

DISTRICT 11 STATE SENATE DEBATE

October 19, 2018

Opening statement: Who are you and why are you running for State Senate?

My name is Gary Daniels and I am running for re-election to the State Senate in District 11.

After serving 18 years in the House, I am completing my fourth year in the Senate. I am currently the Senate Finance Committee chair, while also serving as Vice Chair of Capital Budget and a member of Ways & Means.

When Republicans took control of the House, Senate and Governor's Office in 2016, we made promises to the people of NH.

We said we would create a balanced state budget that did not raise taxes or fees on our citizens. In June 2017 Republicans passed a responsible and balanced 2-year spending plan that meets the needs of our state with no new taxes or fees. Promises were made, and promises were kept.

We said we would work toward creating a business environment that attracted businesses to the state, make it easier for our existing businesses to grow in NH, and give our businesses a better chance to succeed.

Republicans lowered the Business Profits Tax to a rate lower than Massachusetts. We also lowered the Business Enterprise Tax and increased the Section 179 deduction from \$100,000 to \$500,000 so that businesses could reinvest in their business and create more jobs. Promises were made, and promises were kept.

We completely eliminated the Electricity Consumption Tax to reduce electricity costs for both businesses and homeowners alike.

We also increased the Rainy Day Fund to \$100M to stabilize states reserves and secure a good bond rating. Four years ago this fund had only \$9M in it.

Hundreds of millions of dollars were appropriated to fight the opioid crisis and address mental health needs, and close to \$65M was returned to our cities and towns to fix roads and bridges, and to provide aid for school infrastructure.

Contrast these accomplishments with the last time Democrats had complete control of state government. From 2007-10, Democrats increased state spending 24%. In the 2009-10 session, (my opponent's first term in office), 100 new taxes and fees were introduced, including the LLC income tax on small businesses, brought forward near the end of session through a Committee of Conference without a hearing. This bill was so harmful that it was repealed the next year after a public uproar. This was also the term where Democrats bonded a bond for school building aid. By the time the term finished, Democrats had left NH with an \$800M deficit. They overspent the budget by \$800M, and my opponent was part of that team!

Republicans are now leading NH back to prosperity. The highest calling of leadership is to unlock the potential in others, and that is where you'll find the difference in party philosophy. Republicans want to put in place a structure and an environment that offers every person the opportunity to prosper beyond anything they have imagined, without being stifled by bureaucratic

limits, while Democrats advocate for government programs and handouts that will result in ensuring that people will forever be reliant on the government and never have the opportunity to rise above the enslaving ceiling that will keep them dependent.

Republican initiatives have given NH the highest median household income in the region, the lowest poverty ranking, and the 3rd lowest unemployment rate in the nation. I'm asking for your vote for re-election so that we might continue to enhance the prosperity opportunities for all NH citizens, and not return to the failed policies of the past.

What do you see as the greatest challenge facing New Hampshire and our community, and why?

The greatest challenge we have is to keep the economic engine running strong, but this entails addressing multiple areas of policy:

- We have done a great job reviving the economy, however, with this success, we have businesses throughout the state needing help, and with the third lowest unemployment rate in the country, we face a challenge of finding workers to fill those positions.
- We also face an opioid crisis that for many will disqualify them from getting certain jobs.
- We have passed Recovery Friendly workplace legislation, but not all employers are willing or able to participate in this program.
- In the budget we allocated millions of dollars to fighting the opioid crisis and mental health. We now need to ensure that those funds are being used by the various agencies and organizations efficiently and effectively. We need to be responsible and accountable to our citizens.
- The South Dakota vs. Wayfair decision, which threatens to turn all of our businesses into tax collectors for other states, needs to be addressed in a way that protects NH businesses.
- Energy prices in southern New Hampshire are some of the highest in the country. We need to address this and find ways to lower energy prices for both businesses and homeowners.
- All of these things affect both the State of NH and our local communities.

What have you identified as key economic concerns/challenges for our community?

District 11 is comprised of four communities, each community with concerns and challenges of their own

Transportation infrastructure and school infrastructure is critical for all communities. We have given communities about \$28M to fix roads and bridges, and to provide aid for school infrastructure.

- In addition, Amherst faced a water pollution problem created by a company that responsibly came forward to resolve the problem. The state stepped forward to assist that company in securing the funds needed to correct the problem.
- For Merrimack, water pollution and the removal of inequitable tolls continue to plague the town. I contacted the Department of Environment Services when this issue first came to

light and notified the Department that that I wanted to be kept informed as action progressed. They have done that and as a result I have attended numerous presentations and discussions between the Department and Merrimack citizens.

