

**JOINT LEGISLATIVE FISCAL COMMITTEE**

Legislative Office Building, Rooms 210-211

Concord, NH

Friday, February 16, 2024

**MEMBERS PRESENT:**

Representative Kenneth Weyler, Chair

Representative Keith Erf

Representative Jess Edwards

Representative Mary Jane Wallner

Representative Peter Leishman

Representative Gerald Griffin (Alt.)

Representative David Huot (Alt.)

Senator James Gray

Senator Jeb Bradley

Senator Regina Birdsell

Senator Lou D'Allesandro

Senator Cindy Rosenwald

KENNETH WEYLER, State Representative, Rockingham County,  
District #14: Good morning. I will call the Fiscal Committee  
meeting to order, February 16, 2024. All please rise for the  
Governor. Good morning.

CHRISTOPHER SUNUNU, Governor, State of New Hampshire:  
{Inaudible} WMUR microphone.

CHAIRMAN WEYLER: Ah, great. Good morning. Committee will  
address item FIS 24-072.

GOVERNOR SUNUNU: Great. Well, good morning, Chairman  
Weyler, and Members of the Fiscal Committee. Appreciate everyone  
taking some time today.

So today I come before you to request authorization of  
expenditures in the amount of \$850,000 to allow New Hampshire to  
send members of our National Guard to Texas to facilitate  
security activities at the Southern United States border to  
protect New Hampshire citizens from harm. The funds will enable

the deployment of volunteers from two New Hampshire -- two New Hampshire National Guard Military Police Units totaling up to 15 soldiers to deploy to Eagle Pass, Texas, for a duration of up to 90 days.

So let me be clear, the crisis along the southern border is not just a Texas issue. It's an issue that affects every state, New Hampshire included, and it's one that if left unaddressed will continue to deliver harm for families across New Hampshire.

New Hampshire is fortunate to have made headway in recent years in curbing the opioid crisis; but the tragic reality is that this year 400 families will lose to loved one because of fentanyl that is flowing across our southern border.

Record amounts are being smuggled into our system. Since Operation Lone Star was launched by Governor Greg Abbott in 2021, Texas alone, their law enforcement has seized over 450 million lethal doses of fentanyl.

In visiting with members of New Hampshire's National Guard stationed at the border just this last year, I saw firsthand the humanitarian tragedy that is unfolding. The inaction of President Biden is on full display. I've met with the men and women of Border Patrol who want to do their job, but who have been told not to enforce laws that are currently on the books.

Simply put, the southern border has devolved into a corridor for the cartels to funnel fentanyl and other drugs into this country, fueling an epidemic of overdoses that has absolutely ruined lives, including lives right here in the great State of New Hampshire. Open borders invite additional threats of terrorism and human trafficking.

So since writing to you earlier this week, some have questioned whether the use -- using State funds for this manner is you prudent. Others have questioned whether State funds should be on the table given that border security typically falls to the Federal Government. Members of this Committee have said that this is a federal issue and not a state issue, and I

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could not agree more. The President and his Administration have the tools to manage this crisis in their hands today, yet they have done nothing, which is why the states are stepping up.

In the absence of a willingness at the federal level to secure our borders, states must undertake efforts to protect the safety of our citizens, and that's more than the Biden Administration has done in three years.

Working in coordination with the Texas National Guard and the Texas Department of Safety, the work done by volunteer members of the New Hampshire National Guard to enforce existing state and federal laws will have a life- saving impact. Our teams will work -- will do work that will likely include manning static security points and roving patrols to identify illegal immigrants and drug trafficking activities, which will then be reported to the Texas Department of Safety for the interventional activities.

Placing obstacles in designated locations along the Texaco -- Texas and Mexico border, conducting land clearing operations in preparation for permanent fence construction, these efforts will assist Texas in securing the border, making criminal arrests, protecting citizens and helping limit the dangerous drugs from reaching New Hampshire.

My request to you today adheres to State Law which allows for expenditures with your consent in instances in which action is called for on an expedited basis to combat harms to the safety and the welfare of the state. I urge you to ignore the politics surrounding this crisis and focusing on simply addressing the humanitarian crisis at hand.

Stemming the unchecked flow of drugs into our country, drugs that make their way to New Hampshire and take the lives of Granite Staters is incumbent on us all.

I thank you for your consideration of this request to protect the well-being of Granite Staters and happy to take any questions.

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CHAIRMAN WEYLER: Any questions from Committee Members? Representative Edwards and then Representative Leishman.

JESS EDWARDS, State Representative, Rockingham County, District #31: Thank you, Mr. Chairman. Thank you, Governor, for considering my question.

Would you -- would you agree with me that the situation along our Southern border may actually be more dire than what you've described here this morning? I -- I -- I -- I put what's happened to the millions of people coming across the border in an unaccountable way, complete with potential for terror groups to set up sabotage cells throughout the country, I put this as -- on the same scale of national security threat as Pearl Harbor and 9/11. The difference is those were kinetic events. This is more subterfuge to set up cells to undermine us. This will limit our ability in the future to respond if Taiwan is attacked, may limit our ability to respond and support Israel.

So -- so I think -- I think your request is valid. I believe I'm going to support it; but I don't know that we're completely expressing the danger that's been imposed on the nation by failing to secure our border.

GOVERNOR SUNUNU: Representative Edwards, you're absolutely right. To try to summarize the tragedy that is happening there in a few short minutes in a discussion here, I think to your point is almost impossible. It is the number one national security issue facing this country. Unquestionably. Whether you're looking at terrorism cells. You know, not to move this to the Northern Border and Southern Border issue, but the fact that we have had hundreds and hundreds of -- of apprehensions of individuals on the terrorist watch list illegally -- trying to illegally cross these borders is -- it's very real. So then you add the drugs, and you add the trafficking. When you stand there and look across that river you can literally see the cartels. Like they're not off in the distance. They're like 100 feet away looking right back at you in their blue tent

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cities effectively holding people hostage in those tent cities till they can extort the funds out of them to cross.

Migrants are not allowed to cross unless they pay off the cartels, and they're crossing in thousands. So now you have the entire Southern Border effectively on the -- on the Mexico side, at least, being controlled by multi-billion dollar enterprises of some of the most ruthless individuals on the planet, cartels, that can be paid off for -- to do anything. So this is an immense issue.

The -- the thing that stings me, we talk a lot about the fentanyl, obviously, and that's really my number one focus here, and I think the mission how it affects New Hampshire families so direly. But, again, standing on that border, you could write novels about what you see with the results of the human trafficking, the sexual trafficking, the trafficking of children.

Um -- yeah, I'll tell you a little -- just one thing that really got me. You know, if you're under 13-years old when you are -- first, if you're apprehended and you come across illegally by Border Patrol, you don't get marked down. You don't get recorded. So what happens? They then traffic that child and -- and if you have two adults with you, they are considered your, quote, parents. So they walk free.

So then they take that child, they being the cartels, traffic them back to the Southern Border and use them effectively as a mule to get freedom for two more individuals. And they do it again, and again. And the Border Patrol has said I've seen the same child a dozen times, and there's nothing I can do about it. I'm not allowed to enforce the laws. I'm not allowed to enforce the policies of this country. I've been told not to.

Border Patrol, Southern Border Patrol is as frustrated as anyone. Especially, again, we're focusing on Eagle Pass. The main reason we're focusing on Eagle Pass is, I think, as a lot of folks know, not just a couple hundred but thousands of folks

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were coming across a day. The efforts that Governor Abbott put into place, really straining his own resources, have had direct results. They reduced it from thousands a day to, like, 10 to 15 a day or even less. I think in a few days it's like under five. So you can -- this isn't just window dressing. These are getting real results. And by having New Hampshire and other states step up, they can now expand the operations that have -- have yielded results. Again, not just for Texas but for the entire country.

REP. EDWARDS: Second question.

CHAIRMAN WEYLER: Follow-up.

REP. EDWARDS: Thank -- thank you for your response. So -- so this is a different type of question. I had a -- an old broken down - he wouldn't mind me describing him that way - an old broken down retired Sergeant Major reach out to me who was part of our efforts during the Vietnam War to use National Guardsmen to provide riot security. And so the question he asked me was will our Guardsmen be protected from criminal immunity for their official acts. What -- what was required during the Vietnam War to protect National Guardsmen, because they aren't protected like law enforcement are from criminal immunity, from prosecution, is that they had to be deputized locally so that they would get that immunity shield. And I know I'm getting into some old history and detail, but I'm -- I'm just concerned that given that the migrants can initiate contact with our soldiers, even though that's not intended to be part of their mission, I just want to make sure that if they do end up in some kind of engagement that's been incited by others, that -- that they are not subject to federal criminal prosecution.

GOVERNOR SUNUNU: The answer to there is no. And the reason is a couple-fold. Number one, they are going to be following the letter of the law. They will not be breaking the law. As the Texas military is doing, as the Texas Department of Safety is doing, and they -- the Texas National Guard effectively the -- what's called the Texas Department of Military, I

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believe, will have operational control of these individuals. As they follow the law, these individuals follow the law.

REP. EDWARDS: Follow-up. I -- I -- I -- I may -- I may not have made my concern clear.

GOVERNOR SUNUNU: Sorry.

REP. EDWARDS: I'm not worried about our soldiers violating the law. I'm worried about wanton abuse of federal prosecutory authority to if there is any sort of contact to criminalize our Guardsmen because of animosity to us stepping up and doing the mission.

GOVERNOR SUNUNU: Sure.

REP. EDWARDS: So I want to protect our soldiers from criminal prosecution to the extent that there's a legal way to do it.

GOVERNOR SUNUNU: Sure. I -- look, I technically I will probably defer to the Attorney General for the technical legalities there. I would say this. We sent Guardsmen, men and women of the National Guard, to California in 2021. We sent almost 200 of them to McAllen, Texas, for almost a year's deployment just last year. Those issues have never -- have never risen which, again, I believe the protections are there.

REP. EDWARDS: Thank you.

CHAIRMAN WEYLER: Representative Leishman for a question followed by Senator Gray.

PETER LEISHMAN, State Representative, Hillsborough County, District #33: Thank you, Mr. Chairman. Thanks for being here, Governor. So there have been, I believe, two requests in the past which were funded by federal money. This request, of course, is General Funds, the \$850,000. As someone that lost their son to fentanyl, the fentanyl overdose, I'm acutely aware of what's going on at the Southern Border and with the drugs

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coming in from as far away as India now, China, coming to our West Coast. Some of the highest amounts of fentanyl are pouring through the border of California and Arizona right now, and a lot of that's being done by American citizens.

So my question to you, it would seem to me that this \$850,000 would be more appropriately spent with drug and alcohol prevention here in New Hampshire or enforcement versus sending 15 Guardsmen down to Texas, which to me, you know, 15 Guardsmen, I don't see them doing, you know, not -- no disrespect to the Guard, but 15, what kind of a difference is that going to make on this thousands of miles of border where people are just flowing across and being unchecked, where that 200 -- the \$850,000 would be probably better spent here in New Hampshire since it is General Funds. And if your request was or our request before us was Federal funds, I don't think you'd have any opposition. But this General Fund dollars, and as you indicated in your address yesterday, we've got to be pretty frugal and mindful of our spending. So I just hope you can respond to that.

