

FISCAL COMMITTEE OF THE GENERAL COURT  
MINUTES  
May 5, 2006

The Fiscal Committee of the General Court met on Friday, May 5, 2006 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Frederick King, Chairman  
Senator Charles Morse, Vice Chairman  
Representative Joseph Stone, Clerk  
Representative Elizabeth Hager  
Representative Mary Jane Wallner  
Representative Peter Franklin  
Senator Theodore Gatsas  
Senator Richard Green  
Senator Robert Clegg  
Senator Sylvia Larsen

Chairman King opened the meeting at 9:22 a.m. and announced that all late items will be dealt with on Monday, May 8<sup>th</sup> at 9:00 a.m.

Chairman King also announced that the Fiscal Committee will no longer take late items; when the calendar closes and the agenda is prepared there will be no late items. Chairman King asked everyone representing an agency to take this message back to their Commissioners and department heads and stressed the fact that they need to plan ahead.

ACCEPTANCE OF MINUTES:

On a motion by Senator Green, seconded by Representative Franklin, that the minutes of the March 24, 2006 meeting be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

Action Item:

FIS 06-088 Department of Safety, Division of Motor Vehicles - accept and expend \$3,000,000 (Tabled 3/24/06) No action was taken on this request.

Informational Items:

FIS 06-085 Department of Education - reconciliation of No Child Left Behind federal funding and FIS 06-089 Department of Education - school district federal education grant allocations for the current year - On a motion by Senator Green, seconded by Senator Morse, that these informational items be removed from the table for discussion. MOTION ADOPTED.

Mary Heath, Deputy Commissioner and Michael Bieniek, Business Administrator responded to questions of the Committee.

Senator Green requested that the Department of Education give a presentation at the end of this fiscal year on (1) a much clearer

picture of where the Department is when it comes to No Child Left Behind and what balances remain each fiscal year, and (2) in terms of the money getting out to the districts, how much has been applied for and spent and how much is remaining that could be dispersed to school districts; how can this process be made simpler and smoother.

FIS 06-090 Supreme Court - Report on the Judicial Branch efforts to implement many of the recommendations made as a result of the LBA audit of the Judicial Branch concluded in November 2003 - On a motion by Representative Hager, seconded by Senator Larsen, that this report be removed from the table for discussion. MOTION ADOPTED.

Donald Goodnow, Director, Administrative Office of the Courts was present to respond to questions of the Committee.

RSA 9:16-a TRANSFERS AUTHORIZED - CONSENT CALENDAR:

On a motion by Representative Hager, seconded by Representative Stone, that the Committee approve all the requests under this section as submitted. MOTION ADOPTED. (FIS 06-099, FIS 06-123 and FIS 06-128)

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:

FIS 06-093 Department of Transportation - Thomas Martin, Director Finance and Albert Almasy, Manager of Toll Operations presented a replacement request and responded to questions of the Committee.

FIS 06-114 and FIS 06-115 Office of Energy and Planning - These two requests were removed from the consent calendar for further discussion. Jack Ruderman, Director presented the requests and responded to questions of the Committee.

FIS 06-122 Police Standards and Training Council - This request was removed from the consent calendar for further discussion. Keith Lohmann, Director presented the request and responded to questions of the Committee.

On a motion by Representative Hager, seconded by Representative Stone, that all the items on the agenda under this section be approved as submitted with the exception of request FIS 06-122 from the Police Standards and Training Council, which was amended through June 30, 2006, not September 30, 2006 as submitted. MOTION ADOPTED. (FIS 06-093, FIS 06-121, FIS 06-096, FIS 06-100, FIS 06-110, FIS 06-114, FIS 06-115, FIS 06-124, FIS 06-125, and FIS 06-127)

CHAPTER 177:1, LAWS OF 2005 TRANSFERS AMONG ACCOUNTS; OFFICE OF INFORMATION TECHNOLOGY:

FIS 06-102, FIS 06-104, FIS 06-113 and FIS 06-118 Office of Information Technology - Richard Bailey, Chief Information Officer presented the requests and responded to questions of the Committee.

