERTY ALLIANCE

# GOLD STANDARD

SB 2 YEA OTP/A  
 SB 83 YEA ITL  
 SB 149 YEA OTP/A  
 SB 193 YEA OTP  
 SB 205 NAY OTP  
 SB 208 YEA ITL  
 SB 227 NAY OTP/A  
 SB 228 NAY OTP  
 SB 233 NAY ITL  
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 SB 247 NAY OTP/A

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SENATE SESSION - THURSDAY, MARCH 16, 2017

## SB 83-FN-L, relative to the state minimum wage.

Commerce: ITL 3-2

**ANTI-LIBERTY: This bill infringes on the freedom of workers and employers.**

- Workers and employers have a right to contract for whatever wage they wish. It is wrong for government to legally prohibit voluntary employment agreements.
- Minimum wage laws lower the number of entry-level jobs and make it harder for people of low skill to gain critical experience.
- Higher wages for everyone are better accomplished through job creation; more jobs means more competition to hire all workers.

# SB 83

# YEA ITL

## SB 227-FN, relative to a workforce development and training fund.

Commerce: OTP/A 4-0

**ANTI-LIBERTY: This bill diverts money from the unemployment compensation fund and uses it for expanded administration and marketing of other government programs.**

- This bill would divert money from the unemployment compensation trust fund and use it to further expand administration and training, more than quadrupling the contributions to those funds. In the future, if the unemployment rate is higher, this will inevitably result in increased unemployment insurance rates.
- The original and stated purpose of unemployment insurance is to provide coverage to employees who find themselves out of work. If the unemployment compensation trust is well-funded, the state would be better served by reducing unemployment insurance fees, rather than by irresponsibly using a temporary surplus of unemployment insurance fees as a backdoor tax to create or expand programs, under the dishonest guise of an "administrative contribution".
- There are a variety of training options available to NH residents. To tax everyone in order to subsidize certain government-run training programs is inappropriate and unfair to other workers.

# SB 227

# NAY OTP/A

## SB 193-FN, establishing education freedom savings accounts for students.

Finance: OTP 4-1

**PRO-LIBERTY: This bill gives education consumers (parents) more options and gets us away from the one-size-fits-all mentality of traditional public schools.**

- Education Savings Accounts (ESAs) are funds that children receive to a designated account, administered by a scholarship organization, that are used for specified educational purposes. This bill specifies that the funding shall be used for science, mathematics, language, government, history, health, reading, writing, spelling, the history of the constitutions of New Hampshire and the United States, and an exposure to and appreciation of art and music.
- While ESAs are new to New Hampshire, they are not new to other states. Currently five states offer ESA programs and each is unique with respect to the approved uses, eligibility qualifications, administration, accountability mechanisms, and funding sources.
- ESAs have withstood constitutional challenges. The dollar amount would be 90% of the per pupil state adequacy amount plus any differentiated aid the home district would receive for students in grades 1 and above; 50% for kindergarten students. With 5% going to administration by a non-profit scholarship organization, the state keeps 5%, which represents a savings. Enrollment is optional.

# SB 193

# YEA OTP

**NAY  
OTP**

**YEA ITL**

**YEA  
OTP/A**

**NAY  
OTP/A**

**SB 228-FN-A, establishing the New Hampshire college graduate retention incentive partnership (NH GRIP).**

**Finance: OTP 4-2**

**ANTI-LIBERTY: This bill establishes the New Hampshire college graduate retention incentive partnership, which provides financial handouts to college graduates who are hired by participating employers.**

- To take money from all NH residents in order to create another handout exclusively for students who attend college is unfair to other young adults who may choose other career options.
- The high business and property tax rates in NH are two of the main driving forces that make NH a less attractive option for businesses and young working adults. The legislature would better serve residents by reducing spending and taxes, instead of spending even more tax money on creating new bureaucratic programs and band-aid fixes.
- The bill will result in the need for additional recordkeeping by businesses and the state.

