

FISCAL COMMITTEE OF THE GENERAL COURT  
MINUTES

February 18, 2004

The Fiscal Committee of the General Court met on Wednesday, February 18, 2004 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Neal Kurk, Chairman  
Senator Richard Green, Vice Chairman  
Representative Beverly Rodeschin, Clerk  
Representative Edwin Smith  
Representative Mary Jane Wallner  
Senator Thomas Eaton  
Senator Robert Clegg  
Senator Robert Odell  
Senator Lou D'Allesandro

Chairman Kurk opened the meeting at 9:10 a.m. and announced that Representative Joseph Stone has been named to replace Representative Kenneth Weyler. Since Representative Weyler was Clerk of the Committee, a vacancy exists in that office and a new Clerk will need to be elected.

On a motion by Representative Edwin Smith, seconded by Senator Eaton, that Representative Rodeschin be nominated as Clerk of the Fiscal Committee.

Representative Smith moved that nominations cease and Representative Rodeschin was unanimously elected Clerk of the Fiscal Committee.

ACCEPTANCE OF MINUTES:

Chairman Kurk asked if there were any corrections and/or additions to the minutes, and stated that there being none and without objection, the minutes of the meeting of January 21, 2004 be accepted as written.

OLD BUSINESS:

FIS 03-187 Department of Administrative Services - authorization for various state agencies to retain state-owned passenger automobiles which have traveled less than 12,000 during FY 2003 - Tabled 11/19/03 - Subcommittee established - Rep. Weyler, Chair and Senator Green - On a motion by Senator Clegg, seconded by Representative Edwin Smith, that this request be removed from the table. MOTION ADOPTED,

Chairman Kurk explained that an addendum was also included on this month's agenda from the Department of Revenue Administration, which should be added to the original request from the Department of Administrative Services.

On a motion by Senator Clegg, seconded by Senator D'Allesandro, that the Committee approve the request from the Department of Administrative Services for various departments to retain state-owned

passenger automobiles with FY 2003 mileage less than 12,000 miles, as specified in their letter and attachments dated November 4, 2003, and addendum dated January 29, 2004. MOTION ADOPTED.

FIS 04-016 Department of Education - transfer \$206,035.86 - Tabled 1/21/04 - Chairman Kurk noted that this item will remain tabled pending further information from Washington.

FIS 04-017 Office of the Governor, Office of Information Technology - cost savings report dated January 21, 2003(4) - Tabled 1/21/04 - Chairman Kurk noted this report will be discussed later on the agenda when Peter Yao gives an updated presentation on the savings realized from the Governor's Office on Information Technology.

NEW BUSINESS:

RSA 9:16-a Transfers Authorized - Consent Calendar:

FIS 04-026 Fish and Game Department and FIS 04-030 Department of Corrections - On a motion by Senator Eaton, seconded by Representative Wallner, that these requests be approved as submitted. MOTION ADOPTED. (Chairman Kurk requested the Legislative Budget Assistant review the totals on the Department of Corrections request to confirm that they are correct.)

RSA 124:15 Positions Restricted - Consent Calendar:

FIS 04-035 Community Technical College System - On a motion by Senator Clegg, seconded by Representative Wallner, that the Committee approve the request from the Community Technical College System to continue a Program Specialist III position and a Consultant position through June 30, 2005. MOTION ADOPTED.

RSA 188-F:14,c Non-Lapsing Account:

FIS 04-034 Community Technical College System - On a motion by Senator D'Allesandro, seconded by Representative Edwin Smith, that the Committee approve the request from the Community Technical College System for authorization to expend \$185,000 from the Regional Community Technical Colleges Non-Lapsing Account. MOTION ADOPTED.

RSA 228:68,I(b) Appropriation and Use of Special Railroad Fund:

FIS 04-029 and FIS 04-037 Department of Transportation - On a motion by Senator Green, seconded by Representative Edwin Smith, that these requests be approved as submitted. MOTION ADOPTED.

Chapter 319:1, Laws of 2003 Department of Health and Human Services; Additional Revenues:

FIS 04-023 Department of Health and Human Services, Office of Health Planning & Medicaid - On a motion by Senator Green, seconded by Representative Wallner, that the Committee approve the request from the Department of Health and Human Services, Office of Health Planning

& Medicaid to accept and expend \$49,827.57 in federal funds. MOTION ADOPTED.

FIS 04-028 Department of Health and Human Services, Office of Community & Public Health - John Stephen, Commissioner presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Edwin Smith, that the Committee approve the request of the Department of Health and Human Services, Office of Community & Public Health to accept and expend \$50,000 in federal funds and \$85,000 in other funds. MOTION ADOPTED.