I have been working for five months on finding a way to remove the Merrimack tolls when the bonds expire in 2020. In May, I amended the 10-Year Highway Plan as it made its way through the Senate to form a study committee to finally get this done. I have also met with the Merrimack Town Council solicit its involvement in this initiative. In 2014, then Senator Peter Bragdon of Milford filed SB3 to remove Exit 12. I voted for that bill, while my opponent, who now claims she will work to get the remaining tolls removed if elected, voted against it. The bill failed, but another bill was subsequently amended and passed with the Exit 12 removal.

- Specific to Milford, in the 2015-16 term, as Chair of the Capital Budget Committee, I was able to get over \$355,000 into the Capital Budget for design of the new District Court/DMV. This term we finally appropriated the funds in the Capital Budget to build the new District Court/DMV, which should be completed in 2019. This will conclude a 20-year effort, first started by (now Executive Councilor David Wheeler) back when he was a State Representative, and carried on when he was elected to the State Senate. I joined him in this effort when I was serving in the House, and carried the initiative over when I was elected to the Senate. It's very gratifying to see this project finally come to fruition, and Councilor Wheeler deserves much of the thanks for ensuring this project stayed viable over the years.

In the past couple years I have been able to use my service as one of Milford's Selectmen to partner local and state government together to benefit Milford by working with the state Department of Safety and connecting them with a local businessman to ensure that the DMV temporarily stayed in Milford while the new court/DMV was being built. The alternate may have been that the state would have those using the Milford DMV go to Nashua, with no guarantee that it would ever come back to Milford. I also put money into the current budget to keep the Milford DMV open five days each week, which they started on October 15, 2018.

- Finally, when I hear people talking about business relocation, I put in a pitch for Wilton. Wilton needs the economic development to revive its economy and that has not gone unnoticed. There is great potential for that town, but we must make businesses aware of the opportunities that exist there. The early years of my life were spent in Wilton before my parents moved to Milford in the early 1960s. I still have a fondness for that community and would love to see Main Street as vibrant as it was in the past.

In what ways would you support attracting business and young families to NH? Why should my children stay in NH after they graduate?

Keeping business taxes low will help not only to attract business to New Hampshire, but also to incentivize existing businesses to expand here. All this helps to ensure that good paying jobs will be available when people enter the workforce.

NH offers some of the best education in the country. We need to do what we can to capitalize on the investment we have made in our students' education. Enabling them to put that education to work here in NH is a win-win situation for both the student and the state.

Initiatives like the Advanced Regenerative Manufacturing Institute (ARMI), which is creating a brand new bio-technical industry right here in Manchester, New Hampshire, provides career opportunities found nowhere else in the world.

New Hampshire is a great place to raise a family. The New York Post stated that when it comes to economic well-being, education, health and community, the best states to raise your kids are in the Northeast, adding that New Hampshire topped the list of best states for a child's well-being.

What would you do (or have you done) to address property tax burdens and downshifting of costs by the state to our local community?

I supported SB38, which sent \$36.8M to cities and towns to fix roads and bridges, money that provided targeted property tax relief.

The School Infrastructure Commission (to which I was appointed) has distributed about \$28M back to communities to enhance school safety, money that again provided targeted property tax relief.

This property tax relief sent to the cities and towns would not have been possible without the pro-economic growth policies put in place by the Republican legislature over the past four years, business policies that generated over \$200M in surplus.

Note: In the 2009-10 term, then Gov. Lynch bonded a bond for school building aid. We are now in the process of paying off that bond, which is why there is a moratorium on school building aid until 2022.

How do you think the State is doing in tackling the Opioid Crisis? What will you do as State Senator to contribute to this fight against Opioids?

We are making some progress with the drug interdiction program that was funded by the legislature.

We have allocated more than \$100M toward fighting this issue, but the DHHS acknowledges that they do not have the means of tracking success of the programs we have. They are currently targeting \$8M of federal money just received for building a tracking system.

We should be tracking the money we have paid out to ensure that it is being used effectively. That is part of what I have been doing since the session ended.

This issue is not about throwing more money at the problem. It is about responsibly ensuring the effectiveness of the money we have allocated to addressing this problem, and that is a major difference between the Democrat and Republican philosophy, as Democrats have continually attempted to increase funding without regard to the effectiveness of existing programs.

Considering the epidemic of mass shootings that the US has been plagued with recently, what legislative solutions would you bring to the table to prevent such a tragedy from occurring in New Hampshire?

The question presupposes that we need a legislative solution, and I don't believe that is necessary.

We have given \$28M from the School Infrastructure Fund to enhance the safety of school. Part of the requirement of being eligible for this money is that the applicant (school) have in place an emergency plan.