GOVERNOR SUNUNU: Sure. Look, we -- we spent a lot of money, tens of millions of dollars on drug interdiction here, recovery treatment programs. We've put record numbers of dollars into those programs, and by all means if somebody wants to add some more dollars into additional interdiction efforts specifically around our MET teams and the Department of Safety, I'm all for that. That would be great. But, again, just because you're focusing on efforts here, there is a direct result of what's happening here from the Southern Border. There's no question.

There is a complete lack of effort on the part of the Federal Government who has the roles and responsibilities to enforce the laws on the Border, to limit drug smuggling, drug trafficking, but they're willingly not doing it. So the states are stepping up.

So, again, you can't -- of course, we have to put all the efforts we can here at home. But if no one is going to mind that Southern Border, then the states are going to step up and do it;

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not one state or two states but a partnership. Hopefully of all 50, we'll see what happens, but in partnership. And to the idea that, well, this is 15 individuals, yeah, look when I spoke with Governor Abbott, he'd love to three or 4,000 people down on the Southern Border. Well, we have about one -- 1/250th of the U.S. population. So if every state did -- stepped up and did what we're doing, yeah, you'd end up with three or 4,000 people on the border. We're doing our part. We're putting that -- that -- those 15 skilled individuals are exactly what they're looking for, exactly what they need. And the timeline that the folks on the front line are looking for. They're looking for 60 to 90 days of assistance.

So, no, we're meeting the exact needs as is being requested. And I think your point is very well-taken. We can always have more efforts here in New Hampshire where we have opportunity, we have funds to do this. And, again, the Southern Border is a huge part of the problem here in New Hampshire. There's no question about that.

REP. LEISHMAN: Thank you. Thank you, Mr. Chairman.

CHAIRMAN WEYLER: Senator Gray for a question.

JAMES GRAY, State Senator, Senate District #06: Well, it's as much a statement as a question.

GOVERNOR SUNUNU: Sure.

SEN. GRAY: Because as soon as I was informed of this by the Senate President that this was going to come before us, the first words out of my mouth to the Senate President was the Northern Border, okay. And let me explain why. Okay. That we have individuals in this state who have fought against finding out if we have a problem at the Northern Border and how big that problem is. Those same individuals have said that's why we shouldn't spend any money on this, that, or the other thing.

So the more I can get individuals who understand the problem and get training of what's happening, the better off New

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Hampshire is. We have states like New York and New York City who now say they're full. All right. That has gotten the attention of the President and Congress. And now we are going to, in my opinion, be more and more vigilant about people coming across that Southern Border, which is going to put additional pressure on states like New Hampshire, where we have the Northern Border. And that is why I support this. Those individuals who are -- would be coming back after this deployment are going to have information that I believe is going to be very valuable to the state as we secure the Southern Border, and those individuals who are trying to come across move to the Northern Border. And I'd let you comment if you care to.

GOVERNOR SUNUNU: No, I -- I agree wholeheartedly. I mean, we've obviously, and thanks to the Legislature and the efforts here, we've put a lot of effort on the Northern Border, you know, the Northern Border Alliance that we've put together. Again, when we talk about the Northern Border, just to be clear, you know, we talk about Maine, New Hampshire, Vermont, into just the eastern part, we call the Swanton sector, the eastern part of New York. Some of the bigger issues we don't see as much fentanyl. We have seen some coming across the Northern Border, to be sure. The bigger issues on the Northern Border for me revolve around the folks on the terrorism watch list. We have a lot of folks on the terrorism watch list, specifically in the Buffalo and the Swanton sector. They come down out of Montreal mostly. But the -- the issue at hand for me and today, and for -- has been in the state for over a decade now, two decades almost, is this fentanyl crisis. And we know the vast majority, almost all of it, comes up from that Southern Border. And, again, it's amazing that, you know, because -- you can actually follow, they can follow it so closely. It comes from the Southern Border into Texas to New York and Providence. I'm not knocking on New York or Providence. These are just kind of the -- the way it comes up, into Northern Massachusetts, and then they use that as kind of a direct highway into the three northern New England states. So you can follow the bouncing ball. It's not a hypothetical. It's not supposition. You can see exactly what is coming from the Southern Border and trace it right up into, you know, virtually every city and town in New

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Hampshire without a doubt. So, no, it's very real, it's impactful, and it's affecting families today.

SEN. GRAY: Thank you.

CHAIRMAN WEYLER: Senator D'Allesandro for a question.

LOU D'ALLESANDRO, State Senator, Senate District #20: Thank you. Thank you, Mr. Chairman. Governor, thank you for coming. It's always, always good to see you.

Governor, as you know, in House Bill 2, we appropriated 1.5 million for the Northern Border. And that's where we thought the concern was for New Hampshire and we -- we funded that with General Fund money. So it seems -- it seems to me, we have done more than our part in addressing this situation. The Congress of the United States, particularly the Republican-controlled House of Representatives, has refused to accept a plan to deal with the Southern Border situation. And we've got about 20,000 people at the Southern Border right now between our Border Patrol and -- and other entities. It seems to me that spending 800,000 of General Fund monies and sending 15 people, although it's a wonderful thought of yours, in terms of support, it seems to me the real issue is the Congress funding what they should be funding to protect the Southern Border. Our 15 guys aren't going to make a great deal of difference. But, indeed, your ability as a -- as a high-ranking public official and a member of the Republican party, I think that effort should be spent getting the Republicans in Congress to come up with the money that -- that's -- that's there to -- to do what we should be doing. And -- and, certainly, the fentanyl crisis is problematic; but as said by our colleague, Representative Leishman, much of that money, much of that fentanyl is being brought in by Americans. And it's a terrible, terrible situation, and we deal with it here.

Our overdose deaths in the City of Manchester and the City of Nashua have been severe. So it -- it seems to me the pressure should be -- should be really -- really applied to the

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Republican members of the Congress to fund Border security. Uh -- that's -- that to me is a great way to spend our money.

I can think of a couple of times, Governor, where -- where the National Guard was brought -- brought up to take care of things. And one was way, way back just -- actually, when your father and I were colleagues in the House of Representatives. When monies had to be spent by -- by General Fund monies because of the Seabrook situation. Because of the thousands of people that were put in National Guard Armories and so forth and so on. That was, I think, a worthy use of General Fund monies to protect the people of the State of New Hampshire. And it seems to me what we've done to the Northern Border, boy, it makes a great deal of sense, and we're succeeding. I'm not sure that 800,000 when there are so many needs. If you looked at the number of requests for more money that are before the Senate Finance Committee as we speak would say how can we spend this money better for the people of the State of New Hampshire. And I -- and I appreciate the sentiment, but I think we have to look at that. Would you address that, sir?

GOVERNOR SUNUNU: Yeah, absolutely. So let's first talk about Washington D.C. The bill that is -- not look like it's not going to pass in Congress is a complete political red herring. The fact is that within the first hundred days of office Joe Biden signed 16 different Executive Orders, Proclamations and Policy Memos that rescinded the "Remain in Mexico" policy, that reinstilled the "Catch and Release" policy, that completely handcuffed the ability of Border Patrol to do their jobs. Policy drastically changed. That has nothing to do with this bill. The idea that this bill is somehow a solution to a problem that was created three years ago on January 20th, 2021, is -- is a fallacy, and it's all -- that's simply all politics.

You bring up 20,000 people that are already on the border down there, that's right, and they're not allowed to do their jobs. They're not allowed to patrol the way they're designed to patrol. The laws are very clear that say that -- that Border Patrol shall detain. The laws are very clear that says that

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illegal entry is a federal crime. The laws are very clear that says that the Border Patrol has a requirement to maintain operational control through border barriers and other means necessary. So all those laws are in place. All those policies were rescinded by Joe Biden, nothing to do with the bill. There's funds there. There's opportunity there. It's more of a policy crisis than anything.

So by having what the Governor of Texas has done has said okay. He's actually removed Border Patrol from that area, said we're simply going to not enforce random laws. We're just going to enforce the laws on our books and on the federal books in conjunction with what is already there because they won't.

Now that requires funds. The State of Texas has put up over \$2 billion of their own money, \$2 billion, just to simply enforce laws that the federal government has told their own team not to enforce.

So that's -- I just caution folks to think that somehow if this bill passed everything would magically be fixed. Of course, that's not true. They did not need this bill to do their jobs.

SEN. D'ALLESANDRO: Thank you. Thank you. Thank you, Governor. I -- I just have one other comment.

The Governor of Texas put razor wires, razor wire out and put buoys in the water to deter people crossing the border. Many people have died. There -- there are few people that have drowned because of this and that's kind of inhumane. Let's -- they got 20,000 people. Let them -- let them do their job. And, indeed, it can be done if the Republican-led Congress of the United States were to pass the legislation that's before them that was passed in the Senate in a bi-partisan vote. We've got to do things in a bi-partisan manner in order to make things happen. You've articulated that on many occasions, and I think the response would be very positive to a bi-partisan approach. And I would hope that you would -- you would use everything in your power to make that happen.

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GOVERNOR SUNUNU: So if I may address that. In 2022 there were 159 drownings along the Texas border because folks were incentivized. There was no barrier. They were incentivized to try to risk their lives to come cross in the river. Since that razor wire has been put up, there's no longer an incentive. They know there's not a path for them to come. That has been reduced by a third. There were only 55 drownings across that Texas border in 2023. So by having no barriers, by having these open incentives, people are going to the extremes risking their lives thinking they're just crossing a river, and they end up drowning. It's incredibly dangerous. It is not a razor wire issue that is causing the drownings. If anything, those barriers have reduced drownings by 67 percent.

CHAIRMAN WEYLER: Senator -- Representative Wallner for a question.

MARY JANE WALLNER, State Representative, Merrimack County, District #19: Thank you, Chairman Weyer. And, Mr. Governor, this is the Fiscal Committee. And I do have your letter and your request, but usually these requests that come before us are backed up with details about how the money will be spent. And I wondered if you can provide us with a detailed summary of how these -- how this \$850,000 will be spent.

GOVERNOR SUNUNU: Sure. So this -- those funds -- that estimate is being -- is provided by obviously the -- the National Guard. So I defer -- I'll give as many details as I can; but I would also, obviously, defer you to the Adjutant General and the Deputy Adjutant General.

Hey, Warren, how are you? Um -- for additional details.

But those numbers were created and based on a 90-day deployment for 15 individuals, including the cost of housing, daily wages, some minor equipment costs, travel, things of that nature. Yeah, sure, come on up Warren, if there's other -- other things in there. And I would only add that, you know, when I looked at the estimated cost from the National Guard, and then compared to other costs for other deployments, everything seemed

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to be at least in line with -- with, you know, what those expenses would be.

