

Testimony on Special Session bill HB1-FN-A

June 8, 2010

Representative Marjorie Smith
Chair
Finance Committee
N.H. House of Representatives
107 North Main Street
Concord, New Hampshire, 03301

Representative Smith:

The Society for the Protection of New Hampshire Forests (Forest Society) registers its strong opposition to SS HB1's proposed diversion of \$1.5 million from the Land and Community Heritage Investment Program's (LCHIP) dedicated fund to the state's general fund.

This action, following a series of funding "sweeps" and diversions over the past several years, would render LCHIP essentially meaningless in terms of its ability to contribute to conservation in New Hampshire, and likely require the program to lay off some or all of its small staff. In short, LCHIP would be "kept alive" in name only.

The diversion would also make a further mockery of LCHIP's dedicated fund, which was passed by the legislature in 2007 so that LCHIP could fulfill its legislative mandate without making demands on the state's general fund. If this latest diversion goes forward, \$4.5 million, *or more than 60 percent*, of all the funds collected from the "LCHIP fee" paid on document recording at the county registers will have been siphoned off for the state's general fund.

It should be noted that these figures do not include the diversion of funds agreed to in last spring's budget negotiations that will send half of LCHIP's *future* fee revenues to the state's general fund in the second year of the biennium, which begins July 1.

We understand the extremely difficult financial situation facing the state, but if this proposed diversion stands, it will have been the third time in two years that this Governor and Legislature will have voted to raid LCHIP's dedicated fund.

2010 marks the LCHIP's tenth anniversary. It is time to let this worthy program function as it was intended, using the fee specifically established to support it. We urge you to remove the \$1.5 million funding diversion from special session HB1.

Chris Wells
Director of Policy