

FISCAL COMMITTEE OF THE GENERAL COURT

MINUTES

March 8, 2013

The Fiscal Committee of the General Court met on Friday, March 8, 2013 at 10:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Mary Jane Wallner, Chairman  
Representative Ken Weyler, Clerk  
Representative Sharon Nordgren (Alternate)  
Representative Cindy Rosenwald  
Representative Daniel Eaton  
Senator Chuck Morse  
Senator Bob Odell  
Senator Jeanie Forrester  
Senator Sylvia Larsen  
Senator Andy Sanborn

Chairman Wallner opened the meeting at 10:11 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Rosenwald, seconded by Senator Larsen, that the minutes of the February 1, 2013 meeting be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

FIS 12-359 McAuliffe-Shepard Discovery Center – request for approval of the business plan for the operation of the McAuliffe-Shepard Discovery Center. Tabled 12/21/12. No Action Taken.

FIS 13-024 Department of Justice – authorization to establish four (4) full-time temporary positions to consist of: an Attorney (unclassified), an Investigator (unclassified), a Managing Analyst-Financial (unclassified) and a Paralegal II (classified) through June 30, 2013 and further establish one (1) part-time temporary classified Legal Secretary III position through June 30, 2013. Tabled 02/01/13. No Action Taken.

FIS 13-040 Public Utilities Commission – accept and expend \$2,663,089. Tabled 02/01/13. No Action Taken.

On a motion by Senator Morse, seconded by Representative Eaton, that Department of Transportation requests FIS 13-005, FIS 13-025, and FIS 13-047 be removed from the table. MOTION ADOPTED.

FIS 13-005 Department of Transportation (Tabled 02/01/13) – Christopher Clement, Commissioner, and Patrick McKenna, Director of Finance, Department of Transportation, responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Representative Weyler, that the Committee approve the request of the Department of Transportation to transfer \$149,922 in highway funds through June 30, 2013. No Action Taken.

FIS 13-025 Department of Transportation (Tabled 02/01/13) – No questions were asked of the Department regarding the request to transfer \$1,455,332 in highway funds through June 30, 2013.

FIS 13-047 Department of Transportation (Tabled 02/01/13) – Christopher Clement, Commissioner, and Patrick McKenna, Director of Finance, Department of Transportation, responded to questions of the Committee.

At the request of the Senate, the Committee recessed at 10:27 a.m. and reconvened at 10:36 a.m.

FIS 13-005 Department of Transportation – On a motion by Representative Eaton, seconded by Representative Weyler, that the Committee table, until the end of the agenda, the request of the Department of Transportation to transfer \$149,922 in highway funds through June 30, 2013. MOTION ADOPTED.

FIS 13-025 Department of Transportation – On a motion by Senator Morse, seconded by Representative Eaton, that the Committee approve the request of the Department of Transportation to transfer \$1,455,332 in highway funds through June 30, 2013. MOTION ADOPTED.

FIS 13-047 Department of Transportation – On a motion by Senator Morse, seconded by Representative Eaton, that the Committee approve the request of the Department of Transportation to 1) establish a consultant position through June 30, 2013 and 2) transfer \$37,363 from Highway Surplus through June 30, 2013. MOTION ADOPTED.

NEW BUSINESS:

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

FIS 13-081 Letter from Representative Lucy McVitty Weber, Chairman of the Legislative Performance Audit and Oversight Committee relative to the recommendation of the following six (6) performance audit topics – On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the request of the Legislative Performance Audit and Oversight Committee relative to the recommendations of the following five (5) performance audit topics: 1) Department of Corrections, Division of Community Corrections; 2) Department

of Health and Human Services, Health Facilities Administration, Assisted Living and Nursing Facility Inspections; 3) Department of Health and Human Services, Electronic Benefit Transfer Cards; 4) Department of Resources and Economic Development, Economic Development Programs; and 6) Community Development Finance Authority, Program Results, **with the exception of recommendation 5) Police Standards and Training Council, The Council in Performance of its Charter.** MOTION ADOPTED.

On a motion by Senator Morse, seconded by Representative Eaton, that the Committee table the request of the Legislative Performance Audit and Oversight Committee relative to the recommendation of the following performance audit topic: 5) Police Standards and Training Council, The Council in Performance of its Charter. MOTION ADOPTED.

**RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$100,000 FROM ANY NON-STATE SOURCE:**

**CONSENT CALENDAR**

On a motion by Representative Eaton, seconded by Senator Morse, that the Committee approve the requests under this section as submitted. MOTION ADOPTED. [FIS 13-048 Department of Agriculture, Markets and Food – accept and expend \$238,572, FIS 13-049 Department of Corrections – authorization to amend FIS 12-182, approved May 21, 2012, and subsequently amended by FIS 12-344, approved November 8, 2012, to extend the end date from May 31, 2013 to June 30, 2013, with no increase in funding, FIS 13-050 Office of Energy and Planning – authorization to retroactively amend FIS 12-256, approved July 23, 2012, by reallocating \$16,575 in federal ARRA funds and to extend the end date from September 30, 2012 to September 30, 2013, FIS 13-051 Office of Energy and Planning – authorization to amend FIS 10-280, approved September 21, 2010, by reallocating \$136,200 in federal ARRA funds and to extend the end date from May 31, 2013 to September 30, 2013, FIS 13-052 Department of Safety – accept and expend \$129,450, FIS 13-053 Department of Safety – accept and expend \$2,210,557, FIS 13-076 Department of Safety – accept and expend \$166,412, FIS 13-077 Department of Resources and Economic Development – authorization to 1) amend FIS 13-010, approved February 1, 2013 (FIS 11-141, originally approved May 2, 2011), to extend the end date from March 31, 2013 to September 30, 2013 and 2) further authorization for the Department of Employment Security, the sub-grantee with DRED, to amend FIS 13-010, approved February 1, 2013 (FIS 11-141, originally approved May 2, 2011), to extend the end date from March 31, 2013 to September 30, 2013, FIS 13-078 Department of Transportation – accept and expend \$19,266]

**RSA 124:15 POSITIONS RESTRICTED:**

**CONSENT CALENDAR**

At the request of Senator Morse FIS 13-080 Department of Administrative Services was removed from the consent calendar.

FIS 13-080 Department of Administrative Services – Linda Hodgdon, Commissioner, Department of Administrative Services, and Catherine Provencher, State Treasurer, presented the request and responded to questions of the Committee.

On a motion by Senator Morse, seconded by Representative Eaton, that the Committee **amend** and approve the request of the Department of Administrative Services to create one temporary full-time Administrator to the Deferred Compensation Plan, position #9T169, **with a start date no earlier than July 1, 2013.** MOTION ADOPTED.

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 RESTRICTED:

**CONSENT CALENDAR**

At the request of Representative Rosenwald FIS 13-075 Department of Insurance was removed from the Consent Calendar.

On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the remaining request under this section as submitted. MOTION ADOPTED. [ FIS 13-054 Department of Information Technology – authorization to 1) accept and expend \$958,950 in other funds through June 30, 2013 and further authorization to 2) fund class 046 consultant positions through June 30, 2013]

FIS 13-075 Insurance Department – Roger Sevigny, Commissioner, and Alexander Feldvebel, Deputy Commissioner, Insurance Department, presented the request and responded to questions of the Committee.

On a motion by Representative Rosenwald, seconded by Representative Eaton, that the Committee approve the request of the Insurance Department to 1) accept and expend \$409,690 in federal funds through June 30, 2013, and 2) establish one (1) part time temporary Grants & Contracts Technician position through June 30, 2013, and 3) establish class 046 consultant positions through June 30, 2013. MOTION ADOPTED. (7-Yes, 3-No)

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 228:69, I. (b), APPROPRIATION AND USE OF SPECIAL RAILROAD FUND:

FIS 13-056 Department of Transportation – On a motion by Representative Eaton, seconded by Senator Morse, that the Committee approve the request of the Department of Transportation to 1) accept and expend \$346,497 in other funds, and 2) expend an amount not to exceed \$346,497 in prior year carry-forward funds from the Special Railroad Fund for maintenance and repair of active State-owned railroad lines through June 30, 2013. MOTION ADOPTED.

RSA 21-I:56, II, RECLASSIFICATION OF POSITIONS OR INCREASES:

FIS 13-055 Joint Board of Licensure and Certification – On a motion by Senator Morse, seconded by Senator Forrester, that the Committee table the request of the Joint Board of Licensure and Certification to reclassify position number 18095 from Administrator II, salary grade 29, to Executive Director, Joint Board, salary grade 35. MOTION ADOPTED.

FIS 13-082 Department of Administrative Services – On a motion by Senator Morse, seconded by Senator Forrester, that the Committee table the request of the Department of Administrative Services to reclassify position number 10082 from Administrator II, Health and Safety Coordinator, labor grade 29, to Administrator Plant and Property Management, labor grade 35. MOTION ADOPTED.

