

JOINT LEGISLATIVE FISCAL COMMITTEE

Legislative Office Building, Rooms 210-211

Concord, NH

Tuesday, August 3, 2021

MEMBERS PRESENT:

Rep. Ken Weyler, Chair
Rep. Karen Umberger, Clerk
Rep. Peter Leishman
Rep. Keith Erf (Alt.)
Sen. Gary Daniels, Vice Chair
Sen President Chuck Morse
Sen. Erin Hennessey
Sen. Lou D'Allesandro
Sen. Cindy Rosenwald

(1) RSA 14:30-a, VI Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 from Any Non-State Source:

KENNETH WEYLER, State Representative, Rockingham County, District #13: Okay. One, two, three, four. One, two, three, four, five. I thought we might have ten, but I guess we didn't get another alternate. But anyway.

All right. It being two o'clock, we'll call the Fiscal Committee to order for August 3rd, 2021. We have an agenda before us of money from the American Rescue Plan. I'm told that these monies are derived from our losses during the COVID and these are to try to make it up in the various departments. And if you want further explanation, we have all the experts here to explain it to us. So I believe -- okay. Now it's on.

All right. I guess you heard me call this meeting to order and we're beginning. So the first several items are on a Consent Calendar, and then we go to one that has some temporary employees. Do any of the Committee Members wish to have any conversation with any of the departments? We'll start with Department of Energy is down there for a 250,000 grant. Anybody

have any questions for Energy, the newly created Department? Senator D'Allesandro has a question. Somebody from the Energy Department please come forward.

LOU D'ALLESANDRO, State Senator, Senate District #20: Thank you, Mr. Chairman. And really it's not so much for the Department of Energy as it is for all of these. What's the derivation of these items? How -- how were they -- how were they solicited and brought forward? How were they accepted? How were the numbers derived? I mean, that's all we have is, you know, a very brief snippet, a very, very brief précis which we got this morning when we got our pamphlets. But we have a series of items here going right down the line to different departments, and the question is the derivation of these requests and the way these requests were handled and the dollars allotted to these requests as a result of those inquiries.

CHAIRMAN WEYLER: Would you introduce yourselves, please. Push the red button. See that it locks.

JARED CHICOINE, Interim Commissioner, Department of Energy: Okay. Can you hear me? Great. For the record, Jared Chicoine. I'm the Interim Commissioner of the Department of Energy. And with me today is Mark Sanborn, the Governor's Energy Advisor at the New Hampshire Department of Energy. Okay.

MARK SANBORN, Energy Advisor, Division of Support, Department of Energy: So you'd like to know how we determined this amount?

SEN. D'ALLESANDRO: Exactly, Mark. Perfect. That's the perfect question.

MR. SANBORN: Sure.

SEN. D'ALLESANDRO: How?

MR. SANBORN: Based on studies that we've paid for in the past, so on the historic record of what it cost of this type of

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analysis would be, and that's how we determined the cost of 250,000 for these impact studies. Building on that is we've, obviously, given this a very specific subject of offshore wind. Part of our research was looking at assessment studies for the specific subject of offshore wind. And given the scope of what we're hoping to get out of the assessment study, this number seemed consistent with what similar assessment studies cost.

SEN. D'ALLESANDRO: Okay. Thank you.

CHAIRMAN WEYLER: And we assume the study will be widely distributed?

MR. CHICOINE: Yes, sir.

MR. SANBORN: Yes, sir.

CHAIRMAN WEYLER: Okay. Further questions? Representative Leishman.

PETER LEISHMAN, State Representative, Hillsborough County, District #24: Thank you, Mr. Chairman. I would like to point out in looking at the Fish and Game and compliment Director Mason that very thorough versus some of the others. So I sympathize with my colleague across there as far as the descriptions. Thanks.

CHAIRMAN WEYLER: Thank you. Now, this is on a Consent Calendar. I'll go over them one at a time, and we can either have a Consent Calendar all at once when we're done or we can do them item by item. Whatever the -- whatever the Committee wishes. Seeing no motion, we'll move on to Department of Business and Economic Affairs. Are there any questions on that item? All right. Seeing none. Oh, question, Representative Umberger.

KAREN UMBERGER, State Representative, Carroll County, District #02: Yes. Thank you, Mr. Chairman. I notice your request is for \$1,001,000, which I thought was an interesting

figure; but then when I looked at your expenses, it's showing 461. And I didn't see any place where I think it says that you're going to give money to Regional Housing Needs Assessment, but I didn't see where that was allocated in your dollars, unless I just missed it.

TAYLOR CASWELL, Commissioner, Department of Business and Economic Affairs: Certainly, I can -- I can help. For the record, Taylor Caswell, Commissioner of BEA. So the -- the amount for the work is for \$975,000, and you'll see that in Class 72 in the -- in the materials. They're grants. That be \$450,000 split in two, and then \$75,000 under Class 102 is for a Population Projection Study that would be done in-house. And then the remaining is indirect costs and the audit cost that goes on each of these. That's why each of them has sort of an odd number. You'll see, for instance, Item No. 199 is 1,003,503. It's the same basic explanation.

