

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES

September 21, 2010

The Fiscal Committee of the General Court met on Tuesday, September 21, 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 Fran Wendelboe, Alternate
Senator Lou D'Allesandro
Senator Margaret Wood Hassan, Alternate
Senator Kathleen Sgambati
Senator John Gallus
Senator Peter Bragdon

Chairman Smith opened the meeting at 9:22 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Kurk, seconded by Senator D'Allesandro, that the minutes of the July 20, 2010 be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

FIS 10-236 New Hampshire Lottery Commission – Charles McIntyre, Executive Director, New Hampshire Lottery Commission requested to withdraw the informational item describing the New Hampshire Lottery Commission product know by the name “PlayNowNH,” placed on Hold July 20, 2010.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the New Hampshire Lottery Commission to withdraw the informational item describing the New Hampshire Lottery Commission product know by the name “PlayNowNH.” MOTION ADOPTED.

NEW BUSINESS:

RSA 9:16-a, TRANSFERS AUTHORIZED:

CONSENT CALENDAR

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-263 Department of Safety – transfer \$27,206]

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

Item FIS 10-245 Department of Safety was removed from the Consent Calendar at the request of Representative Kurk.

On a motion by Representative Scamman, seconded by Senator D'Allesandro that the Committee approve the remaining requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-244 Department of Resources and Economic Development – retroactively accept and expend \$641,598 in federal funds from July 1, 2010 through June 30, 2011, FIS 10-264 New Hampshire Fish and Game Department – accept and expend \$59,598]

FIS 10-245 Department of Safety – Wesley Colby, Director of Administration, Colonel Robert Quinn, Director, State Police and Lieutenant Christopher Aucoin, SWAT Team Commander, State Police, Department of Safety presented the request and responded to questions of the Committee. Also present was Pamela Urban-Morin, 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 accept and expend \$712,545. MOTION ADOPTED.

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

ARRA FUNDS CONSENT CALENDAR

Items FIS 10-267 Department of Safety, FIS 10-278 Office of Economic Stimulus, and FIS 10-279 Department of Employment Security, were removed from the Consent Calendar at the request of Representative Kurk.

On a motion by Senator D'Allesandro, seconded by Representative Scamman, that the Committee approve the remaining requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-265 Office of Energy and Planning – amend FIS 09-346, approved October 20, 2009, by reallocating \$102,504 in federal ARRA funds across the state fiscal years and between expenditure classes during which the grant award falls through August 14, 2012, FIS 10-266 Department of Resources and Economic Development – retroactively accept and expend \$972,474 in federal ARRA funds from June 30, 2010 through June 30, 2012]

FIS 10-267 Department of Safety – Wesley Colby, Director of Administration, Department of Safety presented the request and responded to questions of the Committee.

In order to allow the Department time to obtain answers to questions of the Committee no action was taken on the request of the Department of Safety to amend FIS 09-342, approved October 20, 2009, by reallocating \$120,901.96 in other ARRA funds through June 30, 2012.

FIS 10-278 Office of Economic Stimulus – Christopher Clement, Director, Office of Economic Stimulus 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 Office of Economic Stimulus to retroactively accept and expend \$78,217 in federal ARRA funds effective June 30, 2010. MOTION ADOPTED.

FIS 10-279 Department of Employment Security – Jill Revels, Business Administrator, and Doris LaChance, Director, Employment Services Bureau, Department of Employment Security responded to questions of the Committee.

On a motion by Senator Gallus, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Employment Security to amend FIS 09-231, approved June 12, 2009 and subsequently amended by FIS 10-160 on May 18, 2010, by reallocating \$138,518.48 in federal ARRA funds through September 30, 2010. MOTION ADOPTED.

RSA 124:15 POSITIONS RESTRICTED:

ARRA FUNDS CONSENT CALENDAR

Item FIS 10-246 Department of Transportation was removed from the Consent Calendar at the request of Representative Kurk.

