

FISCAL COMMITTEE OF THE GENERAL COURT

MINUTES

January 20, 2012

The Fiscal Committee of the General Court met on Friday, January 20, 2012 at 10:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Ken Weyler, Chairman  
Representative Beverly Rodeschin  
Representative Daniel McGuire  
Representative John Reagan (Alternate)  
Representative Robert Foose  
Senator Chuck Morse  
Senate President Peter Bragdon  
Senator Bob Odell  
Senator Sylvia Larsen  
Senator John Gallus

Chairman Weyler opened the meeting at 10:10 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Rodeschin, seconded by Representative Reagan, that the minutes of the December 2, 2011 meeting be accepted as written. MOTION ADOPTED. (9-Yes, 1-Abstain)

OLD BUSINESS:

Office of Legislative Budget Assistant – Administrative Procedures. Tabled 12/29/10. No Action Taken.

FIS 11-274 Additional Information #2 Department of Information Technology – S. William Rogers, Commissioner, Department of Information Technology, and Nicholas Toumpas, Commissioner, Department of Health and Human Services, presented an update on the Medicaid Management Information System (MMIS) and responded to questions of the Committee. This additional information is in conjunction with previously tabled request; FIS 11-274 Department of Information Technology – request for an extension to the October 1, 2011 requirement to present the consultant’s report on the MMIS system to the Fiscal Committee to December 31, 2011. Tabled 09/23/11 and FIS 11-274 Additional Information – Department of Justice handout presented at the October 28, 2011 meeting. No Action Taken.

NEW BUSINESS:

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

FIS 12-050 Letter from Senator Peter Bragdon, Chairman of the Legislative Performance Audit and Oversight Committee relative to the recommendation of the following performance audit topics – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Legislative Performance Audit and Oversight Committee relative to the recommendation of the following two performance audit topics: 1) Department of Corrections, Security Staffing in New Hampshire State Prisons, and 2) Department of Corrections, Non-Security Staffing in New Hampshire State Prisons. MOTION ADOPTED.

RSA 9:16-a, TRANSFERS AUTHORIZED:

**CONSENT CALENDAR**

On a motion by Senator Bragdon, seconded by Representative McGuire, that the Committee approve the request under this section as submitted. MOTION ADOPTED. [FIS 12-025 Department of Resources and Economic Development – transfer \$55,000]

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

**CONSENT CALENDAR**

At the request of Representative McGuire FIS 12-001 Department of Corrections, FIS 12-003, FIS 12-004, FIS 12-024, FIS 12-035 Department of Safety, and FIS 12-016 New Hampshire Fish and Game Department were removed from the Consent Calendar.

On a motion by Senator Odell, seconded by Representative Foose, that the Committee approve the remaining requests under this section as submitted. MOTION ADOPTED. [FIS 12-002 Department of Education – accept and expend \$272,204, FIS 12-026 Department of Education – authorization amend FIS 10-202, approved June 17, 2010, by transferring \$49,811 in carry-forward federal ARRA grant funds and retroactively extending the end date from December 31, 2011 through June 30, 2012, FIS 12-027 Department of Resources and Economic Development – accept and expend \$205,800, FIS 12-033 Department of Justice – accept and expend \$985,141, FIS 12-034 Department of Safety – accept and expend \$153,300, and FIS 12-036 Department of Safety – accept and expend \$5,000,000]

FIS 12-001 Department of Corrections – Robert Mullen, Director of Administration, Department of Corrections, presented the request and responded to questions of the Committee.

On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request of the Department of Corrections to accept and expend \$135,591. MOTION ADOPTED.

FIS 12-003 Department of Safety and FIS 12-004 Department of Safety – Wesley Colby, Director of Administration, and Colonel Robert Quinn, State Police, Department of Safety, presented the request and responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Representative McGuire, that the Committee jointly approve the requests of the Department of Safety. MOTION ADOPTED. [FIS 12-003 Department of Safety – to accept and expend \$65,635, and FIS 12-004 Department of Safety – to accept and expend \$113,790]

FIS 12-016 New Hampshire Fish and Game Department – Glenn Normandeau, Executive Director, New Hampshire Fish and Game Department presented the request and responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator Bragdon, that the Committee approve the request of the New Hampshire Fish and Game Department to accept and expend \$339,038. MOTION ADOPTED. (9-Yes, 1-No)

FIS 12-024 Department of Safety – Wesley Colby, Director of Administration, Department of Safety, presented the request and responded to questions of the Committee. Also present was former Senator Robert Letourneau, Division of Motor Vehicles, Department of Safety.

On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request of the Department of Safety to accept and expend \$131,652. MOTION ADOPTED. (8-Yes, 2-No)

FIS 12-035 Department of Safety – Wesley Colby, Director of Administration, and Colonel Robert Quinn, State Police, Department of Safety, presented the request and responded to questions of the Committee.

