

FISCAL COMMITTEE OF THE GENERAL COURT

MINUTES

July 20, 2010

The Fiscal Committee of the General Court met on Tuesday, July 20, 2010 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Marjorie Smith, Chairman
Representative Neal Kurk
Representative Sharon Nordgren
Representative Douglas Scamman
Representative Robert Foose
Representative Daniel Eaton, Alternate
Representative Fran Wendelboe, Alternate
Senator Lou D'Allesandro
Senate President Sylvia Larsen
Senator Kathleen Sgambati
Senator John Gallus

Chairman Smith opened the meeting at 9:10 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Foose, seconded by Representative Scamman, that the minutes of the June 17, 2010 be accepted as written. MOTION ADOPTED.

NEW BUSINESS:

RSA 14:30-a, III AUDIT TOPIC RECOMMENDATION BY LEGISLATIVE PERFORMANCE AUDIT AND OVERSIGHT COMMITTEE:

FIS 10-229 Letter from Deputy Speaker Linda T. Foster, Chairman of the Legislative Performance Audit and Oversight Committee – On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the recommendation of the Legislative Performance Audit and Oversight Committee for the following performance audit topics; 1) the Department of Revenue Administration, Uncollected State Taxes; 2) the Department of Administrative Services, Self-Insured Employee Health Benefits Program; and 3) the New Hampshire Public Utilities Commission. MOTION ADOPTED.

The Committee requested a copy of the letter prepared by Deputy Speaker Linda Foster, Chair of the Legislative Performance Audit and Oversight Committee, as to the scope of the Department of Revenue Administration audit and requested that Jeffry Pattison, Legislative Budget Assistant, follow-up to obtain and provide each member a copy of the requested information.

RSA 14:30-a,VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE:

CONSENT CALENDAR

On a motion by Representative Foose, seconded by Senator D'Allesandro that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-207 Department of Resources and Economic Development – accept and expend \$200,000 in federal funds and \$7,000 in other funds for a total of \$207,000 through June 30, 2011, FIS 10-210 Department of Agriculture – retroactively accept and expend \$75,000 in federal funds effective from June 1, 2010 through May 31, 2011, FIS 10-212 Department of Information Technology – accept and expend \$70,000 through June 30, 2011, FIS 10-216 Department of Safety – accept and expend \$555,700 through June 30, 2011, FIS 10-220 New Hampshire Fish and Game Department – accept and expend \$818,995 through June 30, 2011, FIS 10-221 Department of Justice – authorization to reallocate \$15,400 in federal funds through August 31, 2010 (FIS 09-284, approved August 27, 2009), FIS 10-222 Department of Justice – authorization to reallocate \$36,020 (FY 2011 only) in federal funds through June 30, 2011 (FIS 09-388, approved December 3, 2009), FIS 10-226 Department of Justice – retroactively accept and expend \$62,869.24 in prior year federal grant fund balances effective from July 1, 2010 through June 30, 2011, FIS 10-227 Department of Justice – retroactively accept and expend \$508,942 in prior year federal grant fund balances effective from July 1, 2010 through June 30, 2011, FIS 10-228 Department of Justice – retroactively accept and expend \$1,471,341 in prior year federal grant fund balances effective from July 1, 2010 through June 30, 2011, FIS 10-230 Public Utilities Commission – accept and expend \$80,722 in prior year carry forward other grant funds through June 30, 2011, FIS 10-232 Department of Justice – retroactively accept and expend \$77,218 in prior year federal grant fund balances effective from July 1, 2010 through June 30, 2011, FIS 10-233 Department of Justice – retroactively accept and expend \$199,680.41 in prior year federal grant fund balances effective from July 1, 2010 through June 30, 2011]

RSA 124:15 POSITIONS RESTRICTED:

CONSENT CALENDAR

On a motion by Representative Foose, seconded by Senator D'Allesandro that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-223 Department of Justice – authorization to establish one (1) part-time consultant position through June 30, 2011]

RSA 14:30-a,VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE AND RSA 124:15 POSITIONS RESTRICTED:

FIS 10-231 Postsecondary Education Commission – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Postsecondary Education Commission to accept and expend \$1,500,000 in federal grant funds through June 30, 2011 and establish one (1) full-time temporary Program Specialist III position through June 30, 2011. MOTION ADOPTED.