FIS 10-246 Department of Transportation – Michael Pillsbury, Deputy Commissioner, Department of Transportation presented the request and responded to questions of the Committee. Christopher Clement, Director, Office of Economic Stimulus was also present to respond to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that Committee **amend** and approve the request of the Department of Transportation to establish a Consultant position, through December 31, 2010, in order to assist NHDOT with applications for funding under the National Infrastructure Investments grant program under the Federal FY 2010 Transportation, House and Urban Development Appropriations Act (known as “TIGER II”) to support freight rail and port improvements, with **a new grant award letter to be attached to the request to replace incorrect information inadvertently attached.** MOTION ADOPTED.

CHAPTER 144:39, II, LAWS OF 2009, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS AND CHAPTER 144:39, III, LAWS OF 2009, AS AMENDED BY CHAPTER 1:6, LAWS OF 2010 SPECIAL SESSION, DEPARTMENT OF HEALTH AND HUMAN SERVICES; TRANSFER AMONG ACCOUNTS:

ARRA FUNDS

FIS 10-247 Department of Health and Human Services – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to 1) accept \$3,763 in federal ARRA funds through

June 30, 2011 and 2) transfer \$1,238 in federal ARRA funds through June 30, 2011. MOTION ADOPTED.

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:

ARRA FUNDS

FIS 10-280 Office of Energy and Planning – On a motion by Representative Foose, seconded by Senator D'Allesandro, that the Committee approve the request of the Office of Energy and Planning to 1) amend FIS 10-203, approved June 17, 2010, by reallocating \$11,277 in FY 2011 and \$17,256 in FY 2012 in federal ARRA funds through June 30, 2012 and 2) amend FIS 10-156, approved May 18, 2010, by reallocating \$47,592 in FY 2011 and \$74,399 in FY 2012 in federal ARRA funds through June 30, 2012 and 3) amend FIS 10-204, approved June 17, 2010, by reallocating \$47,592 in FY 2011 and \$74,399 in FY 2012 in federal ARRA funds through June 30, 2012 and establish one (1) full-time temporary ARRA Accountant position and one (1) full-time temporary ARRA Administrative Assistant position through April 30, 2012. MOTION ADOPTED.

RSA 21-I:19-i, VII, FLEET EFFICIENCY AND REDISTRIBUTION:

FIS 10-248 Department of Administrative Services – On a motion by Representative Foose, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Administrative Services for approval of the recommended fleet reduction of two (2) vehicles for the Department of Agriculture, Markets and Foods and further approval of the recommended reassignment and restructuring of the Department of Agriculture, Markets and Foods vehicle fleet. MOTION ADOPTED.

RSA 215-A:23, IX AND RSA 215-C:39, X REGISTRATION FEES:

FIS 10-249 New Hampshire Fish and Game Department – On a motion by Representative Foose, seconded by Senator D'Allesandro, that the Committee approve the request of the New Hampshire Fish and Game Department to transfer \$205,065 of unexpended funds from Excess Registration Fees to the Fish and Game OHRV Fiscal Year 2011 Operating Budget. MOTION ADOPTED.

RSA 228:12 TRANSFERS FROM HIGHWAY SURPLUS ACCOUNT:

FIS 10-271 Department of Transportation – Michael Pillsbury, Deputy Commissioner, and Leonard Russell, Financial Analyst, Department of Transportation 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 Transportation to transfer \$107,430. MOTION ADOPTED. (8-Yes, 2-No)

FIS 10-272 Department of Transportation – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Transportation to transfer \$2,990,000. MOTION ADOPTED. (9-Yes, 1-No)

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

FIS 10-250 Department of Cultural Resources – Kathleen Stanick, Business Administrator, Department of Cultural Resources was present.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Cultural Resources to transfer \$25,300 in federal funds through June 30, 2011. MOTION ADOPTED.

The Committee requested that more detailed explanations be provide on future requests.

FIS 10-251 Department of Education – On a motion by Representative Foose, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Education to transfer \$22,424 in federal funds through June 30, 2011. MOTION ADOPTED.

FIS 10-252 Department of Environmental Services – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Environmental Services to transfer \$79,831 in federal grant funds through June 30, 2011. MOTION ADOPTED.

FIS 10-268 Department of Safety – Wesley Colby, Director of Administration, Department of Safety 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 Safety to transfer \$3,108 in federal funds through December 31, 2010. MOTION ADOPTED.