WARREN PERRY, Deputy Adjutant General, New Hampshire Department of Military Affairs and Veteran Services: For the record, Warren Perry, Deputy Adjutant General, New Hampshire Department of Military Affairs and Veteran Services. Just want to make sure that I understood the question. Representative, you're asking about how the -- how the \$850,000 amount was arrived at?

REP. WALLNER: Yes.

MR. PERRY: So --

CHAIRWOMAN WALLNER: A detailed -- a detail summary of it that we could have for the Committee.

MR. PERRY: I will get a get a no kidden detailed summary. I won't be able to speak necessarily extemporaneously over it. People are -- we generally assess the cost at about \$600 a day per soldier to go. We estimated about \$650,000 just in salary and benefits. So that includes lodging, meals, per diem, those -- those kinds of things that just are general living expenses. They don't get the same pay that they would get if they were federalized. It's a little bit less, but includes basic allowance for housing, basic allowance for subsistence. A per diem for meals. A \$5 a day for incidentals, meal incidentals. So about -- about that \$650,000 just in wages for 90 days. And then travel, and other -- other associated costs associated with the equipment and moving things down. But we'll get -- we can get a detailed accounting of that -- - of that amount.

CHAIRWOMAN WALLNER: I think we would appreciate that. Thank you.

MR. PERRY: Yes.

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CHAIRMAN WEYLER: Thank you. Representative Rosenwald for a question.

KEITH ERF, State Representative, Hillsborough County, District #28: Senator.

CINDY ROSENWALD, State Senator, Senate District #13: Thank you, Mr. Chairman, and thank you, Governor, for being with us this morning. I think we should note that the Border Patrol endorsed the bi-partisan Senate deal that the U.S. House torpedoed. But what I wanted to say is that in Senate Finance we're all really careful with money. And we're sitting on some important appropriation bills because, one, we're uncertain in the middle of the budget how revenues are going to hold up. And, two, we think we're facing potentially some big expenditures that might come at us.

These bills include money to fight cyanobacteria from President Bradley, which is not only threatening the health of our lakes, but leading to an alarming rise in ALS cases. And another bill that would appropriate money to remediate lead paint dust, which is poisoning hundreds of New Hampshire children every year. And I wonder if you would agree with me that bills like these, these two efforts, would have a more direct and positive impact on the health and well-being of Granite Staters than sending this -- this National Guard unit down to Texas? Thank you.

GOVERNOR SUNUNU: Well, I've got to tell you, I love seeing the Democrats so fiscally disciplined. It's wonderful. I love -- I love the sentiment.

The -- the two comments I'll put there, Senator, and I appreciate the comments very much.

Look, we've created a lot of opportunity in the state economically. We have great surpluses. We have a lot of financial opportunity. And I would challenge that there is no bigger health crisis in this state right now than losing four to 500 people a year every year for the past ten years. It doesn't

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just -- it's not just -- I mean, those loss of lives are devastating. It devastates families. It bank -- it bankrupts families with what you're -- you add into the individuals that aren't -- maybe not haven't died from it but have been addicted for years, have had all the subsequent illnesses that come from that. So if you ask me, the fentanyl crisis is the number one crisis that the State has faced in terms of health in -- in quite a long time.

We've put a lot of money and a lot of effort to it. This is less than a million dollars to do something that should have been done by somebody else, but they're unwilling to do it. Joe Biden is unwilling to do it. And not only is he unwilling to do it, he's actually proactively told his teams to not follow law, to not do what they're supposed to do.

So, again, I think this is a -- a terrific expenditure of \$850,000 to be part of a national effort to finally stop and have a stronger effort to slow down the fentanyl that is completely unmitigated in terms of coming into this country. For that 450 million doses that was -- of fentanyl that was obtained by Texas, imagine the hundreds of millions of doses that fentanyl came in that they didn't get. Right? That's just what they got. And given that you have -- we've seen it all on TV, folks coming in by the thousands a day, thousands, and thousands, and thousands, in each of these entryways a day. And when you know that the smuggling and what the cartels are doing, this is a multi-billion dollar operation on the other side of the border to drive this. And, look, I -- and I have to go back a little bit. While I respect some of the comments that were made here that there are Americans involved in drug trafficking, make no mistake, this is driven by Mexican drug cartels. The most ruthless individuals on the planet. These are murderers. These are sex traffickers. These are human traffickers. These are drug dealers that are preying on the opportunity that Joe Biden has handed them with an open border.

So if we can be part of that 50 state effort, I absolutely think this \$850,000 out of our -- what's our budget per year, Mr. Chairman, seven billion plus, seven and a half billion a

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year that we spend? I think we can -- we can find the 850,000 in all the surpluses that we keep bringing in month after month to make -- to be part of this national effort to finally put some assistance and help. If we just sit back and say you know what Texas, thanks, good job, keep going, keep spending your own dollars on behalf of the other 49 states. That is not the solution. This is a national crisis, and it's a -- at this point it's not a federal crisis, a federal issue, because they're not taking it up. So the states are going to do what we do best. We're going to stand up and protect our citizens, so.

REP. EDWARDS: Mr. Chair --

CHAIRMAN WEYLER: I would urge Committee Members to stay on the subject of the discussion today.

REP. EDWARDS: Are you ready for a motion?

CHAIRMAN WEYLER: I have others still to discuss. I'll come back to you. Senator Bradley for a question.

JEB BRADLEY, State Senator, Senate District #03: Thank you very much. Thank you very much, Mr. Chairman. Good morning, Governor. First of all, I just can't salute your leadership enough on this. You're using RSA 9:13, which is the civil emergency statute; is that correct?

GOVERNOR SUNUNU: Correct.

SEN. BRADLEY: If 400 deaths from fentanyl per year since 2015 is not a civil emergency, I don't know what is. How quickly we forget that 11 terrorists, what they did to this nation on 9/11. 736 known or suspected terrorists have been apprehended at the border, and that doesn't count the got-aways.

We watch the news every night. People are sleeping in Logan Airport. People are overwhelming shelters, schools, you name it, hotels, because there's no other place for them. Street crime in many cities from illegal migrants is out of control. We have seen that. And then we have seen the reaction when they get bail

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and their use of gestures of what they think of our system. If this isn't a civil emergency, nothing is a civil emergency.

Now, would you agree with me, because there's been a lot of discussion already this morning about the inability of Congress to act. The House has actually passed HR 2, which is a real border security measure, which contrasts to the quote, unquote, bi-partisan measure which allowed 500,000 -- 5,000 people per day, 1.8 million people across the border every day before there'd be any amount of enforcement, did not re-institute the remain in Mexico policy, did not end catch and release, liberalized work permits, and provided new resources to people to be able to use the legal system in this country. That may have been bi-partisan, but it wasn't border security.

So I don't think you are left with any choice whatsoever than to work with people like Governor Abbott in Texas to protect New Hampshire. It is a civil emergency. Would you agree with me?

GOVERNOR SUNUNU: I couldn't have said it better myself. Hundred percent on the spot. Thank you.

CHAIRMAN WEYLER: Senator Gray.

\*\* SEN. GRAY: I move the -- I move the item ought to pass.

REGINA BIRDSELL, State Senator, Senate District #19:  
Second.

REP. EDWARDS: Second.

CHAIRMAN WEYLER: Motion and a second to adopt item FIS 24-072. Is there any further discussion from Committee Members? It's already been 40 minutes. Are you ready for the question? You wish this to be roll call?

SEN. GRAY: Yes.

CHAIRMAN WEYLER: Should have some in here. There we go.

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REP. ERF: It's my first time.

CHAIRMAN WEYLER: Clerk will call the roll. The item is ought to pass FIS 24- 072.

REP. ERF: Representative Edwards.

REP. EDWARDS: Yes, ought to pass.

REP. ERF: Clerk votes yes. Representative Leishman.

REP. LEISHMAN: No.

REP. ERF: Representative Wallner.

REP. WALLNER: No.

REP. ERF: Representative -- no. Senator Gray.

SEN. GRAY: Yes.

REP. ERF: Senator Bradley.

SEN. BRADLEY: Yes.

REP. ERF: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. ERF: Senator Rosenwald.

{Inaudible}.

REP. ERF: Senator D'Allesandro.

SEN. D'ALLESANDRO: No.

REP. ERF: Chairman Weyler.

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CHAIRMAN WEYLER: Yes.

REP. ERF: Mr. Chairman, the vote is 6 to 4 in favor of the motion.

CHAIRMAN WEYLER: The item is adopted. Thank you, Governor.

GOVERNOR SUNUNU: Thank you.

**\*\*\* {MOTION ADOPTED}**

**(1) Acceptance of Minutes of the January 19, 2024 meeting**

CHAIRMAN WEYLER: Okay. Moving back to the Regular Agenda. The first item is acceptance of the minutes of January 19th, 2024.

**\*\*** SEN. GRAY: So move.

SEN. BRADLEY: Second.

CHAIRMAN WEYLER: Senator Gray moves to adopt. Senator Bradley seconds. Is there any further discussion, corrections or anything? Seeing none, all in favor say aye? Opposed no? And those minutes are adopted.

**\*\*\* {MOTION ADOPTED}**

REP. ERF: Who made the second? Who seconded?

CHAIRMAN WEYLER: Bradley.

REP. ERF: Okay.

**(2) Old Business:**

**CONSENT CALENDAR**

**(3) RSA 9:16-a, II, Transfers Authorized:**

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CHAIRMAN WEYLER: Okay. We have 24 items on a Consent Calendar, which covers Tabs 3 through 9. Eight of those have been removed on request of members.

First item I will refer to remove from Consent is on Tab 3, 24-060, and then on Tab 5, 24-061. On Tab 7, 24-049; under Tab 8, 24-038, 24-039, 24-040, 24-041, and on also on Tab 8, 24-070. Any others to be removed? I'll entertain a motion to adopt the remaining items --

\*\* SEN. GRAY: So move.

CHAIRMAN WEYLER: -- on Consent Calendar.

SEN. BRADLEY: Second.

CHAIRMAN WEYLER: Senator Gray moves, second by Senator Bradley to adopt the remaining items. Further discussion? Seeing none. All in favor say aye? Opposed no? Remaining items are adopted.

\*\*\* **{MOTION ADOPTED}**

CHAIRMAN WEYLER: We'll move first to Tab 3, item 24- 060. Who had the question on that? Senator -- Senator Rosenwald and Representative Erf.

SEN. ROSENWALD: Thank you, Mr. Chair.

CHAIRMAN WEYLER: Tab 3.

REP. ERF: This is not me.

CHAIRMAN WEYLER: Okay.

KIMBERLY MACKAY, Commandant, New Hampshire Veterans Home: Good morning. Kim MacKay, Commandant of the New Hampshire Veterans Home.

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JANINE NORKIEWICZ, Financial Manager, New Hampshire Veterans Home: Good morning. Janine Norkiewicz, New Hampshire Veterans Home.

CHAIRMAN WEYLER: Welcome to Finance. Fiscal.

SEN. ROSENWALD: Fiscal.

CHAIRMAN WEYLER: We'll get it right.