On a motion by Senator Green, seconded by Representative Franklin, that the Committee approve all the requests under this section on the agenda as submitted. MOTION ADOPTED.

CHAPTER 177:4,II, LAWS OF 2005 DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES, TRANSFERS AMONG ACCOUNTS:

FIS 06-095 Department of Health and Human Services, Division for Children, Youth & Families - Frank Danieli and Doug McNutt, Bureau of Adult Services presented the request and responded to questions of the Committee.

On a motion by Representative Hager, seconded by Senator Green, that the Committee approve the request of the Department of Health and Human Services, Division for Children, Youth & Families to accept and expend \$1,301,300. MOTION ADOPTED.

FIS 06-117 Department of Health and Human Services, Division of Public Health Services - Frank Danieli and Doug McNutt, Bureau of Adult Services presented the request and responded to questions of the Committee.

On a motion by Representative Hager, seconded by Senator Green, that the Committee approve the request of the Department of Health and Human Services, Division of Public Health Services to accept and expend \$813,384. MOTION ADOPTED.

FIS 06-106 Department of Health and Human Services, Division of Community Based Care Services - Frank Danieli and Doug McNutt, Bureau of Adult Services presented the request and responded to questions of the Committee.

On a motion by Representative Hager, seconded by Senator Green, that the Committee table this request. MOTION ADOPTED.

CHAPTER 177:4,II, LAWS OF 2005 DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS AND RSA 124:15 POSITIONS RESTRICTED:

FIS 06-097 Department of Health and Human Services, Division for Juvenile Justice Services - On a motion by Representative Stone, seconded by Representative Hager, that the Committee approve the request of the Department of Health and Human Services, Division for Juvenile Justice Services to accept and expend \$59,847.52 and establish a Psychological Associate I position through June 30, 2007. MOTION ADOPTED.

FIS 06-109 Department of Health and Human Services, New Hampshire Hospital - Chester Batchelder, Superintendent presented the request and responded to questions of the Committee.

On a motion by Representative Stone, seconded by Representative Hager, that the Committee approve the request of the Department of Health and Human Services, New Hampshire Hospital to accept and expend

\$469,265 and establish nine (9) Mental Health Worker II positions through June 30, 2007. MOTION ADOPTED.

CHAPTER 177:4,III, LAWS OF 2005 DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 06-130 Department of Health and Human Services - Doug McNutt, Bureau of Adult Services presented the request and responded to questions of the Committee.

On a motion by Senator Green, seconded by Representative Hager, that the Committee approve the request from the Department of Health and Human Services to transfer \$1,700,000. MOTION ADOPTED.

RSA 9:16-a TRANSFERS AUTHORIZED, RSA 14:30-a,VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE, RSA 228:12 TRANSFERS FROM HIGHWAY FUND SURPLUS AND RSA 237:15-a TRANSFERS FROM TURNPIKE SYSTEM GENERAL RESERVE ACCOUNT:

FIS 06-132 Department of Transportation - On a motion by Senator Morse, seconded by Representative Stone, that this request be tabled until after the presentation of the highway fund audit. MOTION ADOPTED.

RSA 206:33-b TRANSFERS FROM FISH AND GAME FUND:

FIS 06-119 Fish and Game Department - On a motion by Senator Gatsas, seconded by Senator Morse, that the Committee approve the request from the Fish and Game Department to transfer \$64,000. MOTION ADOPTED.

RSA 284:21-j,II ESTABLISHMENT:

FIS 06-108 Lottery Commission - On a motion by Representative Hager, seconded by Representative Stone, that the Committee approve the request from the Lottery Commission to transfer \$224,000 for health insurance benefits. MOTION ADOPTED.