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

ARRA FUNDS CONSENT CALENDAR

FIS 10-267 Department of Safety – Wesley Colby, Director of Administration, Department of Safety 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 Safety to amend FIS 09-342, approved October 20, 2009, by reallocating \$120,901.96 in other ARRA funds through June 30, 2012. MOTION ADOPTED.

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 10-253 Department of Environmental Services – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Environmental Services to transfer \$76,000 in federal grant funds through June 30, 2011 and accept and expend \$69,000 in federal funds 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 10-254 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human 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 Health and Human Services to accept and expend \$305,501 in federal funds through June 30, 2011. MOTION ADOPTED.

FIS 10-255 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services responded to questions of the Committee.

On a motion by Senator Sgambati, seconded by Representative Nordgren, that the Committee approve the request of the Department of Health and Human Services to retroactively accept and expend \$449,627 in federal funds from July 15, 2010 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 AND CHAPTER 144:39, III, LAWS OF 2009, AS AMENDED BY CHAPTER 1:6, LAWS OF 2010 SPECIAL SESSION, DEPARTMENT OF HEALTH AND HUMAN SERVICES; TRANSFER AMONG ACCOUNTS:

FIS 10-270 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human 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 Health and Human Services to 1) accept and expend \$260,700 in Supplemental Nutrition Assistance Program (SNAP) high performance

bonus funds and subject to approval of Item #1, transfer \$554,138 in general funds and decrease related federal revenue by \$261,000 through June 30, 2011. MOTION ADOPTED.

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

FIS 10-269 Department of Information Technology – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Information Technology to transfer \$47,275 in other funds through June 30, 2011. MOTION ADOPTED.

LATE ITEM:

FIS 10-282 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services presented the request and responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator Hassan, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$645,709 in federal funds and \$22,675 in other funds through June 30, 2011. MOTION ADOPTED. (9-Yes, 1-Abstain)

FIS 10-283 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human 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 Health and Human Services to accept and expend \$825,000 in additional federal funds through September 29, 2010. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

Nicholas Toumpas, Commissioner, Department of Health and Human Services responded to questions of the Committee regarding FIS 10-238 Department of Health and Human Services – Chapters 143 and 144, Laws of 2009 – May 2010 Budget status report for the fiscal year ending June 30, 2010 and FIS 10-239 Department of Health and Human Services – Chapter 263:109, Laws of 2007 – Rate Setting, Report of Expenditures for the Child and Family Services and Child Development (child care) Program for July 2009 through June 2010.

The informational items were accepted and placed on file.

MISCELLANEOUS:

Office of Legislative Budget Assistant – Jeffrey A. Pattison, Legislative Budget Assistant, requested approval to fill one (1) vacant position within the LBA, Budget Division.

On a motion by Representative Foose, seconded by Senator D'Allesandro, that the Committee approve the request of the Office of Legislative Budget Assistant to fill one (1) vacant position within the LBA, Budget Division. MOTION ADOPTED.

AUDITS:

State of New Hampshire, Highway Safety Agency, Financial Audit Report For The Nine Months Ended March 31, 2010 – Richard Mahoney, Director of Audits, and Elizabeth Bielecki, 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 Peter Thomson, Coordinator, and Debra Garvin, Program Manager, Highway Safety Agency. Also present was Nancy Averill, Business Manager, Highway Safety Agency.

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

State of New Hampshire, State Treasury, Abandoned Property Division, Financial Audit Report For The Six Months Ended December 31, 2009 – Richard Mahoney, Director of Audits, and Kimberly Seamans, 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 Catherine Provencher, State Treasurer, and Brian Regan, Director, Abandoned Property Division, Department of Treasury.

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

The Committee questioned the State Treasurer regarding the \$6.8 million discrepancy between the State Accounting System and the Unclaimed Property Management System (UPMS) used by the Abandoned Property Division and requested this be researched and an attempt made to reconcile the discrepancy. The State Treasury will research the balances in the systems from 1997 forward, about the time of conversion to the new UPMS.

ADJOURNMENT:

The next regular meetings of the Fiscal Committee are set for Tuesday, October 19, 2010 at 9:00 a.m. and Monday, November 15, 2010 at 9:00 a.m. (Whereupon the meeting adjourned.)

Representative Neal Kurk, Clerk