Representative McGuire requested to divide the question.

On a motion by Senator Bragdon, seconded by Senator Odell, that the Committee approve request #1 of the Department of Safety to accept and expend \$440,840. MOTION ADOPTED. (9-Yes, 1-No)

On a motion by Senator Bragdon, seconded by Senator Morse, that the Committee approve request #2 of the Department of Safety to accept and expend \$384,286. MOTION ADOPTED.

CHAPTER 224:219, LAWS OF 2011, JUDICIAL APPOINTMENTS; NUMBER LIMITED; VACANCIES:

FIS 12-015 Administrative Office of the Courts – Chief Justice Linda Dalianis, New Hampshire Supreme Court, and Donald Goodnow, Director, Administrative Office of the Courts, presented the request and responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of the Administrative Office of the Courts for the Governor and Council to make two judicial appointments to the new circuit court to fill two positions. MOTION ADOPTED.

RSA 7:12 ASSISTANTS:

FIS 12-042 Department of Justice – Ann Rice, Deputy Attorney General, Department of Justice responded to questions of the Committee. Rosemary Faretra, Director of Administration, Department of Justice was also present.

On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of the Department of Justice to expend a sum not to exceed \$360,000 from funds not otherwise appropriated for the purpose of covering projected shortfalls for general litigation expenses through June 30, 2012. MOTION ADOPTED.

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

FIS 12-021 Department of Safety – On a motion by Representative McGuire, seconded by Senator Bragdon, that the Committee approve the request of the Department of Safety to accept and expend \$646,129 in other funds through September 15, 2012, and establish consultant positions through September 15, 2012. MOTION ADOPTED.

FIS 12-043 Department of Resources and Economic Development – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Department of Resources and Economic Development to accept and expend \$299,493 in federal funds through September 29, 2012 and establish a part-time temporary Program Specialist IV position through September 29, 2012. MOTION ADOPTED. (9-Yes, 1-No)

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

FIS 12-005 Pease Development Authority – Grant Nichols, Deputy Chief Harbormaster, Pease Development Authority, Division of Ports and Harbors, presented the request and responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of the Pease Development Authority, Division of Ports and Harbors, for the proposed amendments to the Administrative Rules “Pda 512 Mooring Permit Fees” and proposed amendments to the “Schedule of Mooring Permit Fees.” MOTION ADOPTED.

RSA 21-I:8, II (a), DIVISION OF ACCOUNTING SERVICES:

FIS 12-051 Department of Administrative Services – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Department of Administrative Services for a further extension of the release of the FY 2011 Comprehensive Annual Financial Report (CAFR) from January 20, 2012 to February 29, 2012 (FIS 11-358, amended and approved December 2, 2011). MOTION ADOPTED.

RSA 21-I:19-g, III, USE OF STATE-OWNED VEHICLES:

FIS 12-028 Department of Administrative Services – Linda Hodgdon, Commissioner, and Tara Merrifield, Senior Management Analyst, Division of Fixed and Mobile Assets, Department of Administrative Services presented the request and responded to questions of the Committee. Kathleen Stanick, Business Administrator, Department of Cultural Resources was present to request a waiver for vehicle number LB 3.

On a motion by Senator Bragdon, seconded by Representative McGuire, that the Committee authorize various state agencies to retain 88 state-owned passenger vehicles which fall below the break-even mileage for FY 2011, as specified in the Department of Administrative Services letter dated December 28, 2011, and further authorize the Department of Cultural Resources to retain vehicle #LB 3, for a total of 89 vehicle waivers. MOTION ADOPTED.

RSA 216-A:3-g FEES FOR PARK SYSTEM:

FIS 12-029 Department of Resources and Economic Development – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Department of Resources and Economic Development for approval of rate changes for camping, day use and historic sites. MOTION ADOPTED.

CHAPTER 223:4, LAWS OF 2011, LOTTERY COMMISSION; AUTHORITY GRANTED:

FIS 12-052 New Hampshire Lottery Commission – Charles McIntyre, Executive Director, and Georges Roy, Administrator, New Hampshire Lottery Commission presented the request and respond to questions of the Committee.

On a motion by Senator Bragdon, seconded by Senator Larsen, that the Committee approve the request of the New Hampshire Lottery Commission to offer, in conjunction with the five New England States, a new annuity lottery game to be known as Lucky for Life. MOTION ADOPTED.

CHAPTER 224:14, II, LAWS OF 2011, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 12-017 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative McGuire, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$164,595 in other funds through June 30, 2012. MOTION ADOPTED.

