



STATE OF NEW HAMPSHIRE
OFFICE OF THE GOVERNOR

MARGARET WOOD HASSAN
Governor

June 30, 2015

Dear Madam Chair and Members of the Senate Finance Committee,

I write today to reiterate my willingness and availability to work together, to offer compromise proposals and to negotiate in good faith toward a balanced, bipartisan budget that supports critical economic priorities now and into the future. As I have made clear, I am not philosophically opposed to the corporate tax cuts included in the budget that was sent to my desk, but believe we must find a compromise path forward to pay for those cuts so they don't create a multi-million dollar hole in this and future budgets at the expense of holding down the cost of higher education, strengthening public safety, ensuring access to affordable health care, and repairing our roads and bridges.

As we continue to work together, it is important to note that the state is on track to meet lapse targets and finish Fiscal Year 2015 in the black. Over the last year, I took a number of preemptive and strategic actions – including issuing an Executive Order reducing Executive Branch expenditures by \$18 million and putting in place freezes on generally funded out-of-state travel, hiring and equipment. As I stated at the time of each of these actions, they were necessary to ensure that our current budget is balanced and that lapse targets are met in light of increasing Medicaid costs because of rising caseloads – primarily an increase in children receiving traditional Medicaid as a result of changes in federal law.

Moving forward, I will work with department heads across all of our state agencies to effectively manage the impact of the continuing resolution, but this will become progressively more difficult if it lasts the full six months. In the meantime, I remain ready, willing and able to compromise, and I continue to encourage legislative leadership to return to the table immediately and negotiate in good faith toward a better, more responsible and balanced budget that builds on our progress of the last two years to keep our economy moving in the right direction.

With every good wish,

A handwritten signature in blue ink that reads "Maggie Hassan".

Margaret Wood Hassan
Governor