FIS 06-111 DEPARTMENT OF LABOR - George Capadis, Commissioner of the Department of Labor introduced Michael Power, President of the Work Force Opportunity Council and Cindy Naditch, Vice President of Operations who gave a presentation relative to the Council, the funding streams, and the people that are served and how they benefit from these services.

Senator Gatsas requested that Mr. Power provide additional information to the Committee on the amount of space that they have in their 13 offices, and the numbers and how many other agencies are in those offices.

FIS 06-116 Department of Labor - On a motion by Senator Green, seconded by Senator Clegg, that the Committee approve the request from

the Department of Labor to accept and expend \$6,796,429. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

The informational materials were accepted and placed on file.

AUDITS:

Senator Gatsas congratulated Catherine Provencher, on behalf of the Fiscal Committee, for being this year's recipient of the Caroline Gross Fellowship. Ms. Provencher will spend three weeks during the month of June at Harvard where she will take a senior executive course for state and local government.

State of New Hampshire Highway Fund Financial Statements For the Fiscal Year Ended June 30, 2005 - Catherine Provencher, Director of Audits, Office of Legislative Budget Assistant presented the financial statements and responded to questions of the Committee. Thomas Martin and James Marshall from the Department of Transportation were also present to respond to questions of the Committee.

FIS 06-132 Department of Transportation - On a motion by Senator Green, seconded by Senator Larsen, that this request be removed from the table. MOTION ADOPTED.

On a motion by Senator Green, seconded by Senator Larsen, that the Committee approve the request of the Department of Transportation to transfer \$2,232,000 of highway funds, accept and expend \$1,689,000, transfer \$1,924,000 from the Highway Surplus Account and transfer \$2,015,000 from the Turnpike System General Reserve Account. MOTION ADOPTED.

State of New Hampshire Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2005 - Sheri Rockburn, State Comptroller presented the report and responded to questions of the Committee. Sean Warren and Karen Farrell from KPMG were also present to make presentations and respond to questions of the Committee.

On a motion by Representative Stone, seconded by Representative Franklin, that both audit reports be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

The meeting was recessed at 12:02 p.m. until Monday, May 8, 2006 at 9:00 a.m.

Chairman King reconvened the May 5, 2006 meeting on Monday, May 8, 2006 at 9:00 a.m. with the following members in attendance:

Representative Frederick King, Chairman  
Senator Charles Morse, Vice Chairman  
Representative Joseph Stone, Clerk  
Representative Elizabeth Hager  
Representative Peter Franklin  
Representative Daniel Eaton  
Senator Theodore Gatsas  
Senator Robert Clegg  
Senator Richard Green  
Senator Sylvia Larsen

Chairman King opened the meeting at 9:10 a.m.

ACTIONS ITEMS:

FIS 06-126 Department of Justice - Orville Fitch, Deputy Attorney General presented the request and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator Green, that the Committee approve the request from the Department of Justice to accept and expend \$61,600. MOTION ADOPTED.

FIS 06-129 Department of Justice - Orville Fitch, Deputy Attorney General presented the request and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Representative Franklin, that the Committee approve the request from the Department of Justice to accept and expend \$350,000. MOTION ADOPTED.

FIS 06-134 Department of Health and Human Services - John Stephen, Commissioner presented the request and responded to questions of the Committee.

On a motion by Senator Green, seconded by Senator Larsen, that the Committee approve the request from the Department of Health and Human Services to accept and expend \$1,005,213 and transfer \$1,005,213. MOTION ADOPTED.

FIS 06-139 Department of Health and Human Services - John Stephen, Commissioner presented the request and responded to questions of the Committee.

On a motion by Senator Green, seconded by Senator Larsen, that the Committee approve the request from the Department of Health and Human Services to accept and expend \$144,185. MOTION ADOPTED.

FIS 06-106 Department of Health and Human Services, Division of Community Based Care Services - John Stephen, Commissioner requested that this item be removed from the table and approved.