MISCELLANEOUS:

Letter dated February 11, 2004 from Michael L. Buckley regarding LBAO employees donating sick leave to an Audit employee - On a motion by Senator D'Allesandro, seconded by Representative Wallner, that the Committee approve the request from the Legislative Budget Assistant regarding LBAO employees donating 30 days of sick leave to an Audit Division employee. MOTION ADOPTED.

LATE ITEMS:

FIS 04-041 Postsecondary Education Commission - Kathryn Dodge, Executive Director presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Senator Green, that the Committee approve the request of the Postsecondary Education Commission to transfer \$174,900. MOTION ADOPTED.

FIS 04-040 Office of the Governor, Office of Information Technology - Peter Yao, Office of the Governor and Richard Bailey, Director, IT Operations, Office of Information Technology presented the report and responded to questions of the Committee.

Mr. Yao stated he was not able to give the Committee a general fund dollar savings amount since the Office is in the process of engaging vendors and that will take at least another three weeks. Mr. Yao explained that he is going to try to accelerate every process with these vendors to move the process along as soon as possible.

Chairman Kurk asked if some of the savings from not filling vacant positions were being double counted and have these savings already been applied to lapses. Mr. Yao stated he would check with Commissioner Hill to see if that were the case.

Mr. Yao stated that he was unaware of any \$11M savings plan but he would check with employees in the Office of Information Technology. Chairman Kurk requested a copy of such a plan if it exists. Mr. Bailey stated that as far as he knew there was no \$11M savings plan.

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Chairman Kurk asked if Mr. Yao had a date when he expects to be able to tell the Fiscal Committee that he believes he will be able to achieve the expected general fund savings. Mr. Yao stated "no", since he is still in the process of speaking with various vendors.

Chairman Kurk thanked Mr. Yao and Mr. Bailey and stated that he will be expecting Mr. Yao's March report to the Fiscal Committee.

Chairman Kurk noted Mr. Yao's report was informational, and that no action is required by the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Edwin Smith, that request FIS 04-017, an informational report from the Office of Information Technology be removed from the table. MOTION ADOPTED.

On a motion by Senator D'Allesandro, seconded by Representative Edwin Smith, that the report dated January 21, 2003(4) be accepted and placed on file. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

FIS 04-031 Department of Corrections - (Chapter 318:12, Laws of 2003) - Plan to reduce the Department of Corrections operating budget by \$3,400,000. Les Dolecal, Acting Commissioner and Robert Mullen, Director of Administrative Services presented the plan and responded to questions of the Committee.

Chairman Kurk noted that this was an informational item and that no action needed to taken at this time.

The remaining informational items were accepted and placed on file.

AUDITS:

State of New Hampshire, Department of Corrections, Division of Field Services Performance Audit Report December 2003 - Catherine Provendher, Director of Audits, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Les Dolecal, Acting Commissioner and Larry Blaisdell, Director, Community Corrections and Field Services were also present to respond to questions of the Committee. (This report was accepted and released at the January 21, 2004 meeting.)

State of New Hampshire, Single Audit of Federal Financial Assistance Programs For the Year Ended June 30, 2003 - Chairman Kurk stated this report would be presented at the March Fiscal Committee meeting but acceptance and release of the report can be accomplished at this meeting.

On a motion by Senator Eaton, seconded by Representative Edwin Smith, that the State of New Hampshire Single Audit of Financial Assistance Programs for the Year Ended June 30, 2003 be accepted and released. MOTION ADOPTED.

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State of New Hampshire, New Hampshire Sweepstakes Commission Comprehensive Annual Financial Report For the Year Ended June 30, 2003 and Sweepstakes Commission Management Letter For the Year Ended June 30, 2003 - Catherine Provencher, Director of Audits, Office of Legislative Budget Assistant presented the report and management letter, and responded to questions of the Committee. Rick Wisler, Executive Director, Sweepstakes Commission was also present to respond to questions of the Committee. (This report and management letter were accepted and released at the January 21, 2004 meeting.)

DATE OF NEXT MEETING AND ADJOURNMENT:

The next meeting of the Fiscal Committee is scheduled for Wednesday, March 17. Chairman Kurk noted that the House has a session scheduled for March 17<sup>th</sup>, therefor, he requested that the Fiscal Committee meeting for March be held on the 24<sup>th</sup> at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Future meeting dates were also set for April 21, May 19 and June 16.

On a motion by Representative Rodeschin, seconded by Senator D'Allesandro, that the Committee adjourn. MOTION ADOPTED.

Representative Beverly Rodeschin, Clerk