RSA 363:28, III, OFFICE OF THE CONSUMER ADVOCATE:

FIS 13-062 Office of Consumer Advocate – Susan Chamberlin, Consumer Advocate, Office of the Consumer Advocate, presented the request and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator Odell, that the Committee approve the request of the Office of Consumer Advocate to employ experts for assistant to complete its participation in the NH Public Utilities Commission (NHPUC) docket DE 11-250, regarding Public Service Company of NH (PSNH), Investigation of Scrubber Costs and Cost Recovery through December 31, 2013. MOTION ADOPTED. (9-Yes, 1-No)

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

FIS 13-057 Department of Health and Human Services – On a motion by Representative Eaton, seconded by Representative Rosenwald, that the Committee move the request of the Department of Health and Human Services to accept and expend \$877,687 in federal funds through June 30, 2013.

On a further motion by Representative Rosenwald, seconded by Senator Larsen, that the Committee **amend** the request of the Department of Health and Human Services to accept and expend **\$887,687, not \$877,687** in federal funds through June 30, 2013. MOTION ADOPTED.

On a motion by Representative Eaton, seconded by Representative Rosenwald, that the Committee approve as amended the request of the Department of Health and Human Services to accept and expend \$887,687 in federal funds through June 30, 2013. MOTION ADOPTED.

FIS 13-058 Department of Health and Human Services – On a motion by Senator Morse, seconded by Representative Eaton, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$118,204 in federal funds through June 30, 2013. MOTION ADOPTED.

FIS 13-059 Department of Health and Human Services – On a motion by Representative Eaton, seconded by Representative Rosenwald, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$560,419 in federal funds through June 30, 2013. MOTION ADOPTED.

FIS 13-060 Department of Health and Human Services – On a motion by Representative Rosenwald, seconded by Senator Morse, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$9,745,766 in federal funds through June 30, 2013. MOTION ADOPTED.

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

FIS 13-061 Department of Information Technology – On a motion by Senator Morse, seconded by Representative Eaton, that the Committee approve the request of the Department of Information Technology to transfer \$779,832.84 in other funds through June 30, 2013. MOTION ADOPTED.

LATE ITEM:

FIS 13-083 Department of Justice – On a motion by Senator Morse, seconded by Representative Eaton, that the Committee approve the request of the Department of Justice to retain outside counsel from an out-of-state law firm, Duane Morris, LLP in Boston, for the purpose of obtaining legal expertise in an on-going matter involving the termination of a state construction contract. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

The informational items were accepted and placed on file.

The Chair announced a recess at 11:04 a.m., and the Committee reconvened at 11:07 a.m.

OLD BUSINESS:

FIS 13-005 Department of Transportation – On a motion by Senator Morse, seconded by Senator Forrester, that the item be removed from the table. MOTION ADOPTED.

On a motion by Senator Morse, seconded by Representative Eaton, that the Committee approve the request of the Department of Transportation to transfer \$149,922 in highway funds through June 30, 2013. MOTION ADOPTED.

AUDITS:

State of New Hampshire, Juvenile Justice Services, Pre-Adjudicated Placements, Performance Audit Report, March 2013 – Richard Mahoney, Director of Audits, and Vilay DiCicco, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Maggie Bishop, Director, Juvenile Justice Services, and Byry Kennedy, General Counsel for Division for Children, Youth and Families, Department of Health and Human Services, were present to respond to questions of the Committee.

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

State of New Hampshire, State Agency Decision-Making Practices: Employees Versus Contractors, Performance Audit Report, March 2013 – Richard Mahoney, Director of Audits, and Steven Grady, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee.

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

State of New Hampshire, Lottery Commission, Management Letter, For the Fiscal Year Ended June 30, 2012 – Richard Mahoney, Director of Audits, and Elizabeth Bielecki, Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present were Charles McIntyre, Executive Director, and Cassie Strong, Chief Accountant, New Hampshire Lottery Commission to respond to questions of the Committee.

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

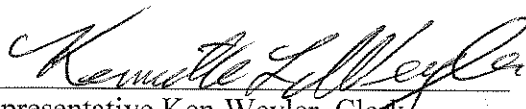
State of New Hampshire, Turnpike System, Management Letter, For the Fiscal Year Ended June 30, 2012 – Richard Mahoney, Director of Audits, and Jean Mitchell, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present were Patrick McKenna, Director of Finance, Christopher Waszczuk, Administrator of the Turnpikes Bureau, and Leonard Russell, Administrator of Financial Reporting, Department of Transportation, to respond to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Eaton, 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 will be Friday, April 19, 2013 at 10:00 a.m.

On a motion by Representative Eaton that the meeting adjourn. (Whereupon the meeting adjourned at 11:53 a.m.)

  
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Representative Ken Weyler, Clerk