

Budget Bill Includes Last-Minute LCHIP Funding Grab

- by Chris Wells

On June 9th, the New Hampshire Legislature met in a rare special session to vote on a bill that re-balances the state budget in the face of growing expenses and declining tax revenues. The bill diverts \$1.5 million from the dedicated fund of the Land and Community Heritage Investment Program (LCHIP) to the state's general fund. This action, which follows a series of funding "sweeps" and diversions over the past several years, once again compromises LCHIP's ability to meaningfully contribute to conservation in New Hampshire.

The raid also makes a further mockery of LCHIP's "dedicated" fund, as created by the legislature in 2007 so that LCHIP could fulfill its legislative mandate without making demands on the state's general fund. With this latest diversion, \$4.5 million, or *more than 60 percent*, of all the funds collected from the LCHIP surcharge paid on document recording at the county registers, will have been siphoned off for the state's general fund. The figure above does not include the diversion of funds agreed to in last spring's budget negotiations that began sending half of LCHIP's *current* fee revenues directly to the state's general fund as of July 1.

A public information session on the budget bill held the day before the vote was attended by approximately 150 legislators, lobbyists, and members of the public. A small number of audience members testified against elements of the bill, and the Forest Society was one of them. We stated that 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. We reminded legislators that 2010 marks LCHIP's tenth anniversary, and we urged legislators to let this worthy program function as it was intended, using the fee specifically established to support it.

In addition to the latest LCHIP funding grab, the budget bill included a first-time \$3.1 million raid on the dedicated fund established for the Regional Greenhouse Gas Initiative (RGGI). This "cap-and-trade" program, which funds energy efficiency initiatives in New Hampshire using fees paid by power plants on carbon emissions, is the cornerstone of New Hampshire's efforts to address the causes of climate change.

The raids on LCHIP and RGGI were added to the bill at the last minute behind closed doors and were agreed to by Governor Lynch and the leadership of the New Hampshire House and Senate.