



STATE OF NEW HAMPSHIRE
OFFICE OF THE GOVERNOR

CHRISTOPHER T. SUNUNU
Governor

April 12, 2019

Dear Agency Heads,

I am writing to you regarding the Fiscal Year 2020-2021 budget passed by the House of Representatives and our approach to the Senate phase of the budget process. Thank you for the outstanding work that you and your agency have contributed thus far and I ask you to maintain that effort going forward. This is a long process and much work remains ahead.

It is unfortunate that the House chose to pass a budget that replicates mistakes of the past. They have passed a budget that rolls forward our current biennium's surplus and one-time revenue into operating costs, which is, in essence, an unbalanced budget. They have voted in favor of an income tax, a capital gains tax, and increased business taxes. They have abandoned our proven budgeting principles, which were driven by your outstanding work, in favor of inefficiency and unsustainable spending. That is not the New Hampshire way.

Please remember as you and your staff prepare for your Senate budget presentations that you should advocate for appropriation levels consistent with our proposed Fiscal Year 2020-2021 budget. If there are programs that go beyond our proposed Fiscal Year 2020-2021 budget that you feel are worthwhile, you should propose realistic, programmatic reallocations from other areas of your agency. We must avoid building structural operational deficits that can only be fixed by future budget cuts or tax increases. None of us wants to replicate the difficult budget process of 2011, which was a direct result of the State's overspending in the previous biennium.

A budget that does not protect New Hampshire's best interests will be vetoed.

The Executive Branch and the legislature must work together to ensure a budget which addresses our state's needs, is structurally balanced and does not subject Granite Staters to large new taxes. I am confident that we can succeed. Our initial conversations with members of the Senate have been positive, and it is my hope that the Senate will pass a budget that continues our state on a path of economic success.

In the event that I must take action to stop an irresponsible budget, I ask that you and your staff begin to make the necessary preparations for the possibility of a continuing resolution on the state budget at current funding levels for FY 2019. We must ensure that New Hampshire citizens can count on their State government working to meet their needs, regardless of how the budgetary process plays out.

Again, thank you and your department for the excellent work you and your team have done to ensure Granite Staters receive efficient and reliable citizen-focused services. They are counting on us to continue those efforts and we must strive to meet their high expectations.

Sincerely,

A handwritten signature in blue ink that reads "Christopher T. Sununu".

Christopher T. Sununu
Governor