

State of New Hampshire

HOUSE RECORD

Second Year of the 161st General Court
Calendar and Journal of the 2010 Session

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Tuesday, March 23, 2010

No. 22B

Contains: Corrected Committee Report

ADDENDUM TO HOUSE CALENDAR 22

WEDNESDAY, MARCH 24

REGULAR CALENDAR

FINANCE

CORRECTED COMMITTEE REPORT

HB 1672-FN, making appropriation additions and revenue reductions for fiscal year 2011.

MAJORITY: INEXPEDIENT TO LEGISLATE. MINORITY: OUGHT TO PASS WITH AMENDMENT.

Rep. Marjorie K Smith for the **Majority** of Finance: As introduced, this bill would have reversed actions taken by the House and Senate and signed into law less than 9 months ago. It would have initiated several other changes that would have resulted in loss of revenue of \$44.7 million to the highway fund and \$19.1 million to the general fund. The general fund would have lost an additional \$31 million in appropriations. Most of the provisions in the bill either have been addressed in other legislation, for example HB 1445, voted out by the house, which removed campgrounds from the rooms and meals tax, and HB 1607, passed by the house, which established principles of reasonable compensation. Other sections were eliminated from consideration by the sponsors, such as the cut to the highway fund. On March 17th the house sent HB 1661 to interim study. That bill identified several areas of confusion in the way that certain taxes, including the interest and dividends tax on LLCs, are applied to small business. The governor shares some concerns about issues relating to the LLCs and has asked that any repeal of this tax be part of an effort to study all of the state's business taxes. Because taxes are rightly the purview of the Ways and Means Committee, and because the House has already taken action to have Ways and Means study the issues surrounding the LLC tax, the majority supported the motion of ITL. No amendments were brought to the committee. **Vote 14-10.**

Rep. Neal M Kurk for the **Minority** of Finance: Only one major piece of this bill has not yet been addressed on the merits by the House: the LLC tax. The minority believes this tax has adversely impacted small businesses and the number of jobs they create. This tax has harmed New Hampshire's reputation as a good state in which to do business. As long as this tax is on the books, the state's recovery from the recession will be slowed and the job opportunities for the 7.1% of our fellow citizens who are unemployed will be fewer. The governor has publicly called for the repeal of the LLC tax. The minority agrees with him and believes that is should be done now.

WAYS AND MEANS

CORRECTED COMMITTEE REPORT

HB 271, relative to relevant information in a workers' compensation claim. **OUGHT TO PASS.**

Rep. William G Johnson for Ways and Means: This bill establishes a \$2500 penalty for violations involving the submission of non-relevant medical records in workers' compensation claims. The maximum penalty, commensurate with other insurance industry penalties, will only apply to

aggressive violations. The committee heard no opposition to the bill and the penalty, including from a representative of the insurance companies. **Vote 10-3.**