SEN. ROSENWALD: Finance. Thank you. Thank you, Mr. Chairman, and thank you for being here. Yesterday, we got information from the Veterans Home that what you have an overall staffing vacancy rate of 35%, and a nursing vacancy rate of 44%. Um -- my question is what specific efforts are you undertaking to fill those jobs, particularly the nursing?

COMMANDANT MACKAY: Thank you for that question. So we have been recruiting heavily with any means possible. So we go to colleges. We are going to be at one of the college campuses that specializes in nursing education. So we're doing job fairs at colleges. We're in the newspapers. We're doing as many press release articles as we can. This week we were on the front of two papers, which was wonderful, highlighting our LNA program, our License Nursing Assistant Program, which we created and have had some great success with creating nursing positions -- entry to nursing positions through the Licensed Nursing Program. And we continue to -- we are supported by the Governor in the 10% raise. That helped us because those nursing fees or their nursing salaries were -- and helped with enhancements and the enhancements were tough to always recruit nurses in because they knew we had to go every two years.

So those enhancements when they became part of their regular salary has helped us. And we are seeing a decline. We were up in the 48% for nurses. And so that's starting to go down, which has been helpful for us. So we're going to continue on the same path and try to recruit.

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We're trying to let people know that when they're graduating from nursing school, you don't have to go to the ERs, you don't have to go into the med surge. You can come to long-term care. And so we're going to continue that, those efforts.

CHAIRMAN WEYLER: Thank you.

SEN. ROSENWALD: Thank you. So you have a 44% nursing vacancy rate, but you don't have a 44% bed census. Are patients getting less -- residents getting less direct care from nursing staff because of your high vacancy rates?

COMMANDANT MACKAY: No. We actually are holding at 44% vacancy rate for the resident beds as well. So we are only holding right now 127 residents. I have five more pending. Five more veterans will be coming in the next couple weeks. We have capped our census at 137, because we need to provide the quality of care that they deserve and they expect. And we want to make sure our nursing staff feel comfortable with the care they're providing. So we have not filled all of our beds and all of our vacancies with the veterans, because we can't do that until we have a -- a larger amount of nurses to care for them.

CHAIRMAN WEYLER: Any further questions from Committee Members? I'll entertain a motion to adopt the item.

**\*\*** SEN. D'ALLESANDRO: Move the item.

SEN. GRAY: Second.

CHAIRMAN WEYLER: Motion by Senator D'Allesandro, second by Senator Gray to adopt item 24-060. Any further discussion? Are you ready for the question? All in favor say aye? Opposed no? The item is adopted.

**\*\*\*** **{MOTION ADOPTED}**

COMMANDANT MACKAY: Thank you.

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(5) RSA 14:30-a, VI Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 from Any Non-State Source, and RSA 9:16-a, II, Transfers Authorized:

CHAIRMAN WEYLER: Moving on to Tab 5, item 24-061. Committee Member had a question on that. Senator -- Representative Erf is recognized.

REP. ERF: Don't keep the red light on. There you go.

REP. EDWARDS: And then get it closer.

AMY NEWBURY, Director, Division of Administration, Department of Safety: Good morning. Amy Newbury, Director of Administration with the Department of Safety.

JEFFREY PHILLIPS, Assistant Director, Division of Fire Standards and Training, and Emergency Medical Services, Department of Safety: Jeffrey Phillips. I'm Assistant Director at the Division of Fire Standards and Training and Emergency Medical Services.

CHAIRMAN WEYLER: Welcome to Fiscal Committee. Representative Erf is recognized.

REP. ERF: Thank you for taking my questions. And I apologize if they're somewhat repetitive because I did try to ask these questions. This note makes reference to mobile integrated health care. And, at first, that made me think of our Mobile Crisis Units that DHHS supports. And I understand this is not that. I'm assuming it means ambulances since we're talking about the EMS here. And it also talks about initiatives developed and implemented by local Fire EMS -- local Fire EMS agencies, Assisting patients in taking care of themselves in their homes. I'm just wondering if you could tell me a little bit more about what this is outside of what the normal EMT function is in a community?

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MR. PHILLIPS: Yes, thank you for the question. So Mobile Integrated Health has been in New Hampshire for a little while. We used this initial grant to fund my full-time position in some other trainings to train the local Fire EMS agencies that provide EMS. So it's a function of EMS, but it's on more of the prevention side. It's proactively going out to their communities, depending on what programs they wanted to develop in regards to what -- whether it's a falls program or it's an education program. So it's proactive. Rather than being called to an emergency incident, it's Fire and EMS people that provide EMS services, they're going out to their community speaking with individuals. It could be they just got discharged by the hospital so they're going to do a house call to explain what their medications are, to make sure they're doing medications. While they're doing it, they may do it like a home survey to remove any trip hazards. So there's multiple different programs that communities can come out with.

What we've tried to do at the State is build that framework and provide this training to the locals so they can build these programs within their communities. And the goal of these programs is to reduce these individuals either having to call an ambulance in the middle of the night to go to the emergency room because they didn't do their prescriptions correctly. So it's really a proactive report -- proactive approach to provide health care and provide a mechanism with the trained personnel to deal with these individuals that may not fully understand what medications they need or -- or something to that effect.

CHAIRMAN WEYLER: Follow-up.

REP. ERF: Thank you. That -- that helps quite a bit. So I'm from Weare. Small town. Would I expect to see this in my community or is this more targeted, like Manchester, Nashua, the cities?

MR. PHILLIPS: It's for any community. It's -- it's resources. They need the resources. I mean, we have larger communities that have it. We have smaller communities have it. And it really depends on what the community chooses to do. And

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it could be a -- it could be like just going into somebody's house and helping them do a tele-visit with their primary care or checking. So it's really up to the local.

What we do at the State is there's requirements and protocols that they have to follow to make sure that everything's being done. Part of this funding is actually to -- to supply software to the locals at no cost to them to be able to because they have to provide patient care documentation that this is what they did. So it really -- it's up to the communities specific. There's no requirement, but it does fall within the EMS system.

REP. ERF: Thank you very much for that explanation.

CHAIRMAN WEYLER: Representative Edwards for a question.

REP. EDWARDS: Thank you, Mr. Chair, and thank you for taking my question. I -- I -- I really don't have a well- formed question about this. I just have a discomfort that's come up as I've listened to this. This is the government doing proactive health and welfare checks on our citizens. So this brings up issues of -- of consent and of appropriateness and reimbursement and all of that. And I -- I just would like to know what kind of review process has there been to -- to really take a look at how we're identifying potential -- I'm going to call them patients, clients, whatever the right term is -- how we -- how we're making sure that we're really getting the right people and that we're not overreaching or under reaching. How -- how -- is there -- is there a review process to make sure we got this just right?

MR. PHILLIPS: I'm sorry. So there's a review process in the program to make sure it meets all the requirements. As part of the review process the EMS agency contacts, like, the home health care area, because it somewhat overlaps with that.

As I said, it was proactive. It's not necessarily proactive where EMS agencies are going to like cold calling, knocking people. It's really a referral process from their PCP. So if

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they -- if -- really their community is the one that is kind of advertising that they have this service, but they're -- no one's required to do it. They're not -- they're not like -- like I said, cold calling people, knocking on people's doors. It's really -- it could be as we go to an EMS incident it's the third time that we've gone do this individual this week. We provide them with information about the program. But it's really it's up to the patient to whether they want the services or not.

REP. EDWARDS: Thank you.

CHAIRMAN WEYLER: Further questions?

\*\* REP. ERF: Move the item.

CHAIRMAN WEYLER: Okay. Representative Erf moves to adopt 24-061. Senator D'Allesandro seconds. Is there any further discussion from the Committee? Seeing none. Are you ready for the question? All in favor say aye? Opposed no? The item is adopted. Thank you.

MS. NEWBURY: Thank you.

\*\*\* {MOTION ADOPTED}

(7) RSA 14:30-a, VI Fiscal Committee Approval Required For Acceptance and Expenditure of Funds Over \$100,000 From any Non-State Source, and RSA 124:15 Positions Authorized:

CHAIRMAN WEYLER: Moving on to Tab 6 and item -- or Tab 7, item is 24-049. Representative Erf is recognized for a question.

JOHN FORMELLA, Attorney General, Department of Justice: Good morning. For the record, John Formella, Attorney General. And I'm joined by Kathy Carr, our Director of Administration.

CHAIRMAN WEYLER: Welcome to Fiscal.

ATTORNEY GENERAL FORMELLA: Thank you.

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REP. ERF: Thank you, Mr. Attorney General, for taking my question. So this one kind of ties into the ones I've been asking -- one previously asked. This talks about coordinating statewide crisis intervention and behavioral health initiatives. And as I'm sure you're well aware, the DHHS has this mobile health crisis intervention thing. And I understand these are not related. And it talks about establishing a statewide treatment coordinator and they'll help standardize treatment courts. Could you just explain what -- what these are, and how may or may not interact with other things we have in the state related to behavioral health crisis?

ATTORNEY FORMELLA: Absolutely. Thank you for the question, Representative. So this is a federal grant that is really focused on -- on behavioral health, but -- but behavioral health in the criminal justice system and in law enforcement. So this -- this is a Byrne SCIP Grant. So the State Crisis Intervention Program and it's an interesting grant. It's a good opportunity for the State. It -- it will provide the State on an ongoing basis a little over \$650,000 a year to do these types of things. But this particular grant required a lot of vetting.

Under this grant we had to set up a Crisis Intervention Advisory Board with stakeholders. That Board had to include law enforcement community members, representatives from the courts, prosecutors, and behavioral health providers, victim services, professionals and legal counsel. So we set up a board that represented all these stakeholders. We had a couple of county attorneys on the Board. We had Susan Sterns, the head of NAMI on the Board. We had Maggie Pritchard, who's the Executive Director of the Lakes Region Mental Health Center on the Board. Diane Martin, administrate -- Director of the Administrative Office of the Courts. So we had a wide range of stakeholders on this Advisory Board. And we had -- we vetted ideas for spending this money through that Board.

We had to do that and then submit a request to the Federal Government before we could even draw down these funds, before we

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could even come to Fiscal for approval to draw down these funds. So I just think that's -- that's important background.

But there's a couple of things we're proposing to do with this money. The first, as you noted, is to establish a behavioral health initiatives -- a Crisis Intervention and Behavioral Health Initiatives Coordinator position within the Department of Justice. There's a lot of good work going on in law enforcement right now with regard to crisis intervention training and other work to look at how law enforcement can respond to the mental health crisis in the State.

Historically, at the Department of Justice we have never had any capacity for that. We currently don't have any -- any single person at Department of Justice, the chief law enforcement agency of the state with mental health background or who's dedicated to doing -- doing work to think about how law enforcement can respond to the mental health crisis. So the vision for this position is to help us think about how or develop strategies and develop initiatives from the Department of Justice to assist law enforcement state-wide with responding to the mental health crisis.

