



Campaign 2008: Q & A for NH Senate District 5

BRIEF BIOGRAPHY: [50 words or less]

James Danforth (R): I am a resident of Andover, NH and former State Representative. I am a member of both the Andover Lions Club and a member of the Andover Unitarian Church. I am self employed as a facility consultant. I am running to serve all of the 5th Senatorial District.

Campaign website: www.jamesdanforth.com

Matthew Houde (D) went to Hanover High School and Dartmouth College (1991). Matthew graduated from the University of Connecticut School of Law in 1997 and practiced corporate law in Connecticut and New Hampshire before joining the Vermont Law School, where he currently counsels students.

Campaign website: www.matthewhoude.com

QUESTIONS:

1. *List the top three challenges facing New Hampshire. Choose one of these, and state how you would help to address this challenge.* [100 words or less]

Danforth: Challenges facing New Hampshire

- N.H. Economy, Taxes & State Spending
- Education, Unfunded mandates, funding adequacy & a Constitutional Amendment
- Oversight & Restraining of over reaching State Agencies, Shore Line Protection Act, Bunker Fuel Storage requirements, New Drivers Licenses

New Hampshire is suffering from out of control spending, 17.5% spending increase. The state is now facing a \$300 million plus deficit in the next fiscal budget, even with the \$80 million in cuts made by the Governor in July. We do not have a revenue problem; we have a spending problem, 5 million for a new driver's license, millions for a superfluous bridge in Portsmouth and 6 new unfunded educational mandates, bringing the total to 26 unfunded mandates. It is imperative that we maintain the New Hampshire Advantage, no sales tax, no income tax.

Houde: Challenges facing New Hampshire:

- Budget and economic stimulus
- Access and affordability of health care insurance
- Cost of fuel for the winter

I see several ways to help address the challenge of increased fuel cost. Short term approach is to increase assistance for fuel aid and weatherization, which the Legislature has done by making \$10 million available. Over the middle term, we could take legislative steps like property tax relief and low-cost loans for weatherization and efficiency improvements, as well as legislation that would allow logging of trees in state forests to provide a low-cost heating source (as our neighboring states do). Finally, over the long term, we should promote renewable alternative energy sources that would lower costs and help create jobs (which ties into the issue of economic stimulus).

2. *Now that RGGI (Regional Greenhouse Gas Initiative) is implemented, what other measures would most efficiently reduce the NH contribution to global warming? Which one would you work to accomplish first?* [100 words or less]

Danforth: New Hampshire can reduce not only the amount of gas and oil used; it can reduce the amount of dollars spent to fill our cars and home fuel tanks. When elected I will author legislation to increase funding for winterization of New Hampshire homes and reduce or eliminate vehicle registration fees for both private and commercial vehicles that exceed 35 miles per gallon. We need to develop a 10 year plan to increase the energy efficiency of our business, homes and of course our cars. Our economic success depends on our success in reducing energy consumption.

Houde: The state can increase the target percentage of renewable fuels to be used by 2025, and can also encourage and facilitate public transportation to reduce emissions. However, perhaps the first thing the state should do to help reduce NH's contribution to global warming is to invest in research and incubation of new businesses working in the alternative fuels arena - perhaps through partnerships with Tuck and Thayer and the UNH engineering schools (as well as private concerns like the Mascoma Group, which is already working on alternative fuels).

3. ***Our state is extremely dependent on the property tax (funding municipal, county and statewide property tax for education). Please comment on this, and address the fairness issue. What do you believe are viable alternatives to reduce this reliance on the property tax?*** [100 words or less]

Danforth: No other state had delegated such a large fraction of its fiscal responsibilities to cities and towns. New Hampshire has the lowest overall tax burden in New England and ranks 46th nationally. I feel that New Hampshire's citizens have a very fair tax system as they have many opportunities to affect the local and county tax rates at all levels of government.

Limiting the size of government is the best way to reduce property taxes. Sound money management and oversight of agencies as well as properly funding agencies and state projects will ensure New Hampshire's tax advantage.

Houde: NH is indeed dependent on the property tax. With the current property tax system, the wealthiest residents pay a smaller amount as a percentage of income than the lowest income earners. This system disproportionately affects low-income earners and those on a fixed income – those who do not receive an annual increase in earnings that matches the annual increase in the property tax.

I believe NH needs to have a conversation about all sources of revenue to address the reliance on property taxes, and I believe all options should be on the table. However, since politically this conversation is not likely to begin next year, we need to consider the realistic options: finding efficiencies to reduce spending, increases on certain fees and taxes on certain consumption items, as well as cuts to programs (though I am opposed to cuts across the board).

4. ***The state is having trouble with the costs of maintenance for infrastructure. How would you provide for the increase needed for proper maintenance?*** [100 words or less]

Danforth: New Hampshire funds infrastructure projects with a gas tax, the exception being the turnpike system which is funded with tolls. Revenues are down due to people driving less and increased fuel efficiency. This is a political failure of elected officials to address this issue.

I feel that a combination of actions, including, but not limited to establishing strong standards for choosing projects based on need and viability will help restore equitability between costs and revenue. I also support increasing the gas tax by \$.015 a year over the next 5 years, while reducing registration fees for vehicles exceeding 25 mpg.

Houde: This issue has been on the horizon, but came to the forefront (in SD5) when the Rte 4 bridge between West Lebanon and Hartford was closed to heavy trucks in the summer. For proper maintenance of our infrastructure, I would support an increase in the gas tax, which is already lower than our neighboring states (see below). This is a burden that is appropriately carried by those benefitting from the roads we drive on and bridges we cross.

As of Jan 2008 the motor fuels taxes in New England were (rank – highest first)

Connecticut: \$0.625 (2nd highest) // Rhode Island \$0.494 (14th) // Maine \$0.475 (16th) //

Massachusetts \$0.419 (26th) // Vermont \$0.384 (37th) // New Hampshire \$0.38 (41st)

Average in the US: \$0.47

SOURCE: http://www.api.org/statistics/fueltaxes/upload/January_2008_gasoline_and_diesel_summary