

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES

January 21, 2011

The Fiscal Committee of the General Court met on Friday, January 21, 2011 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 Stephen Stepanek
Representative Robert Foose
Representative John Reagan, Alternate
Senator Chuck Morse
Senate President Peter Bragdon
Senator Bob Odell
Senator Sylvia Larsen
Senator John Gallus

Chairman Weyler opened the meeting at 10:02 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Foose, seconded by Senator Morse, that the minutes of the December 29, 2010 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.

NEW BUSINESS:

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

CONSENT CALENDAR

On a motion by Senator Bragdon, seconded by Representative Foose, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 11-002 Department of Environmental Services – accept and expend \$431,071, FIS 11-003 New Hampshire Fish and Game Department – authorization to amend FIS 09-279, approved August 27, 2009, by reallocating \$200,000 in other funds, FIS 11-004 Department of Safety – accept and expend \$751,966, FIS 11-005 Department of Safety – accept and expend \$334,983, FIS 11-006 Department of Safety – accept and expend \$2,468,039, FIS 11-007 Department of Safety – accept and expend \$1,205,949, FIS 11-008 Department of Transportation – accept and expend \$800,000, FIS 11-021 New Hampshire Fish

and Game Department – accept and expend \$994,206, FIS 11-025 Department of Information Technology – accept and expend \$38,492]

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

ARRA FUNDS CONSENT CALENDAR

On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 11-009 Department of Environmental Services – authorization to amend FIS 09-199, approved June 12, 2009, by reallocating \$136,786 in federal ARRA funds through October 1, 2015, FIS 11-028 Department of Information Technology – authorization to amend FIS 09-262, approved August 27, 2009, by extending the end date from June 30, 2011 to September 30, 2011 with no increase in funding, FIS 11-029 Department of Resources and Economic Development – authorization to retroactively accept and expend \$71,041 in other ARRA funds effective from July 1, 2010 through June 30, 2011]

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

CONSENT CALENDAR

On a motion by Senator Bragdon, seconded by Representative McGuire, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 11-014 Department of Safety – authorization to transfer \$75,000 in federal funds through June 30, 2011, FIS 11-034 Department of Environmental Services – authorization to transfer \$49,903 in federal funds through June 30, 2011]

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

FIS 11-010 Department of Safety – On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Safety to accept and expend \$125,917 in federal funds through June 30, 2011 and establish consultant positions through June 30, 2011. MOTION ADOPTED.

FIS 11-011 Department of Transportation – On a motion by Senator Morse, seconded by Representative Foose, that the Committee approve the request of the Department of Transportation to accept and expend \$61,633 in federal funds through June 30, 2011 and establish a full-time temporary Program Specialist IV position through June 30, 2011. MOTION ADOPTED.

FIS 11-022 Insurance Department – Roger Sevigny, Commissioner, and Leslie Ludtke, Health Care Policy Analyst, New Hampshire Insurance Department, presented the request and responded to questions of the Committee. Senator Larsen distributed a handout to the Committee.

On a motion by Representative Foose, seconded by Senator Morse, that the Committee approve the request of the Insurance Department to accept and expend \$658,661 in federal grant funds through June 30, 2011 and establish one (1) full-time temporary Program Specialist I position, one (1) part-time temporary Grants and Contracts Technician position, and consultant positions through June 30, 2011. MOTION ADOPTED. (9-Yes, 1-No)

FIS 11-023 Insurance Department – Roger Sevigny, Commissioner, and Leslie Ludtke, Health Care Policy Analyst, New Hampshire Insurance Department, presented the request and responded to questions of the Committee.

On a motion by Representative McGuire, that the Committee reject the request of the Insurance Department to accept and expend \$666,031 in federal grant funds through June 30, 2011 and establish one (1) part-time temporary Grants and Contracts Technician position and consultant positions through June 30, 2011. MOTION FAILED DUE TO THE LACK OF A SECOND.

On a motion by Representative Foose, seconded by Senator Bragdon, that the Committee approve the request of the Insurance Department to accept and expend \$666,031 in federal grant funds through June 30, 2011 and establish one (1) part-time temporary Grants and Contracts Technician position and consultant positions through June 30, 2011. MOTION ADOPTED. (9-Yes, 1-No)

FIS 11-027 Department of Information Technology – On a motion by Senator Morse, seconded by Representative Foose, that the Committee approve the request of the Department of Information Technology to accept and expend \$49,467 in SFY 2011 additional other funds through June 30, 2011 and establish one full-time temporary Information Technology Manager III position through June 30, 2011 to support the Banking Commission. MOTION ADOPTED.

RSA 106-H:9 FUNDING; FUND ESTABLISHED:

FIS 11-012 Department of Safety – Wesley Colby, Director of Administration, and Peter Denutte, Assistant Director, Division of Emergency Communications, Department of Safety 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 Safety to transfer \$888,000 in other funds through June 30, 2011. MOTION ADOPTED.

RSA 206:3-b TRANSFERS FROM FISH AND GAME FUND:

FIS 11-013 New Hampshire Fish and Game Department – On a motion by Representative Foose, seconded by Senator Morse, that the Committee approve the request of the New Hampshire Fish and Game Department to transfer \$163,913 from the NH Fish and Game Fund Reserve to the Fish and Game FY 2011 Operating Budget. MOTION ADOPTED.