REP. UMBERGER: Okay. So -- okay. So this is through the 20 -- 2023 budget year. I'm sorry. Okay. Thank you.

CHAIRMAN WEYLER: Any other questions? Seeing none. Thank you very much.

Okay. Next item is Department of Business -- again, Business and Economic Affairs on the next item. And anybody have any questions on that one? Seeing none.

We'll move on to Fish and Game, and item number FIS 21-201, authorization to accept and expend 61,887. Any questions for Fish and Game? They appear to be represented. Seeing none. Office of Emergency Relief and Recovery. There's next two items are with that agency. Are there any -- any questions for Office of Emergency Relief? Senator Rosenwald.

CINDY ROSENWALD, State Senator, Senate District #13: Thank you, Mr. Chairman. I have a question on item number 204.

CHAIRMAN WEYLER: Okay.

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SEN. ROSENWALD: The Choose Love Bus Tour Program.

CHAIRMAN WEYLER: Good.

SEN. ROSENWALD: The narrative says that it's for activities that are going to take place, I think, in schools and communities. And my question is are these evidence-based activities?

MR. CASWELL: In terms of the underlying program that will be used, it's one that's been in place now for some time, both through the existing New Hampshire Choose Love Program, but also through a national foundation. The --

SEN. ROSENWALD: The Jesse Lou?

MR. CASWELL: Yes, the Jesse. So it's using a lot of those -- all of those same programmatic components. I think the goal with this program would be to take that and be able to bring it mobility to nine -- I think nine different communities in the state.

SEN. ROSENWALD: So follow-up, please.

CHAIRMAN WEYLER: Follow-up question.

SEN. ROSENWALD: Thank you. So are they evidence-based activities?

MR. CASWELL: I would have to get back to you on whether these -- exactly what that is for the Choose Love Program. I know it's been in place for quite some time, unless Jason knows the answer to that question. I wish him well on that.

SEN. ROSENWALD: Thank you.

CHAIRMAN WEYLER: Senator Hennessey.

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ERIN HENNESSEY, State Senator, Senate, District #01: Thank you, Mr. Chair. Good to see you, Commissioner. I have one question on this program as well. It says nine locations, and you're spending \$205,000. Is it like nine different days or would these buses be in these locations for several days or how's that going to work out?

MR. CASWELL: My understanding is that they would be on location for several days in each -- in each of these nine locations.

SEN. HENNESSEY: Thank you.

MR. CASWELL: Hm-hum.

CHAIRMAN WEYLER: Any further questions for this Department? Seeing none. Any other Committee Members have any questions on I guess what we call Tab 1 that we haven't answered yet? I'll entertain a motion to adopt that whole page.

** SEN. D'ALLESANDRO: Move.

SEN. HENNESSEY: Second.

CHAIRMAN WEYLER: Okay. Senator D'Allesandro moves, seconded by Senator Hennessey that the Fiscal Committee approve the items on this page. Any further discussion? Seeing none. Are you ready for the question? All in favor say aye? Opposed no? That is adopted.

*** **{MOTION ADOPTED}**

(2) 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 Authorized:

CHAIRMAN WEYLER: Moving on to number two, Tab 2, we have a request from Fish and Game, and this one will involve hiring new

temporary permanent employees. Does anyone have any questions for Fish and Game? Senator Daniels.

GARY DANIELS, State Senator, Senate District #11: Thank you.

SCOTT MASON, Executive Director, Department of Fish and Game: For the record, Executive Director Scott Mason, New Hampshire Fish and Game.

MIKE MARCHAND, Supervisor, Non-Game and Endangered Wildlife Program, Department of Fish and Game: And Mike Marchand, Supervisor of the Non-Game and Endangered Wildlife Program, Fish and Game.

SEN. DANIELS: Thank you, Mr. Chairman. Director, I have some concerns in the -- in this proposal. As you know, we and I -- you and I have talked multiple times about a permit that is put in by one of my towns that we have been waiting close to two years to get done. And it just seems that there's delay after delay.

You and I have talked multiple times in the spring. Each time, at least three times, I was told that it should be reviewed or issued within two weeks. I would call back within two weeks. I got the same answer again. I found out recently that -- that applications have been submitted after we resubmitted all this back on October 20th and that they have been processed before Milford's. I understand now that the Department is asking for additional information. This goes back to April of this year. And I also know that we're on our fifth extension in trying to get this permit, which was turned on by the Court in December of 20th -- of 2020.

I guess what I -- what I've heard that -- I'm told that DES claims that Fish and Game is responsible for the delay here. And while I can understand some in the way that was shut down with Covid, and there was a hiring freeze on and such, it concerns me that I was told the thing would be processed much faster than it

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has been and that, you know, we gave up 75 acres of land to get into this first permit. My understanding is Fish and Game is asking for more now, which would actually take up part of our Master Plan where we had proposed a cemetery.