This position will liaise with law enforcement agencies across the state, both state, local and county, to figure out what they're doing with regard to training, try to gather some data on who's doing what to try to get everybody coordinated on the same page as to what the best strategies are. It will help us get a sense of who -- who's doing well with training, who is able to provide their officers with training, who isn't. Will help us look at what resources the State is putting towards this and -- and where the gaps are. I think it will be really helpful. It will just -- it -- it will -- it is -- I see it as the beginning of building some capacity within the Department of Justice to think about how law enforcement can respond to the mental health crisis.

The second position, a State Treatment Courts Coordinator, the Judicial Branch right now, you know, for years has -- has been piloting a Drug Court, which has been very successful in a

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lot of counties. They're looking to further develop mental health courts and they -- I think they have the same need. They have a need for -- for someone who can help coordinate all of those efforts.

I think this is a really good use of funds, and these are really good positions to have because they help us think from the ground up how we're going to build out these capacities. Sometimes I, you know, sometimes in government you see grant money come in and you think, oh, we just want to spend a lot of money on -- on X, Y, Z, but we don't have somebody really thinking about how we're going to build out that strategy. So I think starting with these types of positions in the Judicial Branch and the Department of Justice to help us build out a strategy is a good initial use of these funds. So, sorry, that was a long answer, but there's a lot of background to this grant that I thought I should give you.

REP. ERF: Thank you very much. I appreciate all the background and the thorough answer. Thanks.

CHAIRMAN WEYLER: Further questions from Committee Members?

\*\* REP. ERF: Move the item.

CHAIRMAN WEYLER: Motion by --

SEN. BRADLEY: Second.

CHAIRMAN WEYLER: -- Representative Erf, second by Senator Bradley to move the item. I have one more question.

When I read Statewide Treatment Court, what is included other than Mental Health Court and Drug Court? Does it also include Veterans Court? What courts are included in treatment courts?

ATTORNEY FORMELLA: So Diane Martin, the Director of the Administrative Office of the Courts is here. So I'll let her speak to that if she thinks I leave any holes in my answer. But

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yes, it does include Drug Court, Mental Health Courts. We discussed this concept of -- of with some counties, at least county attorney offices, about whether the courts should -- should develop some specialties and -- and perhaps a special court for youth who are justice involved. They're certainly Veterans Courts are something that -- that exist that I think the courts long-term would perhaps like to build out. So it includes, I think, it includes all of that because all, you know, those are all different categories of individuals who may need special treatment within the Court system.

CHAIRMAN WEYLER: Thank you. I don't need to wait for some other one to answer it. I have a motion and a second. Is there any further discussion from Committee Members? All in favor say aye? Opposed no? The item is adopted. Thank you very much.

ATTORNEY FORMELLA: Thank you.

MS. CARR: Thank you.

\*\*\* {MOTION ADOPTED}

**AMERICAN RESCUE PLAN 2021**  
**CONSENT CALENDAR**

- (8) **RSA 14:30-a, VI Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 from Any Non-State Source:**

CHAIRMAN WEYLER: Okay. Moving on to Tab 8, item FIS 24-038, Department of Agriculture. Welcome, Commissioner Jasper.

SHAWN JASPER, Commissioner, Department of Agriculture, Markets, and Food: Good morning, Mr. Chairman, Members of the Committee. And with me I have Joshua Marshall, who's the Director of Agriculture -- Agricultural Development. Excuse me.

CHAIRMAN WEYLER: Was this rep -- Representative Rosenwald for a question.

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SEN. ROSENWALD: Thank you.

CHAIRMAN WEYLER: Senator Rosenwald. Excuse me.

SEN. ROSENWALD: It's not really about the Department of Agriculture, but this was the first item of ARPA fund accept and expend. We've been trying to get information for over -- over a year now on what amounts of ARPA funds have been appropriated but won't be spent and, therefore, are available for reallocation, and you just happened to come up first. But we did get this wonderful chart in two-point font yesterday, I think, from BEA, from GOFERR, that indicates that there's 30 -- I think \$38.7 million that can be moved around. And today we're being asked to spend 32 million of that leaving, I think, 5.7 million that is still available. But I guess my question for Agriculture is why -- why is this not a request from GOFERR, but a request from Agriculture? Are you getting this money directly from the Federal Government or is it still coming from GOFERR?

MR. JASPER: My understanding it's still coming from GOFERR. As you may know, there was a -- a Senate Bill that would have appropriated this amount, but we've been in discussions all along. I have been, you know, bugging, if you will, Commissioner Caswell for a very long time about if there was a reallocation would there be availability for -- for Agriculture. Ultimately, that's come to fruition. My understanding is currently the bill with the 8 million of General Funds has been put on hold. And so we were told that, yes, this would be an Agricultural -- Agriculture request from -- from GOFERR, but this was a collaboration, if you will, all the way through the process with the Commissioner, with the Governor's Office.

SEN. ROSENWALD: Could I ask a question of Commissioner Caswell?

CHAIRMAN WEYLER: Director Caswell, since there're going to be many items here, if you want you can take one of the seats at the end of the table over there and use that microphone because you'll probably have to chime in on many of these other items.

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SEN. ROSENWALD: Thank you, Mr. Chair. Good morning, Commissioner.

TAYLOR CASWELL, Executive Director, Department of Business and Economic Affairs: Good morning.

SEN. ROSENWALD: My understanding is that we have until this fall to do any reallocations. And this -- this chart is fantastic. How often will we be getting updates so that if the Legislature wanted to whisper into the ears of the Executive Branch, we'd have the opportunity and the knowledge of what might be available?

MR. CASWELL: Yes, thank you, Senator. Taylor Caswell, here as Executive Director of GOFERR. This document -- I apologize for the font size.

SEN. ROSENWALD: No, I get it.

MR. CASWELL: We'll -- we'll -- we'll -- we'll update that in future versions.

SEN. ROSENWALD: In the e-mail we can {Inaudible}.

MR. CASWELL: Yes, ma'am. Um -- so this group of re-allocations all emanate from programs that were approved for GOFERR to administer. So the list that you have here are not from other agencies at this point. They are all exclusively programs that were under the control of GOFERR to administer as programs. So we were able to be the first to go through our own programs and make determination as to which of those funds are no longer going to be used or they've been closed out and they've been otherwise written down.

So at this point that we had roughly, as you say, about 34, \$35 million worth of funds in that program. We also have a long list of requests from agencies, Commissioner Jasper being included there for programs such as this or for programs that are running over in cost. So several of these, as you know, were approved now probably two years ago, and some of those are

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capital costs that have seen increases in costs. So we've been trying to address those as the priority.

And so as we move forward, it is difficult for me to say right now specifically, and I know you've heard me say this before, but specifically how much money is going to come back, because it really depends on the ability for agencies to spend at a burn rate that gets them within the obligation deadline of the end of this Calendar Year.

I would add, as we spoke about earlier this week, too, is -- um -- in almost all cases funds that have been approved by Fiscal Committee have spending authority only out till June 30th of this Calendar Year. So that gives us an opportunity at that point to really see exactly which of these programs are going to have funds that we're going to need to get re-obligated prior to the federal deadline of the end of the year.

CHAIRMAN WEYLER: Further question.

SEN. ROSENWALD: Thank you. Well, that timing is unfortunate, because our legislative work is going to be done by June of this Fiscal Year. So are you going to be updating this chart every month?

MR. CASWELL: I believe that there are some additional -- um -- requests that will come for the March Fiscal. And if those involve funding pools that are outside of this, then absolutely. Those will be provided much earlier, I would say, than we were able to give it to you earlier this week for the next round of funds. But it will not be -- I do not expect it to be anywhere near the total of this amount.

SEN. ROSENWALD: One final, if I might.

CHAIRMAN WEYLER: One final question.

SEN. ROSENWALD: Thank you. So when you come before us with these requests, we're given the chance to say yes or no. There's no opportunity because we can't add items to the Fiscal agenda

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to say here's what the Legislature, not just the ten of us, but the entire Legislature thinks might be appropriate uses of those funds. And so it's a source of frustration for some of us who think that the spending decision should be made by more than just ten people. And that's why we keep asking for this great information and hope it will come before the next Fiscal meeting.

MR. CASWELL: Absolutely, Ma'am. Yes, we will absolutely -- um -- be providing that information as we go ahead.

SEN. ROSENWALD: Thank you. Thank you, Mr. Chairman.

CHAIRMAN WEYLER: Senator Leishman for a question.

REP. LEISHMAN: Thank you, Mr. Chairman.

CHAIRMAN WEYLER: Representative Leishman.

REP. LEISHMAN: And I'll take the Senator at least for the question. But any way, thank you, Mr. Chairman. And nice to see you, Commissioner. So I see there's like a \$15 million total loss, and you're only going to be looking at getting 8 million. I'm just curious, are you going to put in a request for the other seven from General Funds or Federal funds or --

MR. JASPER: No, sir. Thank you -- thank you for the question. So our intent was never to make everybody whole. The intent was to keep people from going out of business.

Now, that \$15 million loss is an estimate because that was based on a survey. And so we don't really know what we'll -- we'll have for total reported losses. We expect that it will be higher than that. But because of some of the eligibility, the numbers are going to change. So I can tell you what our -- our plan is now. Because the important thing is to get money out to those who had extreme losses to allow them to be able to -- to buy seed and fertilizer, et cetera. And because everybody's a little different on when they have their profit

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and loss statements, their Schedule F's, the federal income tax, right now we're on schedule to -- to open this up in April 1st, and every week we will be evaluating what comes in.

So our intent at the current plan is -- so if somebody comes in and they're requesting \$100,000, we will award them immediately \$50,000. We'll keep this open probably till about June 1st, and at that time we will close out the program. We will true-up the numbers.

So this allows giving out 50 mill -- 50% of the request, which is we're really only looking to do 50% to begin with. That allows us for a total statewide loss of 32 million, which we do not believe will happen; but that way we would not over award anyone and we expect everyone would get additional funds there. But in the farming business, the importance is really going to be getting that money out in the spring.

So we're going to be ready to go when we get through Governor & Council, assuming that this is approved today. Meeting with the Advisory Committee before the end of the month to run this by them. We're working with other stakeholders to make sure that we're not missing anything in the application process. And we're working very closely with UNH-Cooperative Extension with their experts in economics and in farming to make sure that we're getting all of this stuff right, and we want to get this money out the door as soon as possible.

**\*\*** REP. LEISHMAN: Thank you very much. Thank you, Mr. Chairman. I'll move the item if there aren't any other questions.

SEN. GRAY: Second.

CHAIRMAN WEYLER: Motion by Representative Leishman, second by Senator Gray to adopt item 24-038. Are you ready for the question? All in favor say aye? Opposed no? Item is adopted. Thank you.

MR. JASPER: Thank you very much.

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\*\*\* {MOTION ADOPTED}

CHAIRMAN WEYLER: Moving on to item 24-039, Department of Education.

FRANK EDELBLUT, Commissioner, Department of Education: Good morning. For the record, Frank Edelblut, Commissioner of Education.

CHAIRMAN WEYLER: I had Senator D'Allesandro down as wanting to question this item. Does anybody know -- I'll go check for --

CHAIRMAN WEYLER: See what he's doing. Sorry for the delay.