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

FIS 11-015 Department of Corrections – On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Corrections to transfer \$165,894 in federal funds through June 30, 2011 and further accept and expend \$134,240 in federal funds through June 30, 2011. MOTION ADOPTED.

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

ARRA FUNDS

FIS 11-035 Department of Health and Human Services – On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$2,542,054 in federal ARRA funds and decrease revenue adjustments by \$2,539,511 in general funds effective retroactive to July 1, 2010 through June 30, 2011. MOTION ADOPTED.

FIS 11-036 Department of Health and Human Services – On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$17,241,609.10 in federal funds ARRA funds and decrease revenue adjustments by \$4,124,281 in local funds effective retroactive to July 1, 2010 through June 30, 2011 and further accept and expend \$26,398,706.78 in federal ARRA funds and decrease revenue adjustments by \$19,178,618 in local funds and \$7,193,717 in general funds effective retroactive to July 1, 2010 through June 30, 2011. MOTION ADOPTED.

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

FIS 11-038 Department of Health and Human Services – Mary Ann Cooney, Administrator, Department of Health and Human Services responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$200,000 in other funds through June 30, 2011. MOTION ADOPTED.

CHAPTER 144:39, II, LAWS OF 2009, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS AND RSA 126-A:53, I-a, ALLOCATION AND DESIGNATION OF GUARANTEE CAPACITY; ADMINISTRATION:

FIS 11-039 Department of Health and Human Services – On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$100,000 from the State Treasurer from funds not otherwise appropriated through June 30, 2011. MOTION ADOPTED.

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

FIS 11-030 Department of Information Technology – On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Information Technology to transfer \$349,000 in other funds through June 30, 2011. MOTION ADOPTED.

CHAPTER 392:5, LAWS OF 2008, AS AMENDED BY CHAPTER 144:262, LAWS OF 2009,
DISASTER RELIEF PAYMENTS TO LOCAL COMMUNITIES; JULY-SEPTEMBER 2008
DISASTER ASSISTANCE:

FIS 11-017, FIS 11-018, and FIS 11-019 Department of Safety – On a motion by Representative Foose, seconded by Senator Larsen that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 11-017 Department of Safety – authorization to expend \$16,489.88 in State Matching Funds for Federal Emergency Management Agency Public Assistance Grants for the September 2008 Flood, FIS 11-018 Department of Safety – authorization to expend \$5,734.83 in State Matching Funds for Federal Emergency Management Agency Public Assistance Grants for the July-August 2008 Floods, FIS 11-019 Department of Safety – authorization to expend \$565,411.66 in State Matching Funds for Federal Emergency Management Agency Public Assistance Grants for the July-August 2008 Floods]

MISCELLANEOUS:

INFORMATIONAL MATERIALS:

The informational items were accepted and placed on file.

AUDITS:

State of New Hampshire, Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2010 - Richard Mahoney, Director of Audits, Office of Legislative Budget Assistant, Shawn Warren, KPMG Partner, and Edgar Carter, Comptroller, Department of Administrative Services, presented the report and responded to questions of the Committee.

On a motion by Representative Rodeschin, seconded by Senator Larsen, 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, 2010 – Richard Mahoney, Director of Audits, Office of Legislative Budget Assistant, Shawn Warren, KPMG Partner, and Leonard Russell, Financial Analyst, Department of Transportation, presented the report and responded to questions of the Committee. Also present were Michael Pillsbury, Deputy Commissioner, Chris Waszczuk, Turnpike System Administrator, Margaret Blacker, Business Administrator, Bureau of Turnpikes, and Mary Ellen Emmerling, Financial Analyst, Department of Transportation. Catherine Provencher, State Treasurer, was also available to respond to questions of the Committee.

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

The Unique College Investing Plan Annual Report, September 30, 2010 and The Fidelity Advisor 529 Plan Annual Report, September 30, 2010 – Catherine Provencher, State Treasurer, and Steve Hirt, representing PricewaterhouseCoopers, presented the report and responded to questions of the Committee.

On a motion by Representative Rodeschin, seconded by Senator Larsen, 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, 2010 – Richard Mahoney, Director of Audits, and Kimberly Seamans, Senior Audit Manager, Division of Audits, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present were Charles McIntyre, Executive Director, and Kassie Strong, Chief Accountant, New Hampshire Lottery Commission to respond to questions of the Committee.

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

State of New Hampshire, Postsecondary Education Commission, Financial Audit Report For the Nine Months Ended March 31, 2010 – Richard Mahoney, Director of Audits, and Monica Mezzapelle, Audit Manager, Division of Audits, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present was Dr. Kathryn Dodge, Executive Director, Postsecondary Education Commission to respond to questions of the Committee.

On a motion by Representative Rodeschin, seconded by Representative Foose, 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 18, 2011 at 10:00 a.m.

On a motion by Representative Rodeschin, seconded by Representative McGuire, that the Committee adjourn. MOTION ADOPTED. (Whereupon the meeting adjourned.)

Representative Beverly Rodeschin, Clerk