

**Op-Ed on the NH House version of HB 25 the State's Capital Budget (2009)
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The House's Capital Budget provides Economic Stimulus throughout NH

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The Capital Budget for the State of NH (as opposed to the State's Operating Budget), exclusively funds State owned buildings, State Parks, and facilities by bonding the amount, usually over a 20 year period. The Capital Budget also matches Federal grant money for State- and Municipal- owned facilities.

The Governor's Capital Budget, as submitted to the Public Works & Highways Committee, authorized capital expenditures totaling \$140.19 million in general fund bonding. The House version of the Capital Budget (as unanimously recommended by the Committee, and adopted by a voice vote in the NH House of Representatives) authorizes \$127.47 million in general fund bonds, and leverages an **additional** \$94 million in federal match and grant monies over and above the budget as presented to the Committee.

One of the top priorities of the House version of the Capital Budget was to keep the State's continuing commitment to fund biennially the renovation of two Community Career Technical Centers (formerly called Vocational-Technical Centers). This year the top two high school districts are Governor Wentworth Regional in Wolfeboro and Littleton, which are allotted a total of \$15.8 million. The House also funded more critical maintenance projects for the NH Community College System, a new Radiological Training Facility at NHTI in Concord and the purchase and renovation of new building in Keene for \$6.5 million.

The House version of the capital budget primarily funds critical repair, renovation and construction projects that can be completed within the next two years. As amended, this capital budget expends over \$150 million in new construction projects in all 10 counties and in over 20 different communities throughout the State. **The result of this added construction is, in fact, a \$150 million state-generated stimulus package that meets critical state capital construction needs, and maximizes the capture and expenditure of federal dollars.** By comparison, the recent Federal Stimulus Program allocated \$129 million to New Hampshire for road and bridge work.

As an additional criterion, this capital budget emphasized construction projects that save taxpayers money, either by reducing state operating expenditures, or by producing additional revenue. Some of the major new construction projects added by the House include:

- \$2.5 million in state bonding brings in 51 million federal dollars for infrastructure and renovations at 11 municipal airports in Berlin, Wakefield, Lebanon, Laconia, Claremont, Keene, Concord, Nashua, Manchester, Rochester and Portsmouth;

- Authorizes \$865,000 in state bonding to complete the land purchase in Pembroke for the Adjutant General, which will allow the construction of a \$34 million National Guard training center 100% funded by a Homeland Security grant. This facility will be used to train National Guardsmen from across the country;
- \$14.5 million to Hampton Beach State Park for a new Hatch Shell and bathroom complex, in accordance with the State Park system masterplan. This expenditure is estimated to generate an additional \$2.6 million annually in direct state taxes, which does not include liquor and lottery sales or the local economic impact;
- A \$15 million renovation of the Tobey School at the Gallen Office Park in Concord will allow the consolidation of State boards and office:
- \$4.8 million for a new liquor store in Nashua, on the existing Coliseum Avenue site, is estimated to increase liquor sales by 25% or \$3 million per year;
- One million dollars for State-owned rail bridge repairs in Lebanon, Laconia and Concord.
- \$465,000 at the Dover Point DMV substation enables a consolidation with the current Rochester DMV facility;
- A further consolidation of DMV facilities from Milford, Merrimack and Nashua, including the EZ-Pass Service Center, will be accomplished by renovating the Welcome Center at Exit 6 in Nashua, while a small bus station will be built at the Exit 8 Park & Ride to service the 10,000 monthly bus commuters will cost \$550,000 in state bonds ; and
- The \$35 million biennial funding of capital construction projects for the University of New Hampshire continues to be funded per prior legislative authority (“KEEP”).

During the current economic recession, these construction projects **will create jobs** for dozens of small and large general contracting- and building-related businesses and **employ hundreds of workers** throughout the State. The House’s Capital Budget is diligent in fairly spreading these new and badly needed capital and construction projects throughout New Hampshire: *“from Coos* (\$67,000 in repairs for the 155 year old Tip Top building on the summit of Mt. Washington) *to the Sea”* (\$1 million for the Hampton Beach sea wall).