FIS 12-030 Department of Health and Human Services – Nicholas Toumpas, Commissioner, and Shanthi Venkatesan, Director, Department of Health and Human Services presented the request and responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Senator Larsen, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$100,000 in general funds from the State Treasurer through June 30, 2013. MOTION ADOPTED.

The Department will provide follow-up information to the Committee.

CHAPTER 224:14, II AND III, LAWS OF 2011, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 12-037 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to transfer \$14,028,231 in general funds and increase related revenue adjustments of \$10,397,420 in federal funds and decrease revenue adjustments of \$222,967 in other funds through June 30, 2012. MOTION ADOPTED.

FIS 12-038 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Department of Health and Human Services to transfer \$1,059,934 in general funds and decrease related revenue adjustments of \$112,480 in federal funds and decrease revenue adjustments of \$7,654 in other funds through June 30, 2012. MOTION ADOPTED.

FIS 12-039 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Department of Health and Human Services to transfer \$320,265 in general funds and decrease related revenue adjustments of \$12,495 in federal funds and increase revenue adjustments of \$12,520 in other funds through June 30, 2012. MOTION ADOPTED.

CHAPTER 224:203, LAWS OF 2011, DEPARTMENT BUDGETS; TRANSFER OF FEDERAL FUNDS:

FIS 12-018 Department of Environmental Services – On a motion by Senator Larsen, seconded by Representative McGuire, that the Committee approve the request of the Department of Environmental Services to transfer \$33,551 in federal funds through June 30, 2013. MOTION ADOPTED.

FIS 12-022 Department of Safety – On a motion by Representative McGuire, seconded by Representative Reagan, that the Committee approve the request of the Department of Safety to transfer \$24,810 in federal funds through June 30, 2012. MOTION ADOPTED.

CHAPTER 224:210, LAWS OF 2011, DEPARTMENT OF INFORMATION TECHNOLOGY; TRANSFERS AMONG ACCOUNTS:

FIS 12-040 Department of Information Technology – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Department of Information Technology to transfer \$528,423 in other funds through June 30, 2012. MOTION ADOPTED.

LATE ITEMS:

FIS 12-053 Department of Justice – Michael Brown, Senior Assistant Attorney General, Department of Justice, and Nicholas Toumpas, Commissioner, Department of Health and Human Services, presented the request and responded to questions of the Committee.

On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the request of the Department of Justice to retain out-side counsel from an out-of-state firm for the purpose of advising the Department of Health and Human Services on negotiating and drafting managed care contracts for the Department of Health and Human Services. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

FIS 12-046 Judicial Council – Chapter 224:73, Laws of 2011 – The Committee requested an updated report regarding the Judicial Council Supplemental Appropriation; Counsel for Indigent Parent in Abuse and Neglect Cases for the next meeting.

The informational items were accepted and placed on file.

MISCELLANEOUS:

Office of Legislative Budget Assistant – Jeffry Pattison, Legislative Budget Assistant, requested permission to release the FY 2011 Comprehensive Annual Financial Report (CAFR) for the State of New Hampshire as soon as it is available.

On a motion by Representative Reagan, seconded by Senator Bragdon, that the Committee approve the request of the Legislative Budget Assistant to release the FY 2011 Comprehensive Annual Financial Report (CAFR) for the State of New Hampshire as soon as it is available. MOTION ADOPTED.

AUDITS:

The Unique College Investing Plan, Annual Report, September 30, 2011 and The Fidelity Advisor 529 Plan, Annual Report, September 30, 2011 – Catherine Provencher, State Treasurer, and Timothy O'Brien, representing PricewaterhouseCoopers, presented the report and responded to questions of the Committee.

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

State of New Hampshire, Department of Transportation, Turnpike System, Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2011 – Richard Mahoney, Director of Audits, and Jean Mitchell, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee were Patrick McKenna, Director of Finance, and Leonard Russell, Financial Analyst, Department of Transportation.

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

New Hampshire Lottery Commission, A Department of the State of New Hampshire, Comprehensive Annual Financial Report, For the Fiscal Year Ended June 30, 2011 – Richard Mahoney, Director of Audits, and William Mitchell, Audit Supervisor, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee were Charles McIntyre, Executive Director, and Georges Roy, Chief Financial Officer, and Kassie Strong, Chief Accountant, New Hampshire Lottery Commission.

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

State of New Hampshire, Guardian Ad Litem Board, Performance Audit, January 2012 – Richard Mahoney, Director of Audits, and Jay Henry, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee was Susan Duncan, representing the Guardian Ad Litem Board.

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



ADJOURNMENT:

The next regular meeting of the Fiscal Committee was set for Friday, February 17, 2012 at 10:00 a.m. (Whereupon the meeting adjourned at 12:33 p.m.)

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Representative Beverly Rodeschin, Clerk