REP. EDELBLUT: No worries. I'm here at your leisure.

SEN. GRAY: He'll be right in.

CHAIRMAN WEYLER: Okay.

SEN. GRAY: 24-039.

CHAIRMAN WEYLER: Senator D'Allesandro is recognized for a question on item 24-039.

SEN. D'ALLESANDRO: Thank you. Thank you, Mr. Chairman. Apologize for the inconvenience. Uh -- thank you. Commissioner, when I looked at the -- the spend of the money that we had already given, only half of the money has been spent. Could you give me a clue as to why we're giving them more money when they haven't spent the money we gave them?

MR. EDELBLUT: Yeah. So the initial project was scheduled. It's a construction project which, obviously, takes some amount of time. The project is scheduled to last through June of 2025. They're actually spending ahead of probably the anticipated rate in terms of how they would progress, and they're making substantive progress on the -- the progress or the build out. I have visited there twice and walked through the program to make

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sure that they're making the progress. So I think they're actually in good shape.

SEN. D'ALLESANDRO: Okay. But they do have 3 million of the 6 million left.

MR. EDELBLUT: They do. I mean, it's actually about a \$15 million total project that they're working on. So there's quite a lot of work to be done there.

SEN. D'ALLESANDRO: Further question, Mr. Chairman?

CHAIRMAN WEYLER: Further question.

SEN. D'ALLESANDRO: And what is going on at the facility, as we speak, the old Crotchet Mountain facility? What -- what is left of the operational -- the operational situation that existed prior to the closure and so forth?

MR. EDELBLUT: Yeah, so they are bringing back a substantive amount of the programming that they had. The work that we are focused on is really the work for New Hampshire students; in particular, our residential students, particularly focused on the autism population.

In terms of the -- the work that they have been doing, they prioritized the residential facilities that they have for these students and that's been kind of the main emphasis of the work that has been going on. Those residential facilities should be open fairly soon. Today I think they have 39 students that are there. Twenty-three are residential students and they'll be opening that up, I believe they're going to be able to get as many as 60 students on-campus for residential placement and up to close to a hundred of day students as well when they get all of the refurbishment done.

SEN. D'ALLESANDRO: Okay. And one further question.

CHAIRMAN WEYLER: Further question.

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SEN. D'ALLESANDRO: And when -- when will they be able to take care of these hundred students that you're talking about? When will this refurbishment, et cetera, be done and will they need more money?

MR. EDELBLUT: So there's no understanding that they would be receiving more money or that they would need more money. That they are funding the other aspects of this project. And, again, the completion date is 2025, June 2025.

SEN. D'ALLESANDRO: Thank you. Thank you, Mr. Chairman. Thank you.

MR. EDELBLUT: Thank you.

CHAIRMAN WEYLER: Further questions from the Committee on the item? Anything to add, Director Caswell?

\*\* SEN. BRADLEY: I move the item.

SEN. GRAY: Second.

CHAIRMAN WEYLER: Okay. Senator Bradley moves, Senator Gray seconds to adopt item 24-039. Any further discussion? Seeing none. Are you ready for the question? All in favor say aye? Opposed no? The item is adopted.

\*\*\* **{MOTION ADOPTED}**

CHAIRMAN WEYLER: Moving on next to item 24-040. Senator Rosenwald is recognized for a question.

SEN. ROSENWALD: Thank you. I didn't really have a question so much as a comment that I think there are a lot of non-profits that have lost money, and I didn't come to learn anything that would indicate to me that this particular one deserves reimbursement. So I just wanted to vote on it. Thank you.

CHAIRMAN WEYLER: Don't want to have any question.

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SEN. ROSENWALD: No.

CHAIRMAN WEYLER: Thank you. Any Member of the Committee have any question?

SEN. BRADLEY: I don't have a question, but if I could speak to it.

CHAIRMAN WEYLER: Senator.

SEN. BRADLEY: So I think if you look back at many of the items that we have funded over the course of this process, an awful lot of non-profits have been funded. The Highland Games in Lincoln had to abide by the new protocols in terms of tent policy based on what happened in Lancaster where people were killed, and they used all due caution to cancel part of the 2023 games. It was actually a wise decision as the winds were what was expected. The tents lifted up. There were no people there so there was no one hurt. But when the tents collapsed, the poles were bent and it would have been a problem had people been there.

So my understanding is the games bring in 35,000 plus people. Every hotel up and down Route 93 in the Plymouth to Littleton area is fully booked. It's a huge amount of revenue that comes into the state. It's an economic development revenue. I'm not going to say it's like motorcycle week, but it's certainly significant to the state. They lost about \$450,000. So this doesn't make them whole, but it's certainly similar to the debate that we just had on Agriculture should enable them to continue to do what they do, and the State of New Hampshire benefits from Rooms and Meals Tax to say nothing of the ancillary spending that comes in.

So I think that we have many examples of not-for-profits having been funded through the ARPA process, would be one more based on them doing the right thing last fall.

CHAIRMAN WEYLER: Entertain a motion to adopt.

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\*\* SEN. BRADLEY: Move the item.

CHAIRMAN WEYLER: All right.

SEN. GRAY: Second.

CHAIRMAN WEYLER: Senator Bradley moves to adopt. Senator Gray seconds. Is there any further discussion on item 24-40? Are you ready for the question? All in favor say aye? Opposed no? The item is adopted.

\*\*\* **{MOTION ADOPTED}**

CHAIRMAN WEYLER: Moving on to item 24-041.

REP. ERF: Did somebody say no?

CHAIRMAN WEYLER: Did anybody say no on that? You wish to be recorded?

{Inaudible}.

CHAIRMAN WEYLER: Can show a negative vote.

REP. LEISHMAN: And myself, Mr. Chairman.

CHAIRMAN WEYLER: Two negative votes. The item is adopted. Okay. Representative Leishman has a question on item 24-041.

REP. LEISHMAN: Thank you. Thank you, Mr. Chairman. Nice to see you, of course, Commissioner. So the item says that General Funds may be needed if Federal funds are no longer available. Could you give us an idea what may means? Is that like 500,000, a million, or maybe nothing at all?

MR. CASWELL: I'm going to answer that at this point this is a study of security measures at all the Court system around the state. And I believe what that line is referring to is that the results of that study may require funds outside of the Federal funds to -- to -- to fulfill the outcome of that security study.

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REP. LEISHMAN: Okay. Thanks. Thank you, Mr. Chairman.

CHAIRMAN WEYLER: All right.

\*\* SEN. GRAY: Move the item.

SEN. BRADLEY: Second.

CHAIRMAN WEYLER: Senator Gray moves that we adopt item 24-041, second by Senator Bradley. Are there any further discussion? Seeing none. Are you ready for the question? All in favor say aye? Opposed no? Item's adopted.

\*\*\* **{MOTION ADOPTED}**

CHAIRMAN WEYLER: Moving on to 24-070, still within Tab 8. It's the last one, I believe. Not quite. Representative Leishman, question on 24-070.

REP. LEISHMAN: Thank you, Mr. Chairman. Nice to see you, Charlie.

CHARLIE ARLINGHAUS, Commissioner, Department of Administrative Services: Good to be here.

REP. LEISHMAN: So a similar question that the item also says that the Federal funds may not be available, that General Funds may be requested to support the program. I'm just curious if you had a better number than, you know, six -- I think this calls about \$6 million of Federal funds and --

MR. ARLINGHAUS: I think it's a -- oh, for the record, I'm Charlie Arlinghaus. I work at Administrative Services. I think it's going to be enough money, and I think it's a construction project and I -- and we're working with the Legislature on it. And I suspect that it's the kind of thing where, you know, if you're working with Terry on something, he doesn't want to forestall the opportunity to ask for more money later.

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REP. LEISHMAN: So just to follow-up. So you don't plan to eat your hat then if this goes over?

MR. ARLINGHAUS: I do not.

REP. LEISHMAN: Okay. Good. Thanks. Thank you, Mr. Chairman.

\*\* SEN. GRAY: Move the item.

SEN. BRADLEY: Second.

CHAIRMAN WEYLER: Anything to add? Okay. Senator Gray moves the item. Seconded by?

SEN. GRAY: Senator Bradley.

CHAIRMAN WEYLER: Senator Bradley. Further discussion on FIS 24-070? Seeing none. Are you ready for the question? All in favor say aye? Opposed no? The item is adopted.

\*\*\* {MOTION ADOPTED}

#### REGULAR CALENDAR

- (10) RSA 9:16-a, Transfers Authorized, RSA 9:16-c, Transfer of Federal Grant Funds, RSA 14-30-a, VI, Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 From any Non-State Source, and RSA 9:17-a, III, Limitations:

CHAIRMAN WEYLER: I believe we're done with the Consent Calendar. Moving on to the Regular Calendar. Tab 10. First item is 24-069, Department of Health and Human Services. Transfer of \$45 million. Questions -- any questions from the Committee? Senator D'Allesandro.

SEN. D'ALLESANDRO: Oh, thank you. Thank you, Mr. Chairman. And thank you. Thank you very much for coming.

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Uh -- it's -- it's an unusual situation. We've had conversation. Will you keep us apprised of this situation? Because I think it does have an effect on us as we move forward.

NATHAN WHITE, Chief Financial Officer, Department of Health and Human Services: Yes. Good morning, Chairman Weyler, Members of the Committee. Nathan White, Chief Financial Officer with the Department of Health and Human Services. Yes, Senator D'Allesandro. And -- and for the record, Senator D'Allesandro's referring to the transfer that you see within Accounting Unit 7948. We're removing \$22 million of fund to set aside as a reserve to deal with a situation where federal Medicaid funds may not be claimable for facilities that are considered to be QRTP, Qualified Residential Treatment Programs. Sorry, I'm forgetting the acronym there.

It's come to our attention that those could potentially be considered IMD's. If they are considered IMD's then the Federal funds wouldn't be claimable. We are actively investigating this situation. We are looking at every facility to understand whether they are considered QRTPs. We're also reaching out to our partners in other states because we are not the only state in the country that is currently dealing with this issue.

We've also been on the phone with members of the delegation to D.C., as there is discussion at the federal level to potentially resolve this issue. So it's a very, to Senator D'Allesandro's point, it's a very dynamic situation. This is a reserve that we're setting aside. We will likely come back in May and go ahead and move those funds back, if we can; but we really just want to make sure that we had the funds available.

SEN. D'ALLESANDRO: One further question. The material that you -- you gave us I can't read it. The point is so small that even with a magnifying glass I can't figure it out. So I would -- I would say that if, indeed, you need more money to get the print expanded, I would be more than happy to donate.

MR. WHITE: I will put forward a prioritized need for that, larger paper.

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SEN. D'ALLESANDRO: Thank you. Thank you very much.

CHAIRMAN WEYLER: Senator Gray.

SEN. GRAY: Just as a comment in support of Senator D'Allesandro's comment. I did contact the Department because when I get an item that says the Division of Children, Youth and Families, I'm going to take away a million but I'm going to give them 5 million, it doesn't tell me what the cost classes are underneath it. And they are going to work with the Legislative Budget Office to give us the detail that we need without that magnifying glass. And I know that the Director of the LBA was in my office and did borrow my magnifying glass to try and help explain this to me. So thank you.

