

HOUSE REPUBLICAN ALLIANCE RECOMMENDATION SHEET



The purpose of the House Republican Alliance is to preserve and strengthen the traditional principles and values of the Republican Party through the NH House of Representatives and throughout the state of NH, including fiscal restraint, personal freedom and responsibility, small government, free enterprise and strong families. We offer the following recommendations based on those principles, the Republican Party Platform, and the NH and Federal Constitutions.

REGULAR CALENDAR WEDNESDAY, MAY 18

CHILDREN AND FAMILY LAW

SB 30, relative to including a parent's residence in the parenting plan. **OTP Vote 10-5**

HRA Analysis: The bill requires parenting plans to include the party's legal residence in cases where joint decision-making responsibility is ordered, absent a history of domestic abuse, stalking or some other reason deemed not to be in the best interest of the children. Said addresses are also required to be updated as necessary. The NHGOP platform supports parents and in the unfortunate case of divorce says we "advocate a presumption in favor of joint custody and favor equitable treatment of both parents in child custody and child support determinations." This bill in a small way will help to make sure that parents will not lose track of their children.

HRA Recommendation: Support OTP

COMMERCE AND CONSUMER AFFAIRS

SB 197, regulating guaranteed price plans and prepaid contracts for heating oil, kerosene, or liquefied petroleum gas. **ITL 15-1**

HRA Analysis: This bill changes the recently enacted law related to home heating oil, kerosene, or liquefied petroleum gas dealers to secure customer prepaid deposits by deleting the current law related to "futures contracts" to instead require the dealers to maintain an escrow account with the office of the attorney general as the beneficiary. The current law also allows for letter of credit, or surety bond of a specified amount, but no dealers have posted them. While the committee recognizes a problem with some dealers who have gone out of business with the result that many consumers have taken losses of thousands of dollars due to the failure of prepaid contracts, the majority, however, felt this bill did not adequately address this problem and we have already retained a House bill that also addresses this problem. Republican platform states: "Working to prevent over-regulation of business, particularly with respect to small business."

HRA Recommendation: Support ITL

EDUCATION

SB 90, directing the legislative oversight committee to study the consolidation of school administrative units. **OTPA 17-0**

HRA Analysis: The amendment changes the original bill in its entirety. This bill expands the duties of the SAU oversight committee. It currently monitors the organization and dissolution of SAU's as well as the general operations. This bill would extend its oversight to cooperative school districts as well in the same functions listed above for SAU's. Also, this bill requires the committee to study consolidation of SAU's into primarily one SAU per county with the exception of Hillsborough and Rockingham which would have 2 SAU's each. This bill also modifies the administrative rules making it less onerous and less time consuming to withdraw from SAU's or authorized regional enrollment area agreements. Finally, this bill provides for a suspension of the required 180 day school year in recognition of snow emergency days for the 2010-2011 school year only. This bill would simply give this power to the local school board to make the decision. Republican platform states: "Local control of education policy and funding creates the best managed school systems."

HRA Recommendation: Support OTPA

SB 117, relative to private postsecondary career schools and the student tuition guaranty fund. **MAJ & MIN: OTPA 15-2**

HRA Analysis: This bill decreases the regulations and fees applicable to private post-secondary schools. The committee amendment goes a step further by making licensing optional, rather than mandatory. Since one effect of being licensed is the requirement to pay into the tuition guarantee fund, schools might prefer not to be licensed. This fund is used to reimburse students for tuition paid to a school that went out of business or otherwise failed to provide the agreed upon training. The minority amendment is identical to the majority, except in one area: it allows licensed schools to advertise that fact, rather than requiring non-licensed schools to disclose that. In other cases where licensing is optional (accountants or oil heat technicians, for example) the non-licensed individuals are not required to advertise that they are not licensed, but licensed individuals prominently display their license number. The Platform, Section VI, says we are "working to prevent over-regulation of business, particularly with respect to small businesses." Requiring disclosure of non-licensed status on every piece of paper generated by a career school is over-regulation.

HRA Recommendation: Support recommit or Support the committee amendment if it comes to a vote before the minority amendment; Support the minority amendment; Support OTPA (with either amendment)

SB 196, relative to the re-nomination or reelection of teachers and prohibiting assessing teacher performance based solely on assessment scores. **MAJORITY: OTPA MINORITY: ITL Vote 13-4**

HRA Analysis: This bill extends the time from 3 years to 5 years required for a teacher to be entitled to rights of notification and hearing for failure to be re-nominated or re-elected. The feeling is that 5 years can give more time for development where an administrator can work with a borderline teacher. If the school is simply reducing the workforce, the reduction shall not be solely based on seniority. Finally, this bill limits the exclusive remedy available to a teacher on the issue of non-renewal to the same as it was prior to 2008, that is, a petition for review. Republican platform states: "To improve and strengthen the classroom, we believe in reviewing and reforming the teacher certification process."

HRA Recommendation: Support OTPA

FINANCE

SB 56-FN, authorizing the department of revenue administration to accept credit card and debit card payments of taxes. **OTPA Vote 26-0.**

HRA Analysis: This bill gives taxpayers the option of paying online with a credit card. They will have to pay a service charge so that the state is made whole. By giving taxpayers more choices we enhance their liberty.

