



The State of New Hampshire
Department of Environmental Services



Clark B. Freise, Assistant Commissioner

January 31, 2017

The Honorable Norman Major
Chair, House Ways and Means Committee
Legislative Office Building, Room 202
Concord, New Hampshire 03301

Re: House Bill 569-FN-A, requiring the reimbursement of dedicated funds transferred for other purposes

Dear Chair Major and Members of the Committee:

Thank you for the opportunity to testify on House Bill 569-FN-A. This bill provides that before surplus funds are deposited in the revenue stabilization account, the funds shall be used to reimburse dedicated funds transferred for other purposes during the previous biennium. As appropriations and allocations of revenue are the sole purview of the General Court, the New Hampshire Department of Environmental Services (NHDES) takes no position on this bill.

NHDES has a number of programs funded with dedicated funds, and feels it is important to emphasize the impacts of diverting these funds. For example, state proceeds from Regional Greenhouse Gas Initiative (RGGI) allowance auctions are either rebated to ratepayers or deposited into the Energy Efficiency Fund (EEF) and invested in energy efficiency. Investment in energy efficiency directly benefits *all* New Hampshire citizens and ratepayers by reducing the overall demand for electricity, which in turn reduces additional capital investments in generation, transmission and distribution by electricity providers. In 2010, \$3.1 million in New Hampshire proceeds were transferred to general funds. This means that \$3.1 million that could have been rebated to ratepayers or deposited into the Energy Efficiency Fund (EEF) and invested in energy efficiency was forgone.

Thank you again for the opportunity to comment on HB 569-FN-A. Should you have further questions or need additional information, please feel free to contact either Craig Wright, Director of the Air Resources Division (271-1108, craig.wright@des.nh.gov) or Michael Fitzgerald, Assistant Director of the Air Resources Division (271-6390, michael.fitzgerald@des.nh.gov).

Sincerely,

Clark B. Freise
Assistant Commissioner

cc: Sponsors HB 569-FN-A: Reps. Shepardson, Backus, S. Harvey, Roberts, Danielson