CHAIRMAN WEYLER: Further discussion.

\*\* SEN. BRADLEY: Move the item.

SEN. GRAY: Second.

CHAIRMAN WEYLER: Senator Bradley moves to accept. Senator Gray seconds. Seeing no further discussion. You ready for the question to adopt 24-069? All in favor say aye yes or aye? Let's be consistent. Aye. Opposed no? The item is adopted.

\*\*\* {MOTION ADOPTED}

**(11) RSA 14:30-1, VI Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 From any Non-State Source, and RSA 206:33-b Transfers From Fish and Game Fund**

CHAIRMAN WEYLER: Moving on to Tab 11, Department of Fish and Game. And I see Director Mason is here.

SCOTT MASON, Executive Director, Fish and Game Department: Good morning. Scott Mason, Executive Director of New Hampshire Fish and Game. And with me today is Cory Riley from our Marine

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Division. And Cory is the -- the title's not project manager, but she is the person responsible for this project out on the Seacoast.

CHAIRMAN WEYLER: Thank you for coming. Any questions on item 24-051?

{Inaudible}.

SEN. GRAY: Second.

CHAIRMAN WEYLER: Senator D'Allesandro moves to accept. Senator Gray seconds. Any further discussion? Seeing none. All in favor say aye? Opposed no? Thank you for coming. The item is adopted. Good luck with the project.

**\*\*\* {MOTION ADOPTED}**

**(12) RSA 198:15-y, III, Public School Infrastructure Fund:**

CHAIRMAN WEYLER: Moving on to Tab 12, item 24-053, Public School Infrastructure Fund.

{Inaudible}.

SEN. BRADLEY: Second.

CHAIRMAN WEYLER: Senator D'Allesandro moves the item, second by Senator Bradley to adopt item 24-053. Seeing no discussion, you ready for the question? All in favor say aye? Opposed no? The item is adopted. Thank you.

**\*\*\* {MOTION ADOPTED}**

CHAIRMAN WEYLER: Moving on to the item 24-054.

**\*\*** SEN. D'ALLESANDRO: Move the item.

SEN. GRAY: Second.

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CHAIRMAN WEYLER: Motion by Senator D'Allesandro to adopt, second by Senator Gray. Is there any further discussion? Seeing none, Are you ready for the question? All in favor say aye? Opposed no. The item is adopted.

**\*\*\* {MOTION ADOPTED}**

**(13) RSA 228:12, Transfers from Highway Surplus Account:**

CHAIRMAN WEYLER: Okay. Tab 13, winter maintenance.

**\*\*** SEN. D'ALLESANDRO: I would -- I would -- I would move the item. It's a regular. We've seen this a number of times.

SEN. GRAY: Second.

CHAIRMAN WEYLER: Motion to adopt by Senator D'Allesandro, second by Senator Gray on item 24-055. Any further discussion? Seeing none, you ready for the question? All in favor say aye? Opposed no? The item is adopted. Thank you. Good luck with the winter.

**\*\*\* {MOTION ADOPTED}**

**(14) RSA 604-A:1-b Additional Funding:**

CHAIRMAN WEYLER: Tab 14, Judicial Council. This is a fairly routine thing.

**\*\*** SEN. D'ALLESANDRO: Right. Move the item

SEN. GRAY: Second.

CHAIRMAN WEYLER: Motion by Senator D'Allesandro, second by Senator Gray to move the item, 24-056. Any further discussion? Seeing none, you ready for the question? All in favor say aye? Opposed no? The item is adopted.

**\*\*\* {MOTION ADOPTED}**

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(15) Chapter 106, Laws of 2023, Agency Footnote:

CHAIRMAN WEYLER: Moving on to Tab 15, item 24-052, Department of Corrections. Any questions? Okay. There will be questions.

SEN. ROSENWALD: Thank you.

CHAIRMAN WEYLER: Welcome to Fiscal. You can introduce yourselves.

LISA STONE, Director of Administration, Department of Corrections: Good morning. Commissioner Hanks regrets that she can't be here today. I'm Lisa Stone, Director of Administration.

PAULA MATTIS, Director of Medical and Forensic Services, Department of Corrections: Good morning. I'm Paula Mattis, Director of Medical and Forensic Services.

BENJAMIN CARBONE, Chief of Pharmacy, Department of Corrections: And Benjamin Carbone, the Chief of Pharmacy for the Department of Corrections.

SEN. ROSENWALD: Thank you, Mr. Chairman.

CHAIRMAN WEYLER: Senator Rosenwald.

SEN. ROSENWALD: I notice on Page 2 in the explanation that the long-acting, injectable, anti-psychotic has doubled in price from one year to the next. And my question is have you gotten any explanation from the manufacturer of how they justified doubling the price in one year?

MR. CARBONE: At this time, no. We haven't gotten any justification from the manufacturer on that.

REP. EDWARDS: Could you use the mic?

CHAIRMAN WEYLER: Get a little closer.

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MR. CARBONE: Apologies. At this point in time, no, we have not gotten any justification from the manufacturer on the pricing of the product.

SEN. ROSENWALD: Follow-up.

CHAIRMAN WEYLER: Follow-up.

SEN. ROSENWALD: Is this the 340-b price?

MR. CARBONE: On that particular medication that would not be the 340-b price. We have a 340-b STD Grant which allows us to order our HCV, HIV, and other STD-related medications through that grant. We are looking at expanding that at this point in time; but at this point in time we just order for the STD grant for STD based prescribing.

SEN. ROSENWALD: Follow-up, please. This is new news to me. I thought we were fully using the 340-b program in the Correction Department.

MS. MATTIS: Thank you, Senator, for your comments. I will respond to that for you. We have been researching that the possibility of using the three federal 340-b program for all medications. At this time, there are only two other -- excuse me, pardon me now -- three other states doing that. And we were watching and monitoring that process and learning from them. In fact, Dr. Carbone has had contact with North Dakota, I believe it is, and another state to talk with them about the specifics of the arrangements of doing that.

We are looking forward to doing that as soon as we can. It is on my agenda when I meet with Commissioner Hanks next week so we can start taking steps in that direction.

SEN. ROSENWALD: Please let us know if we can be of help.

MS. MATTIS: I will make sure she is aware of that, and we will communicate to you, Senator.

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SEN. ROSENWALD: Thank you. Thank you, Mr. Chairman.

CHAIRMAN WEYLER: Senator D'Allesandro.

SEN. D'ALLESANDRO: Thank you, Mr. Chairman. We've been concerned about the drug costs in Corrections for a long period of time. And -- and I think a number of suggestions have been made about doing things to reduce these costs, you know, in creative ways to doing that. And the number -- the number of people who are receiving medications at the Corrections facilities seems to be the severity of the problem, the medical problem, and the amount of money that we're spending. Are we still diligently working for solutions to cost control?

MS. MATTIS: The short answer, Senator, and thank you for the question, is yes. We are exploring and continue to explore all kinds of creative ways to manage costs. For example, we are fortunate to be part of the State Opioid Response Grant money to cover costs for medications for treatment of opioid use disorder. That is a significant cost savings to the state. We have a what's called, very typical in health care environments, Pharmacy and Therapeutics Committee, also known as a P&T Committee where we meet with the heads, for the example, the Chief Medical Officer, Chief Dental Officer, Chief Psychiatric Officer, and look at utilization --

SEN. D'ALLESANDRO: Great.

PAULA MATTIS: -- of certain medications. Additionally, in addition to -- I'm happy to repeat as much as necessary -- but what we were talking about earlier of the 340-b program, we are I really believe this close because I heard back from one of our representatives at the AG's Office to signing -- to moving forward with a confidential disclosure agreement so that we can talk with another company about further reducing our pricing on Eplclusa.

Finally, one of -- I think the Committee, respectfully, I think you all know, that a large majority of our health care

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staff are contracted through the RFP process with a vendor called Wexford. We meet with them regularly.

In addition, the contract has a critical performance indicator that helps manage if costs are expended above and beyond inflation and 10% -- right -- 10% of the previous -- pardon me -- the previous quarter. And so there is a tie-in, a penalty, quite frankly, back if their prescribers are not following some of what we would consider to be standard utilization management procedures. In fact, we are in the process of looking at Q -- the second quarter of this Fiscal Year, and we'll adjust our invoice from them based on that. So we are -- we are open -- always looking for suggestions. So -- but I do want to assure you we always are looking at ways to save money.

SEN. D'ALLESANDRO: Great, great. And, Mr. Chairman, just wanted to point out as the Governor pointed out, Democrats are fiscally responsible. And we -- we're doing -- we're doing -- we're doing our job and we address every issue based on -- based on the -- the -- the cost and cost containment. Thank you, Mr. Chairman.

\*\* SEN. GRAY: Move the item.

REP. LEISHMAN: I do have a question, Mr. Chairman.

CHAIRMAN WEYLER: Let me get a second, and then we'll go on with further -- second -- motion by Representative -- Senator Gray to adopt, second by Senator D'Allesandro. Further discussion. Representative Leishman.

REP. LEISHMAN: Thank you, Mr. Chairman, and thanks for being here, and certainly commend the Commissioner and the staff, I understand, that you folks are the best or one of the best state-run prisons in the country --

MS. MATTIS: Thank you.

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REP. LEISHMAN: Based on what we heard the other day. Do you anticipate in the next Fiscal Year 25 that you'll probably have a similar request of \$4.6 million to cover these additional medical expenses?

MS. MATTIS: Thank you for the question. Um -- we do not because we believe that we'll have made significant gains with our primary cost driver treating Hepatitis C. However, and having been someone who worked in hospital administration versus corrections, some of the forecasting changes in corrections. We have no knowledge of what is happening in -- specific knowledge of what is occurring in our state until -- who's coming our way until they're there on our doorsteps. An example. Not related to this particular budget item, but it's the cleanest example I can think of. We budget every year for dialysis. Some years we expend absolutely no dollars on dialysis. Some years, as like this one, we get halfway through the Fiscal Year, and then we get a dialysis patient who needs it three days a week that we didn't know is coming.

Now please understand, we budgeted. It's not related to this request. But it gives you an example of the difficulties, the challenges in forecasting and predicting who's coming through our doors. That being said, we certainly look at from year to year what we're expending, looking at factors what may change that and budget appropriately.

REP. LEISHMAN: Thank you.

MS. MATTIS: Thank you for the question.

REP. LEISHMAN: Thanks so much. Thanks, Mr. Chairman.

CHAIRMAN WEYLER: Representative Edwards for a question.

REP. EDWARDS: Thank you, Mr. Chair. And Representative's question sort of triggered this thought. It seems to me like we have a huge budget driver in the future related to biologics. Isn't that going to be a -- a big cost driver in future budgets and shouldn't we be expecting that you'll be requesting a lot

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more money? What -- to -- what do you think the future of biologics is in corrections?

