

FISCAL COMMITTEE OF THE GENERAL COURT  
MINUTES

November 21, 2008

The Fiscal Committee of the General Court met on Friday, November 21, 2008 at 9:00 a.m. in Room 201-203 of the Legislative Office Building.

Members in attendance were as follows:

Representative Marjorie Smith, Chairman  
Representative Neal Kurk  
Representative Mary Jane Wallner  
Representative Kenneth Weyler  
Representative Peter Franklin  
Representative Daniel Eaton  
Representative Fran Wendelboe  
Senator Lou D'Allesandro  
Senator Harold Janeway, Alternate  
Senator Molly Kelly, Alternate  
Senator Theodore Gatsas  
Senator John Gallus

Chairman Smith opened the meeting at 9:00 a.m.

NEW BUSINESS:

FIS 08-204 Office of the Governor – His Excellency, Governor John H. Lynch, Kristyn McLeod, Governor's Budget Director, and Linda Hodgdon, Commissioner, Department of Administrative Services, presented Executive Orders 2008-10 and 2008-11 and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Kurk, that the Committee approve the request of the Office of the Governor, for "an order directing a reduction in Executive Branch expenditures," as specified in Executive Order 2008-10.

A roll call was requested by Senator Gatsas and the results were as follows:

Representative Smith – Yes  
Representative Kurk – Yes  
Representative Weyler – Yes  
Representative Franklin – Yes  
Representative Eaton – Yes  
Senator D'Allesandro – Yes  
Senator Janeway – Yes  
Senator Kelly – Yes  
Senator Gatsas – No  
Senator Gallus – No

(8-Yes; 2-No) MOTION ADOPTED.

On a motion by Senator D'Allesandro, seconded by Representative Kurk, that the Committee approve the request of the Office of the Governor, for “an order directing Executive Branch spending reductions,” as specified in Executive Order 2008-11. MOTION ADOPTED.

NEW BUSINESS:

Office of Legislative Budget Assistant – Chairman Smith announced that due to the retirement of Michael Buckley, Legislative Budget Assistant, Jeffrey Pattison, Deputy Legislative Budget Assistant, would assume the duties of Legislative Budget Assistant until such time as the new Fiscal Committee can meet to appoint a new Legislative Budget Assistant.

ACCEPTANCE OF MINUTES:

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the minutes of the October 22, 2008 meeting be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

FIS 07-111 Department of Health and Human Services, Office of Medicaid Business and Policy – for authorization to clarify physician services reimbursements to comply with recent instructions from the federal Centers for Medicare and Medicaid Services (CMS). **Tabled 4/19/07 and 5/15/07.** No action taken.

FIS 07-238 Department of Health and Human Services – authorization to complete the bid process for the GraniteCare Selective Contracting Program. **Tabled 7/24/07.** No action taken.

FIS 07-360 Department of Health and Human Services – requests approval of one of four options for a new rate structure for pediatric specialty care **Tabled 11/14/07.** Replacement Item submitted for approval of one of five options for a new rate structure for pediatric specialty care. **Tabled 12/13/07.** No action taken.

FIS 08-130 Department of Health and Human Services – authorization to revise the reimbursement rate paid to non-critical access hospitals for outpatient services from 81.24% of Medicare allowable costs to 62.82% of Medicare allowable costs retroactively to January 1, 2008 **Tabled 4/29/08.** No action taken.

FIS 08-163 New Hampshire Retirement System - actuarial certification of funds available in the respective member classifications “special account” for the purpose of determining COLA’s **Tabled 5/29/08.** No action taken.

FIS 08-269 Administrative Office of the Courts – request for approval of proposed revisions to the weighted case values used for calculating the annual salaries of part-time district justices appointed after July 1, 1987 for implementation July 1, 2009. **Tabled 10/22/08.**

FIS 08-288 Postsecondary Education Commission – request to accept and expend \$330,000. **Tabled 10/22/08.**

On a motion by Senator Janeway, seconded by Senator D'Allesandro, that the item be removed from the table. MOTION ADOPTED.

On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee approve the replacement request of the Postsecondary Education Commission to accept and expend \$330,000. MOTION ADOPTED. (9-Yes, 1-No)

RSA 9:16-a, TRANSFERS AUTHORIZED:

**CONSENT CALENDAR**

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 08-336 Department of Safety – transfer \$77,318.99]

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 Eaton, seconded by Senator D'Allesandro, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 08-321 Department of Environmental Services – accept and expend \$540,541, FIS 08-322 Department of Safety – accept and expend \$91,378.98, FIS 08-323 Department of Safety – accept and expend \$104,433.12, FIS 08-330 Department of Resources and Economic Development – accept and expend \$120,806, FIS 08-331 Department of Safety – accept and expend \$179,328, FIS 08-337 Department of Education – accept and expend \$617,338.62, FIS 08-338 Department of Justice – amend the grant award termination date from December 31, 2008 to June 30, 2009, with no increase in funding (approved FIS 06-292 October 18, 2006 and subsequently amended FIS 07-187 June 28, 2007), FIS 08-339 Department of Safety – amend the grant award termination date from November 30, 2008 to May 30, 2009, with no increase in funding (approved FIS 05-245 November 16, 2005 and subsequently amended FIS 08-065 February 22, 2008), FIS 08-342 Office of Energy and Planning – accept and expend \$75,000]