HRA Recommendation: Support OTPA

SB 58-FN-A, adding qualified community development entities to the definition of "qualified investment company" under the business profits tax and the business enterprise tax. **OTPA Vote 25-0.**

HRA Analysis: This technical tax bill has two parts. The first helps the state's Business Finance Authority by bringing our tax code into compliance with federal tax law for specific entities controlled by it. The other makes it clear that New Hampshire does not tax capital gains and treats qualified investment companies as pass-through entities for tax purposes (similar to a mutual fund). One can argue that the BFA is an unnecessary state agency and therefore should not be enhanced, but the other part of the bill is a worthwhile clarification of tax law.

HRA Recommendation: No Recommendation

SB 146-FN, relative to requiring submission of a reduced spending alternative as part of the biennial budget process.

MAJORITY: OUGHT TO PASS WITH AMENDMENT. MINORITY: INEXPEDIENT TO LEGISLATE. Vote 17-7.

HRA Analysis: As part of the budget process departments prepare two budgets: a maintenance budget which keeps the functions of the department unchanged, and a change budget which includes the department's recommended additional activities. SB 146 as amended would also ask for a third budget, one that reduces spending in the department by 10%. It is not expected that any of these three budgets would be adopted unchanged by the legislature, rather that they would serve as useful input to the budget process. As the platform (from Gov. Thomson) says, "low taxes are the result of low spending." Giving the finance committees advance information on areas where the budget can be trimmed will make it more likely that spending will be reduced.

HRA Recommendation: Support OTPA

SB 161-FN, relative to procedures for adoption of agency rules under the administrative procedures act. **OTP Vote 24-0**

HRA Analysis: Makes numerous small changes to streamline the procedure for the creation, adoption and publication of administrative rules. There are several bills in the works to reform and control the rule-making process. While the platform advocates for government efficiency, efficient rule-making is not conducive to our main goal of limited government.

HRA Recommendation: Support recommit or Oppose OTP and Support ITL

LABOR, INDUSTRIAL AND REHABILITATIVE SERVICES

SB 86, requiring the department of labor to warn employers of certain violations prior to imposing a fine. **OTP Vote 13-3**

HRA Analysis: This legislation requires the New Hampshire department of labor to issue one warning for certain violations of law instead of a fine. Violations of laws that pose a threat to public safety or where the employer intends to cause harm will not be afforded a written warning. All warnings require the employer to correct the violation within a thirty day period. The department of labor worked closely with the Senate to craft this bill so as not to allow serious violations to go unpunished. Republican platform states: "Working to prevent over-regulation of business, particularly with respect to small business."

HRA Recommendation: Support OTP

SB 121, relative to the application of the worker adjustment and retraining notification act. **MAJ: OTP MIN: ITL Vote 13-3**

HRA Analysis: This bill would raise the threshold for the WARN Act to apply to companies with 100 or greater employees, rather than the 75 that is in the existing law. The WARN Act requires larger business to give 60 days notice before significant layoffs or plant closings. The new threshold of 100 is chosen because it matches both the federal law and that of all of the surrounding states. The Republican platform states that we will work "to prevent over-regulation of business, particularly with respect to small businesses." In contrast, the current law imposes requirements on more small business than any of our neighbor states. By applying the WARN Act to only larger businesses, we recognize that its requirements place a greater burden on small business. The question before us is "how small is small," less than 75 or less than 100. Passing this bill will remove a reason why a small business would choose to locate in one of our neighboring states, and thereby encourage jobs and economic activity to come to NH.

HRA Recommendation: Support OTP

TRANSPORTATION

SB 27, relative to speed limitations for boats. **MAJORITY: ITL MINORITY: OTP Vote 11-6**

HRA Analysis: As the most thoroughly discussed bill of the year, there is little more to say here. The HRA strongly opposed the original legislation to impose the speed limits on Lake Winnepesaukee. Therefore we are inclined to support the minority and the relaxation of those rules in accordance with the platform's call for personal liberty and responsibility. However, the issue is muddied since with or without SB27 there will still be speed limits on the lake. With it there will be even more rules since it creates a separate speed zone in part of the Broads, but leaves the existing speed limits in the other parts of the lake.

HRA Recommendation: No recommendation

WAYS AND MEANS

SB 53-FN, relative to the definition of nursing and establishing a nursing assistant registry fund administered by the board of nursing. **MAJORITY: OTPA MINORITY: OTPA Vote 14-5**

HRA Analysis: This bill, with either amendment, eliminates a dedicated fund used for nursing assistant licensing, and puts those monies into the general fund, similar to the treatment of nurse licensing fees. The minority amendment also adds to law a new definition that a nurse is “a person authorized to practice nursing who holds a current license to provide care as an APRN, a RN, or a LPN.” Currently the law just defines those various licensed categories of nurses. The bill supports our platform's goals of efficiency and transparency by eliminating the dedicated fund. The minority amendment would be over-regulation by limiting “nurses” to only licensed nurses.

HRA Recommendation: Support OTPA with the majority amendment

SB 125-FN-A, relative to the business profits tax deduction for reasonable compensation. **MAJ: OPTA MIN: ITL Vote 16-5**

HRA Analysis: SB 125 with the committee's amendment clarifies the definition of “reasonable compensation” for business tax purposes. Since we tax business profits but not personal income, and employee and owner compensation are legitimate business expenses that reduce profits, this is an important part of the tax code for both businesses and the state. This bill would simplify matters for the taxpayer by using definitions that follow federal tax code, and would put the burden of proof on the DRA to show that the amount claimed is incorrect, rather than on the taxpayer to show that they are correct. Given that our platform opposes both the income and business profits taxes, we strongly support making sure that the BPT doesn't become a back door income tax.

HRA Recommendation: Support OTPA