I met with an 8th grade class from Merrimack and asked them for feedback regarding what they though needed to be done to creating a safe learning environment. Here are the things they mentioned:

- Reinforce drills. They have fire drills, why not lockdown drills?**
- Have traffic monitors**
- Have a student support system**
- Post guards in the school**
- Enforce anti-bullying policies. They felt that some instances were overlooked depending on who was doing the bullying.**
- Address mental health needs**
- Incidents needed to be reported, though some felt they would be labeled as "snitches"**
- Address cyber-bullying**
- Develop a drop-box where instances could be anonymously reported**
- Develop a code of students' rights**
- Have the state provide more funding**
- Have group discussions that included parents**

A New Hampshire School Safety Preparedness Task Force of Homeland Security subsequently released a 2018 Report that contained many of the suggestions of the Merrimack student.

Eversource, with the permission of State Regulators, increased our electric rates 19%. What will you do, as legislator, to ensure that New Hampshire residents have access to affordable renewable energy?

Since Eversource no longer owns any of its own generation, the 19% rate increase reflects increases in the wholesale energy markets, including the cost of state policies like the Renewable Portfolio Standards (RPS).

Customers right now have the option of purchasing 100% renewable energy from competitive electricity suppliers, but my understanding is that renewables are more expensive.

So, while nothing is stopping customers from purchasing 100% renewables now, customers don't because their electric rates would be more expensive with just renewables.

As far as affordability, it's up to the producers, not the state, to make their product competitive with existing producers, and they should be doing that without coming to the state for subsidies that total into the billions of dollars.

Renewable Portfolio Standards, which as of the most recent report released by the Public Utilities Commission on October 1st increases, accounts for \$47 million per year in costs to New Hampshire's ratepayers.

Residents and Businesses can also invest in solar panels to generate their own electricity—and some can receive renewable energy credits from the RPS for their power; some may be eligible for grants from the renewable energy fund; and all of them can “Net Meter” and sell the power they don't use back to the grid.

Currently New Hampshire participates in the Regional Greenhouse Gas Initiative, which requires utilities to purchase allowances for every ton of carbon they emit. Should NH be doing more to fight Climate Change?

New Hampshire emits just .27% (that is .27 %, not 27%) of the CO₂ emitted in the United States, and only Delaware, Vermont and Rhode Island emit less than we do as a state. We do participate in the Regional Greenhouse Gas Initiative (RGGI). We have a Renewable Portfolio Standard and we invest in energy efficiency through the Systems Benefits Charge (as well as through RGGI rebates). We need to focus on lowering the cost of energy so that our businesses can be competitive globally.

According to a recent editorial regarding models created by the Panel on Climate Change (IPCC), the article stated, “Most carbon taxes are around \$20 per ton. Yet the panel estimates a global carbon price between \$135 to \$5,500 per ton – which would increase the cost of gas by between \$1.20 to \$49 per gallon – would be required to keep warming below 1.5 degrees Celsius. Europe is also proving the limits of its carbon sacrifices, as renewables fail to meet expectations and even green believers in Germany increase their use of coal.”

What key social issues do you believe that are impacting our state and how do you plan (or have done) to address them?

One of the most serious issues we are facing is the attempts by some to squelch our 1st amendment rights of freedom of speech and freedom of association.

We seen this with UNH when students tried to prohibit a speaker associated with Turning Point from speaking, by blocking access to the building, and then later interrupting the speech.

I have been subjected to this myself, first by a progressive lobbyist a number of years ago, and most recently, having received an email from a co-chair of the Milford Democrat Committee, who insisted I defend my membership in a private organization with which he disagreed.

My membership in this organization is not paid by the taxpayer, and it is my Constitutional right under the rights of association to belong to any private organization I wish.

I believe in limited government, free markets, and states rights, which happen to be the focus of the organization with which I am associated. I understand that this philosophy is diametrically opposed to the NH Democrat Party, who by their assertion that I should explain why I am a member of this organization, wish to strip me of my Constitutional right to associate simply because they disagree with the philosophy of this organization.

These actions are paramount to bullying, and they exist all over the country, not just here in NH. My concern is if this is being done to an elected official, you can be assured that it is also being done to anyone in the private sector with whom they disagree.

What have I done to address them? I continue to fight to preserve the 1st Amendment rights of all people, whether I agree with them or not.

In a political climate where it seems both political parties are going to their ideological extremes, what will you do as state senator to work across the isle and be pragmatic in your governance?

Understanding that there are philosophical differences that cannot be overcome, I have always been willing to courteously listen to views different from my own to see if we can find common ground, but I also expect the same courtesy from the person to whom I am talking.

Two years ago the House could not agree on a budget, and when its time ran out, the task of developing the budget was turned over to the Senate. As Senate Finance chair I met with leadership of both parties in the House and the Senate to discuss their goals for the budget. Not surprisingly, the goals of both parties were somewhat the same – addressing the opioid crisis, mental health, the developmentally disabled waiting list, and DCYF support services were just some of the things we had in common.