MS. MATTIS: Want to clarify. Thank you for the question. I want to clarify when you use the term biologics, can you tell me -- tell us please specifically what you're looking at and then we would love to answer that question.

REP. EDWARDS: I can't answer it very specifically; but it's my understanding that we have a new line of drugs that are being almost uniquely engineered for particular patients medical conditions and what their gene code is. And -- and so these biologics are becoming very precise and targeted and they're -- and expensive.

MS. MATTIS: Please.

MR. CARBONE: Thank you for your question. Uh -- so from what we are seeing right now is an increase in those products; but we are also at a point where we are seeing equivalents of those products become available in the Marketplace. One of the more recent, products, Humira, has had a marketplace equivalent come out called Hadlima. That product is one-fifth of the actual cost. So for what we could treat one patient before on Humira, we now can treat five patients. And we're seeing that across the board as these drugs start to develop. We're seeing more and more of these drugs become or we wouldn't call them generics directly because they're biologically designed, but they're equivalents to these products, and they are significantly less expensive to the Department.

CHAIRMAN WEYLER: Okay. We did have a motion; right?

REP. ERF: Yes.

CHAIRMAN WEYLER: All right. Had a motion and a second on item 24-052. Is there any further discussion? Seeing none, you ready for the question? All in favor say? Opposed no? The item is adopted. Thank you.

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\*\*\* {MOTION ADOPTED}

(16) Miscellaneous:

(17) Informational Materials:

CHAIRMAN WEYLER: We're left with Information items and audits. Any questions on information items that anyone wishes to address? If not, I guess we're ready for audits.

SEN. D'ALLESANDRO: On the report submitted by HHS, the lapse number was going to be recorded, the potential lapse number, and it hasn't been on -- it's been on previous reports, on the Dashboard, but we're looking for that. I think we got that message, too.

CHAIRMAN WEYLER: Yeah, we had a discussion with the LBA about how, you know, what a wild-ass guess that was.

SEN. D'ALLESANDRO: Right.

CHAIRMAN WEYLER: And they're going to try to do better.

SEN. D'ALLESANDRO: Right. Thank you. Thank you. Thank you.

CHAIRMAN WEYLER: Welcome.

CHRISTINE YOUNG, Director, Division of Audits, Office of Legislative Budget Assistant: Good morning, Mr. Chairman.

CHAIRMAN WEYLER: Good morning.

MS. YOUNG: Members of the Committee. For the record, I'm Christine Young, the Director of Audits for the LBA. We're here to present the annual reports for the College Savings Plans. As you know, our office retains the services of PricewaterhouseCoopers to perform these audits. And with us from PWC is the partner, Declan Byrne. And also Monica Mezzapelle, our State Treasurer and the trustee of the plans is

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here to respond to any questions that you may have or make any additional comments about the audits.

And, with that, I will turn it over to the partner for the presentation.

CHAIRMAN WEYLER: Thank you.

MR. BYRNE: Thank you. Perfect, Representatives. It's always a highlight of my year to come here and present the results of the 529 audits. It's just great to see how government really works behind the scenes, and it's always certainly one of the highlights of my year, even though it's always cold.

But, nonetheless, I'm here to present the results of the 529 Plans. And thankfully, as again, I come here bearing good news. And -- and I know we've provided the materials in advance. So I won't go page by page by any manner of means; but I just -- I just refer you to Page 5, and I'll just give the highlights of the audit which -- which went swimmingly. I have to say we got great collaboration with the team here, Trer (phonetic) audits. We also got great collaboration from Fidelity. Fidelity plays a huge role in maintaining the books and records. So transacting the plan participant accounts and giving the support we need to provide our audit services and get us over the line.

So, overall, a really successful audit, and I'll just highlight a few -- few comments in this page just to round out. These are a lot of the required communications I would say that we have to talk about as part of the -- the close out to the audit; but, by and large, a really good successful audit. And just to drill down a bit.

When we think about the execution of the audit, we design it and think about it in the summertime frame. We look at the controls of Fidelity. We talk to the State. We see what's changing. We look at the external market. What's out there that would really would change our judgment as auditors of how we approach the audit. Thankfully, as we went through the fall and

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then start getting into the work, really no change in how we approached the audit. Stable control environment. Stable SOC-1's and they are really the reports that we rely on at Fidelity. So everything was pretty stable.

From a -- from an execution standpoint, you know, the valuation was good. The confirmation process was good. Presentation disclosures was really well done by Fidelity. And -- and, again, great -- anything we needed from the State we got it timely and on time.

So we released our audit opinions in advance of the holidays in around December 21st -- 14th and the 21st. So that was exactly on target. So, again, no major delays at all. And from a -- from a results standpoint, we really have nothing of significance of a negative manner to report to you. And I'll highlight no material weaknesses. So what that really means is we -- we looked at the design of the control environment, both of Fidelity and the State, and we made a judgment based on our -- the -- the results of our audit work. No real material weaknesses, no control matters that we were worrisome that would call into question, you know, future errors. No errors noted. No uncorrected misstatements. Nothing that we passed on from a judgment standpoint. Nothing what we found that was booked by Management. And -- and that's -- that's a good result. And we do spend a lot of time on Fidelity transaction processing, like I said. And -- and they are key cog in this process. And we certainly were able to get everything we needed from them. So we didn't come across anything from the first draft to the last draft really of significance that needed to change.

And then, thankfully, no fraud or error. So everybody's on their best behavior. And no non-compliance with laws and regulations which are pretty critical for us. And we did have some new portfolios this year, and that's an important process to make sure they're set up right in year one, and -- and make sure they're opening NE is accurate and all the numbers are good. So we just highlight that there were some new areas for this year.

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And then Slide 7 and 8 and 9, I -- I -- I think reaffirm just under the professional standards what we need to tell you; but as I mentioned the quality financial statements were really good. And there's no change in the standards much this year so that was positive. No -- no -- no arguments, no disagreements with management, and no major difficulties in terms of the audit. And, you know, we do highlight in some of the appendices, you know, how we approach audit quality as -- as a firm, and it is number one of what we -- how we try to approach these audits, as well as some of our written communications. But on an overall basis, it was a, you know, pretty straightforward audit and we are delighted to be here today to give the readout to the State which is always our pleasure.

CHAIRMAN WEYLER: Questions from the Committee?

SEN. D'ALLESANDRO: Thank you, Mr. Chairman. I always look forward to your presentation.

CHAIRMAN WEYLER: That's why he always enjoys coming here.

SEN. D'ALLESANDRO: Really, perfect. And not -- not only is it always positive, but it is articulated in a magnificent manner. Truly. This is our day to appreciate an audit. The bottom line's black, pretty heavy. We can't beat that. But thank you so much, really. Kudos to Ireland for giving -- for giving us you for this -- for this venture. Thank you.

MR. BYRNE: Thank you very much. Well, I'm American now, so.

SEN. D'ALLESANDRO: Well, that's -- that's even -- that's even better.

MR. BYRNE: Exactly.

SEN. D'ALLESANDRO: But my -- my wife's mother-in-law lives in Belfast.

MR. BYRNE: Great place.

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SEN. D'ALLESANDRO: Thank you. Thank you, Mr. Chairman.

CHAIRMAN WEYLER: Let us not forget that our Treasurer is always the perfectionist.

MONICA MEZZAPELLE, State Treasurer, Treasury Department: Thank you, Mr. Chairman. Good morning still. For the record, Monica Mezzapelle, State Treasurer.

So, once again, I would like to thank Mr. Byrne and Director Young for their collaboration and their work to and obviously PWC's -- PWC's team that did a terrific job completing this audit timely and with clean opinions. So we're very pleased with the results once again.

Um -- I'm also pleased to report that this program continues to be a very successful program in the state. It continues to help New Hampshire families and individuals around the country to meet and achieve their education savings goals. Right now the plan continues and remains the fourth largest in the country. Right now we have over \$24 billion in assets under management and approximately 950,000 participant accounts. The plan recovered from a challenging 2022. And but this year in '23 it grew by approximately 14 percent over last year. So, again, a successful plan.

And, again, in addition to the benefits of having a very successful college savings program, the State also benefits from receiving that administrative assessment that is charged to 529 participants. In Fiscal 23 the State received approximately \$18.2 million in revenue and with that revenue we funded approximately 9,000 scholarships that were given and granted to New Hampshire students, low- income students.

So, again, with the growth of the plan and the new accounts that we see, we hope to continue to provide more scholarships each year. So, again, a great -- a great story to share and we thank you as always for your ongoing support. So I'll be happy to answer any questions.

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CHAIRMAN WEYLER: Are there any further questions? Seeing none. The Clerk reminds me we have already had the motion to accept the report in the usual manner. Anything further?

SEN. GRAY: A lot of times we need the motion to include to keep it on file and other things. So if the motion is proper, then we can go ahead. If not, we need to modify it.

MICHAEL KANE, Legislative Budget Assistant, Office of Legislative Budget Assistant: We took it back in November because the Treasurer is required to disclose that prior. So you're all set with putting it on file, releasing public, et cetera. No more motions are necessary.

SEN. GRAY: Thank you.

CHAIRMAN WEYLER: Thank you very much.

MS. MEZZAPELLE: Thank you all.

CHAIRMAN WEYLER: Thank you very much. All right. I have a proposal for March 15th for the next meeting. Is there any -- any alternative request or is that acceptable?

REP. EDWARDS: That's good with me. I'm looking at the first week of April as another Fiscal meeting. Do we have anything that week, like April 6th or 7th, whatever --

CHAIRMAN WEYLER: Usually we go to the third Friday.

REP. EDWARDS: All right. Thank you.

CHAIRMAN WEYLER: So it's unlikely to be that early. But March 15th, 10 o'clock is okay? All right. So it will be and will be published. Next Fiscal meeting March 15th, 10 o'clock, in this room. Anything further, Mr. Kane?

MR. KANE: No.

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CHAIRMAN WEYLER: No one has -- what can we expect for audits, Miss Young? Oh.

MR. KANE: Typically, we have Management Letters. This is Christine Young, the Director of Audits. Typically, we'll have Management Letters for the CAFR, Liquor, Lottery, Turnpike.

CHAIRMAN WEYLER: The usual. Okay.

MR. KANE: So we'll keep you busy through the spring.

SEN. GRAY: If she does want to speak, she needs to move up to one of the mics.

CHAIRMAN WEYLER: That's all right. I heard her. If there's nothing further, I'll entertain a motion to adjourn.

\*\* SEN. D'ALLESANDRO: So move.

CHAIRMAN WEYLER: Wait a minute. Motion to adjourn by Senator D'Allesandro, second by Senator Gray. All in favor say aye? We are adjourned. Thank you very much.

\*\*\* **{MOTION ADOPTED}**

(Committee meeting adjourned.)

C E R T I F I C A T E

I, Cecelia A. Trask, a Licensed Court Reporter, do hereby certify that the foregoing is a correct transcript from the official YouTube Recording of the proceeding in the above-entitled matter to the best of my professional skill and ability.

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Cecelia A. Trask  
N. H. Licensed Court Reporter #00047

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