On a motion by Senator Morse, seconded by Representative Stone, that this request be removed from the table. MOTION ADOPTED.

On a motion by Senator Morse, seconded by Representative Stone, that the Committee approve the request from the Department of Health and Human Services, Division of Community Based Care Services to accept and expend \$2,764,300. MOTION ADOPTED.

FIS 06-136 Department of Resources and Economic Development, Division of Parks and Recreation - Allison McLean, Director, Division of Parks presented the request and responded to questions of the Committee.

On a motion by Representative Hager, seconded by Senator Larsen, that the Committee approve the request from the Department of Resources and Economic Development, Division of Parks and Recreation to transfer \$14,312. MOTION ADOPTED.

FIS 06-140 Department of Resources and Economic Development, Division of Parks and Recreation - Allison McLean, Director, Division of Parks and Kenneth Plourde, Administrator IV presented the request and responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Representative Stone, that the Committee approve the request from the Department of Resources and Economic Development, Division of Parks and Recreation to accept and expend \$163,611.47. MOTION ADOPTED.

FIS 06-141 Department of Resources and Economic Development, Division of Parks and Recreation - Allison McLean, Director, Division of Parks requested that this item be tabled due to some conditions that have been placed by the Lighthouse Kids onto this particular action.

On a motion by Senator Morse, seconded by Representative Eaton, that this request be tabled until further information is received. MOTION ADOPTED.

FIS 06-143 Judicial Council - Nina Gardner, Executive Director presented the request and responded to questions of the Committee.

On a motion by Representative Stone, seconded by Representative Eaton, that the Committee approve the request from the Judicial Council for \$400,000 in additional general funds. MOTION ADOPTED.

FIS 06-144 Office of Energy and Planning - Jack Ruderman, Deputy Director and Donna Raymond presented the request and responded to questions of the Committee.

On a motion by Senator Green, seconded by Representative Hager, that the Committee approve the request from the Office of Energy and Planning to accept and expend \$6,673,267. MOTION ADOPTED.

LATE ACTION ITEMS:

FIS 06-145 Department of Employment Security - Jill Revels, Business Administrator and Colleen O'Neill, Director of Internal Security presented the request and responded to questions of the Committee.

On a motion by Senator Green, seconded by Representative Hager, that the Committee approve the request from the Department of Employment Security to accept and expend \$552,255. (This motion was never voted on.)

On a motion by Senator Green, seconded by Representative Stone, that this request be tabled and a subcommittee set up to get answers on how this money will be spent and just what equipment is being purchased. MOTION ADOPTED.

Chairman King appointed Senator Clegg and Representative Eaton to the subcommittee.

FIS 06-146 Department of Safety, Division of Motor Vehicles - Richard Flynn, Commissioner presented the request and responded to questions of the Committee. Virginia Beecher, Director, Division of Motor Vehicles was also present to respond to questions of the Committee.

On a motion by Senator Green, seconded by Senator Larsen, that the Committee approve the request from the Department of Safety, Division of Motor Vehicles to transfer \$156,870 from the Highway Surplus Account and establish four (4) Data Control Clerk II positions through June 30, 2007. MOTION ADOPTED.

Chairman King appointed a subcommittee of Senator Green and Representative Stone to observe the issues discussed with long lines and the number of unanswered phone calls at the Division of Motor Vehicles to see if additional personnel may be required to alleviate some of the problems.

LATE INFORMATIONAL ITEMS:

The late informational items were accepted and placed on file.

DATE OF NEXT MEETING AND ADJOURNMENT:

Chairman King set the next regular meeting of the Fiscal Committee for Wednesday, June 7<sup>th</sup> at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Chairman King also noted that he would like to set a special meeting some time in May to discuss DOT issues and the audit which will be ready after May 16<sup>th</sup>. This special meeting will be at the call of the Chair after Committees of Conference have concluded. (Whereupon the Committee adjourned.)

Representative Joseph Stone, Clerk