The big difference was how much to spend.

After passing the Senate, the budget bill returned to the House, where my opponent, along with all the other Democrats, with the exception of six, voted against it, thereby rejecting the significant increases that had been given to these crucial areas of funding the fight against substance abuse, allocating additional funds to mental health so that we could get patients out of hospital emergency room hallways and moved into treatment facilities, giving additional funds to those on the developmentally disabled waiting list, and enhance the support services offered by the Department of Children, Youth and Families .

Since 2010 I have worked with some of the most liberal Democrats and the most conservative Republican in sponsoring Lyme disease legislation that would enable residents to be treated for chronic Lyme disease in New Hampshire without those doctors fearing retribution by the Board of Medicine.

The Democrat chair of the committee that heard this bill told the committee before the bill even got to the committee that there was a Lyme disease bill coming to committee, and that that bill needed to die. This was reported to me by a member of that committee.

The committee subsequently reported the bill out of committee with 17-1 recommendation to study the bill, which in the second year of a term, essentially kills the bill. I worked with legislators from both parties and we overturned that recommendation and the House passed the bill 300-56.

The bill then went to the Senate, where it was ultimately killed in a Committee of Conference by then Senators Maggie Hassan and Molly Kelly.

The same bill was reintroduced in 2011, and it became law that year.

As State Senator, what efforts would you engage in to improve the quality of education for our community and the State of New Hampshire?

I was told by the Chancellor of the Community Colleges during the budget process two years ago that 2/3 of the students entering the Community Colleges need to take remedial courses.

Since that time I have had discussions with our local school board regarding the quality of education and the readiness of our students to enter college.

I have questioned the extent to which Guidance Councilors direct students to the trades, when their desire is not to go to college.

I am currently on a committee studying the job training programs in NH. So far, we have identified about 130 job training programs available through state agencies, the Community College system, the University system, Health and Human Services, and the Department of Employment Security.

In answer to my question regarding coverage of job training programs, the Business and Economic Affairs Commissioner stated that all areas of business in the state are covered, but we have yet to determine the duplicity among these 130 programs

Yet I am criticized by my opponent for not voting for job training program #131, which had a price tag of up to \$6M.

I have supported pro-economic growth policies to attract businesses to NH and to enable existing businesses in NH to succeed. Our 2.7% unemployment, the 4th lowest in the nation is evidence that these policies are working.

What I am working on now is a strategy that would ensure that high schools graduate students ready for college, that colleges and job training programs provide the education needed by businesses, and that the business environment in NH is vibrant enough to provide good paying jobs and career opportunities for all who choose to take advantage of them.

What efforts will you do on the state level to make higher education for affordable for students and their families?

In 1996 I filed HB473, which was legislation that created the Distance Learning Commission, today known as virtual learning. Today, many colleges offer programs where degrees can be attained through online courses, by student located anywhere in the world.

This term Governor Sununu established a student scholarship fund to help defray college costs.

The Advanced Regenerative Manufacturing Institute (ARMI) (SB564) has built into it the deferment or forgiveness of some student loans if the employee says with the company five years.

To my knowledge, these things were enacted in spite of the colleges being unwilling to lower tuition

Closing Statement

It has been my honor to represent District 11 in the Senate for the past two terms.

For the past four years, and particularly over the past two years, Republicans have worked to turn around the failed policies of the past, yet remnants of those failed policies keep popping up. Just this morning, at a Fiscal Committee meeting, an audit report disclosed that NH may have to pay back to the federal government almost \$3.4M because federal funds taken by the Hassan Administration never accounted for how that money was spent. It is issues like this that continue to challenge us. In spite of those challenges, Republicans have persevered. We have put in place pro-growth economic policies that have recharged New Hampshire's economy.

US News and World Report ranked NH the 5th best state in 2018:

- **#1 in opportunity**
 - **#1 in economic opportunity**
 - **#1 in equality**
- **#4 in education**
 - **#2 for K-12**
- **#2 in safety**
- **#1 in opportunity to achieve the American Dream**
- **#4 in quality of life**

Republican initiatives have given NH the highest median household income in the region, and the lowest poverty ranking and 3rd lowest unemployment rate in the nation. We have more people working in NH than ever before, and the unemployed in NH is the lowest on record. The Mercatus Center ranks us as #12 in Financial Health.

I am part of that Republican team that made promises to our citizens. I have done what I promised, and now I'm asking for your vote for re-election on November 6th and for the whole Republican team so that we might continue to enhance the prosperity opportunities for all NH citizens, and not return to the failed policies of the past.