**SB 243-FN-A, relative to complete streets policies, establishing a complete streets pilot program, and making an appropriation therefor.**

**Finance: ITL 4-2**

**ANTI-LIBERTY: This bill requires the Department of Transportation to assist municipalities in implementing complete streets projects, update the state's minimum geometric guidelines for local roads, and establish a pilot program for facilitating matching grants to municipalities for complete streets projects.**

- "Complete Streets" can already be built without new legislation.
- State funding for local projects of this type will tend to funnel money from rural towns to more densely populated cities.

**SB 149, authorizing individuals and certain businesses to purchase health insurance from out-of-state companies.**

**Health and Human Services: OTP/A 4-0**

**PRO-LIBERTY: This bill authorizes individuals and small businesses to purchase health insurance from out-of-state companies.**

- This bill provides for a small improvement in the choices provided to consumers by allowing the purchase of health insurance from out-of-state carriers that are approved by the state in which the carrier does business.
- The bill contains several restraints on trade including mandating that the the state in which the carrier is approved be a member of the National Association of Insurance Commissioners and other requirements that would take effect if the Patient Protection and Affordable Care Act of 2009 is materially changed. However, the net effect on liberty is still moderately positive as it may result in an increase in choice to consumers while lowering the barriers to entry for businesses wishing to enter the NH market.

**SB 236-FN, making the Medicaid expansion law permanent**

**Health and Human Services: OTP/A 4-1**

**ANTI-LIBERTY: This bill, as amended, extends the medicaid expansion law from 2018 to 2020.**

- This program provides able-bodied, childless adults in NH above the poverty line with taxpayer funded health care.
- In 2016, the NHLA indicated that the "severability clause" in the bill would allow Centers for Medicare & Medicaid Services (CMS) to pick and choose which portions of the law would be enforced, such as the work requirement. In November 2016, as we predicted in multiple issues of the Gold Standard in the 2016 legislative session, CMS rejected the work requirement (<http://goo.gl/j2nhaR>).
- Federal money always comes with strings attached; it is not free. The national debt, which is approaching \$20 trillion, is arguably the largest threat to national security. Under existing law, federal matching funds drop each year until 2020 making NH taxpayers directly fund the gap. Uncertainty over the path forward in Washington regarding updates to the federal program further complicates evaluation of whether the state will be able to maintain this program without resorting to new sources of revenue such as an income tax.
- A free-market approach to health care should be the main priority of the legislature. This is the only way to sustainably lower costs and increase access for the majority of Granite Staters.

**SB 247-FN-A, preventing childhood lead poisoning from paint and water and making an appropriation to a special fund.**

**SB 247**

**Health and Human Services: OPT/A 3-1**

**ANTI-LIBERTY: This bill mandates universal medical testing of all one- and two-year-old children in the state, denies access to basic education for children who fail to comply with the testing order, and provides a \$6 million state handout to property investors to make improvements to their rental properties.**

**NAY  
OTP/A**

- Existing RSA 130-A:5-a requires doctors to inform parents and guardians of the availability and advisability of screening their children for lead exposure. This helps to make sure that parents are aware of one of the many risks that children may face that could lead to long term health consequences. This bill as amended goes far beyond providing advice to parents in that it now mandates testing. While such tests are often a good idea, particularly if the child is exposed to environmental risk factors, and in most cases present little to no risk to the child, the presumption that the state is authorized to mandate a medical test against the wishes of the parent is incompatible with a free society.
- While the bill contains an explicit provision to allow students to enroll in public school who were not tested at age 1 and 2, parents who choose to do so for non-religious reasons are forced to sign paperwork that may be used against them in future interactions with Child Protection Services.
- While this bill is well-intentioned and allows the legislature to feel as though they are doing "something", it may not be the best use of resources. The resources spent mandating testing of all children, regardless of the risk factors in their environment, would better be spent remediating known lead contamination risks and improving education of risk factors. Testing children after lead exposure has already occurred would identify the risk too late to serve as an early warning indication. Treatment for lead effects after exposure has occurred is not known to result in improved IQ or behavioral outcomes, relative to placebo ([www.cdc.gov/nceh/lead/acclpp/final\\_document\\_030712.pdf](http://www.cdc.gov/nceh/lead/acclpp/final_document_030712.pdf)).