RSA 124:15 POSITIONS RESTRICTED:

**CONSENT CALENDAR**

FIS 08-341 Department of Environmental Services – Susan Carlson, Chief Financial Officer, Department of Environmental Services responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee approve the request of the Department of Environmental Services to extend the end date of a Hydrogeologist I position from December 13, 2008 to June 30, 2009 (approved FIS 08-143 April 29, 2008). 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:

FIS 08-340 Department of Safety – Pamela Urban-Morin, Grant Administrator, and Steve Kiander, Administrator, Department of Safety presented the requests and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Safety to amend FIS 08-212 approved July 29, 2008 by reallocating \$50,938 in grant funds and further authorization to establish one (1) full-time temporary Administrator II position through June 30, 2009. MOTION ADOPTED.

RSA 12-G:42, XI PEASE DEVELOPMENT AUTHORITY, ADOPTION OF RULES:

FIS 08-324 Pease Development Authority – Geno Marconi, Director, Division of Ports and Harbors, presented the request, distributed a handout dated November 20, 2008, and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Weyler, that the Committee approved the request of the Pease Development Authority for approval of the Proposed Schedule of Mooring Fees 2009. MOTION ADOPTED.

RSA 126-A:3, VII MEDICAID HOSPITAL OUTPATIENT SERVICES; DESIGNATION IN OPERATING BUDGET:

FIS 08-325 Department of Health and Human Services – Nicholas Toumpas, Commissioner, and Katie Dunn, Medicaid Director, presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Kurk, that the Committee approve the request of the Department of Health and Human Services to revise the reimbursement rate paid to non-critical access hospitals for outpatient services from 81.24% of Medicare allowable costs to 54.04% of Medicare allowable costs retroactively to July 1, 2008. MOTION ADOPTED.

CHAPTER 42, LAWS OF 2006, AS AMENDED BY CHAPTER 87, LAWS OF 2008 STATE MATCHING FUNDS FOR FEDERAL EMERGENCY MANAGEMENT AGENCY DISASTER ASSISTANCE GRANTS:

FIS 08-344 Department of Safety – On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee approve the request of the Department of Safety to distribute \$87,299.83 in State Matching Funds for Federal Emergency Management Agency Disaster Assistance Grants for the October 2005 Floods and further authorization to increase previously approved State Matching Funds for October 2005 Floods by \$8,883.07. MOTION ADOPTED.

CHAPTER 263:28, II, LAWS OF 2007, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 08-332 Department of Health and Human Services – On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$7,602,813. MOTION ADOPTED.

CHAPTER 334, LAWS OF 2007, AS AMENDED BY CHAPTER 87, LAWS OF 2008 STATE MATCHING FUNDS FOR FEDERAL EMERGENCY MANAGEMENT AGENCY DISASTER ASSISTANCE GRANTS:

FIS 08-345 Department of Safety and FIS 08-346 Department of Safety – On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve both requests of the Department of Safety to distribute \$279,941.28 in State Matching Funds for Federal Emergency Management Agency Disaster Assistance Grants for the May 2006 Floods (FIS 08-345) and distribute \$697,666.12 in State Matching Funds for Federal Emergency Management Agency Disaster Assistance Grants for the April 2007 Floods (FIS 08-346). MOTION ADOPTED.

MISCELLANEOUS:

Office of Legislative Budget Assistant – Jeffrey Pattison, Deputy Legislative Budget Assistant, presented the request to fill a vacant position in the Office of Legislative Budget Assistant, Budget Division and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee approve the request of the Office of Legislative Budget Assistant to fill a vacant position in the Budget Division. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

FIS 08-335 Department of Administrative Services – Chairman Smith and Senator Janeway responded to questions of the Committee regarding the Department of Administrative Services letter dated October 30, 2008 requesting support for the Department of Administrative Services to stop doing follow up reports of the LBA audits performed on various agencies and the Fiscal Committee Chairman's reply dated November 3, 2008 confirming the request

FIS 08-347 Office of Legislative Budget Assistant – Richard Mahoney, Director, Office of Legislative Budget Assistant, Audit Division, responded to questions of the Committee regarding the request to discontinue the performance audit of District Offices for State Agencies based on the Audit Division's preliminary findings

The informational items were accepted and placed on file.

ADJOURNMENT:

The next regular meeting of the Fiscal Committee will be at the Call of the Chair.  
(Whereupon the meeting adjourned.)

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Representative Neal Kurk, Clerk