RSA 21-I:30, I, MEDICAL AND SURGICAL BENEFITS:

FIS 10-234 Department of Administrative Services – Linda Hodgdon, Commissioner, and Monica Ciolfi, Administrator, Risk Management Unit, Department of Administrative Services, responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Administrative Services for certain changes to the State's Retiree Health Plan in regards to the Prescription Drugs Benefit, effective October 1, 2010. MOTION ADOPTED.

RSA 622:28-a, V, INDUSTRIES INVENTORY ACCOUNT:

FIS 10-169 Department of Corrections – William McGonagle, Assistant Commissioner, and Robert Mullen, Director of Administration, Department of Corrections responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Corrections to purchase equipment and equipment-related items in an amount not to exceed \$6,000 in other funds from the Correctional Industries' Revolving Account through June 30, 2011. MOTION ADOPTED.

CHAPTER 4:5, LAWS OF 2010, DEPARTMENT BUDGETS; TRANSFERS OF FEDERAL FUNDS:

FIS 10-213, FIS 10-214 and FIS 10-215 Department of Safety – On a motion by Representative Kurk, seconded by Senator D'Allesandro, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-213 Department of Safety – transfer \$15,400 in federal funds through June 30, 2011, FIS 10-214 Department of Safety – transfer \$3,356 in federal funds through June 30, 2011, FIS 10-215 Department of Safety – transfer \$4,700 in federal funds through June 30, 2011]

CHAPTER 4:5, LAWS OF 2010, DEPARTMENT BUDGETS; TRANSFERS OF FEDERAL FUNDS AND RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE:

FIS 10-217 Department of Safety – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Safety to 1) transfer \$2,825 in federal funds through June 30, 2011 and 2) subject to approval of Item #1, accept and expend \$120,743 in federal funds through September 30, 2010. MOTION ADOPTED.

CHAPTER 4:5, LAWS OF 2010, DEPARTMENT BUDGETS; TRANSFERS OF FEDERAL FUNDS AND RSA 124:15 POSITIONS RESTRICTED:

FIS 10-224 Department of Safety – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Safety to 1) transfer \$54,500 in federal funds through June 30, 2011 and 2) subject to approval of Item #1, establish one (1) temporary full-time Secretary II position through June 30, 2011. MOTION ADOPTED.

CHAPTER 144:39, II, LAWS OF 2009, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 10-208 Department of Health and Human Services – On a motion by Representative Foose, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$154,420 in other funds through June 30, 2011. MOTION ADOPTED.

CHAPTER 144:181, LAWS OF 2009, DEPARTMENT OF INFORMATION TECHNOLOGY; TRANSFERS AMONG ACCOUNTS:

FIS 10-218 Department of Information Technology – On a motion by Representative Foose, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Information Technology to transfer \$66,127 in other funds through June 30, 2011. MOTION ADOPTED.

LATE ITEM:

FIS 10-237 Department of Education – Paul Leather, Deputy Commissioner and Stephanie LaFreniere, Title I State Director, Department of Education presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Education to budget and expend \$8,588,214 in federal ARRA funds through June 30, 2012 and further establish two (2) full-time temporary Program Specialist III positions through June 30, 2012. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

The informational items were accepted and placed on file.

INFORMATIONAL LATE ITEM:

FIS 10-236 New Hampshire Lottery Commission – Charles McIntyre, Executive Director, William Bartlett, former Acting Director, and Georges Roy, Administrator, New Hampshire Lottery Commission responded to questions of the Committee. Michael Brown, Senior Assistant Attorney General, Department of Justice was also present to respond to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee put on hold discussion of the New Hampshire Lottery Commission item and requested that the Lottery Commission, if it wished to do so, return before the Fiscal Committee in September with an action item in respect to using any interactive computer program and that the "PlayNowNH" program not be implemented until the Fiscal Committee acts. MOTION ADOPTED.

AUDITS:

State of New Hampshire, Community Mental Health System, Performance Audit Report, July 2010 – Richard Mahoney, Director of Audits, and Jay Henry, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee were Erik Riera, Administrator, Bureau of Behavioral Health, and Raymond Perry, Legal Counsel, Department of Health and Human Services.

On a motion by Representative Kurk, seconded by Senator D'Allesandro, that the report be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

ADJOURNMENT:

The next regular meeting of the Fiscal Committee is set for Tuesday, September 21, 2010 at 9:00 a.m. (Whereupon the meeting adjourned.)

Representative Neal Kurk, Clerk