**SB 233-FN, relative to the legalization and regulation of marijuana and establishing a committee to study the legalization of marijuana.**

**SB 233**

**Judiciary: ITL 5-0**

**PRO-LIBERTY: This bill respects self-ownership, and reduces the harm of the drug war.**

- Adults have a fundamental right to make their own choices, including what substances they consume.
- There is no evidence that reducing or eliminating marijuana penalties has led to negative outcomes in the states where it has been tried. In fact, harm reduction will be achieved by allowing adults to grow and share a much less harmful alternative to opioids and alcohol. When allowed as a substitute, 68% of prescribed medicine users chose the less harmful option, cannabis.
- This bill would take millions of dollars, not to mention many customers, out of the hands of illicit street dealers.

**NAY ITL**

**SB 2-FN-A, reducing the rates of the business profits tax and the business enterprise tax**

**SB 2**

**Ways and Means: OTP/A 3-2**

**PRO-LIBERTY: This bill protects the property rights of business owners by reducing tax rates over a 4 year period.**

- High business tax rates impede New Hampshire's ability to attract and retain businesses.
- Our ability to attract new businesses and retain existing businesses is vital to the health of our economy. Low unemployment benefits everyone.
- Broad-based tax rate reductions like those that are contained in this legislation are superior to focused tax credits as they reduce state-induced market distortions that limit the effectiveness of voluntary interaction.

**YEA  
OTP/A**

## **SB 205-FN-A, establishing the small business jobs fund and tax credit.**

**Ways and Means: OTP 5-0**

**ANTI-LIBERTY: This bill forces existing business and taxpayers to subsidize the business ventures of small businesses who are adept at navigating the requirements of a bureaucratic program and not necessarily proficient at meeting the needs of their customers.**

- The state should not be in the business of choosing winners or losers; all businesses should be allowed to compete fairly in a free market.
- Broad-based tax rate reductions are superior to focused tax credits as they reduce state-induced market distortions that limit the effectiveness of voluntary interaction.
- The Department of Resources and Economic Development (DRED) indicates that at least one staff person will be required to manage the program. This will result in a permanent increase in state spending along with the liability of additional future pension costs.

# **SB 205**

## **NAY OTP**

## **SB 208-FN, establishing a working families property tax refund program.**

**Ways and Means: ITL 3-2**

**ANTI-LIBERTY: This bill transfers wealth from some working families and taxpayers to other working families.**

- While reducing the impact of state spending on citizens is generally positive, it should be accomplished through broad-based tax rate reductions enabled by reduced spending, not by forced transfer of wealth from one class of taxpayers to another.

# **SB 208**

## **YEA ITL**

## **SB 242-FN-A-L, relative to video lottery and table gaming.**

**Ways and Means: ITL 4-1**

**ANTI-LIBERTY: This bill violates the New Hampshire Constitution by creating state-enforced quasi-private monopolies for the purpose of expanding the size and scope of state government.**

- The NHLA is not opposed to liberalizing gambling laws per se. The freedom to gamble is a liberty issue. However, this particular bill is anti-liberty for the following reasons:
- This bill creates two casino monopolies — one in each of two different categories. This is unconstitutional under Part II, Article 83 of the New Hampshire Constitution: "Free and fair competition in the trades and industries is an inherent and essential right of the people and should be protected against all monopolies and conspiracies which tend to hinder or destroy it".
- The state should not be in the business of choosing winners or losers; all businesses should be allowed to compete in a free market.
- The legislature should be looking at creative ways to reduce the size, scope, and cost of state government, or expanding the tax base by opening new markets to free and fair competition, not creating large new revenue sources through state-sanctioned monopolies.

# **SB 242**

## **YEA ITL**

## **SB 244-FN-A, relative to exemption of income from taxation under the tax on interest and dividends**

**Ways and Means: OTP/A 3-2**

**PRO-LIBERTY: This bill increases the amount of income under the tax on interest and dividends that is exempted from taxation.**

- This bill, as amended, increases the threshold at which interest and dividends are taxed from \$2,400 to \$10,000.
- The existing threshold was last changed more than 20 years ago in HB56 (1995). Due to inflation, the net result has been the potential for a greater number of taxpayers to be subject to the tax and is an effective year-over-year tax increase as inflation erodes the spending power of the legacy exemption.

# **SB 244**

## **YEA OTP/A**