So I guess my question on all this is with all that I have been told and I have heard, how are we to assume that this proposal is going to fix the problem? Because what it seems to be driving it is the water and sewer projects and an audit which can't be done until you clean up the backlog. So it really doesn't have anything to do with what's already there but what's to come.

MR. MASON: Thank you, Senator. The application that you're referencing is, at best, a very difficult application. And as you're well aware that is, you know, that parcel had received a permit from DES, and it was that permit and the challenge of that permit that triggered the whole AOT challenge.

We've been going through a process with DES to try to rewrite regulations. We are about to come forth with a new set of regulations. We -- in the very near future we would like to see Senate Bill 129 signed into law first so that we can go forward with some of the changes that -- that the language that we built into our rule changes that would take into account some of the changes to the law that Senate Bill -- that passed out of the Legislature that would be helpful there.

Hum -- in general, what took place, at a very high level, what took place was is the amount of work that Fish and Game was doing on these reviews greatly increased following that Court case and following the changes to the rules that DES put forth. We could not keep up with that, and we fell -- fell behind.

What we've streamlined, we're coming forth with the new -- the new rules will be a much more streamline package. We'll be -- hopefully, we've struck a balance where we can still protect the resource, but at the same time move -- move these applications through in a quicker format than what we are

currently doing. These positions will help us do this. We are still -- we do not receive any money for this review work that we do, and that has always been a challenge to Fish and Game is to try to figure out how we're going to fund staffing for this review process, which I think was one of the issues, you know, if we had been able to hire more staff or fund more staff we probably wouldn't have fallen behind in the first place.

We are looking forward as we were talking with DES and seeing some of the numbers of applications that they're predicting, we will have through the ARP Program and these -- these employees are what we feel it will take for us to get our head above water and keep it there through the next few years. And that's the reason why these are full-time temporary positions. They'll work for us full-time; but at the end of this funding, we are not having to keep them on staff. At that point we'll take a look at what the workload looks like.

I'm assuming, and I'm sure some of you probably have a better handle on it than I do, as far as what the future is, but it would appear that we're going to seek quite a bubble of construction here in New Hampshire over the next few years.

And it will be -- you know, in order to move that process through one of the steps that a lot of these folks are going to have to come through is our endangered species review process and these positions will help move that through quicker.

A couple of things. I know it doesn't necessarily pertain to what we're doing here today, but a couple of the changes that we are putting into our rule package is we are going to come into compliance -- I apologize. RSA 541-A:29, which creates deadlines for us to declare an application complete and, obviously, if an application isn't complete, you know, we, you know, we talk to the applicant and make them aware of that. And then it gives us 60 days to make sure that once an application is complete we make a decision. And in order to do that, and also to protect the -- the resources, we're going to need more staff than what we have right now.

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SEN. DANIELS: Follow-up.

CHAIRMAN WEYLER: Follow-up question.

SEN. DANIELS: How long would you expect it to take if you were to get these three individuals to take care of your backlog?

MR. MASON: Do you want to --

MR. MARCHAND: I don't know if I can answer that exactly. It depends on the amount of new projects that are coming in from the sewer and water infrastructure which will be the priority projects. But I don't know if I want to tie down to exact number. But I anticipate, you know, we'll get rolling, and pretty, you know -- I don't -- I don't know.

CHAIRMAN WEYLER: How long do you think it'll take you to find the people if people already lined up?

MR. MARCHAND: Yeah, so that's one factor is, depending on whether we can hire internally or whether we have to go external recruitment, that's one factor. Once those people are on board, and they're up and rolling, there'll be training involved, depending on what their background is, and so that will take some time as well. But we're going to get up and running as soon as they're on board and go through these as quickly as possible.

Now, the one I said about the backlog, which is a little challenging because it's not just a static thing. We have new projects coming in every day as well. So we're projects coming in, projects coming out; but we'll certainly get, you know, working on those as fast as we can to work through that.

SEN. DANIELS: Follow-up.

CHAIRMAN WEYLER: Further question.

SEN. DANIELS: Of the new rules that are going into place, is that going to cause the reviews to be longer than they have been before?

MR. MARCHAND: It will be a 60-day requirement as part of the rule package.

MR. MASON: It should actually make them move through quicker. The other thing, and I think one of the problems we have right now, Fish and Game, and I think the application you're referencing, Senator, we went and we met with that town to talk about that permit. And we never heard back from the community what -- what their answers were to some of the questions we had. And the problem is, is that right now we don't have a system in place that follows up. You know, we need to send that -- that community or that developer, you know, I call it a tickler letter. I don't know what the right term is.

Long time ago I worked for Farmers Home Administration, USDA. We dealt with, you know, hundreds and hundreds of applications in each county doing home and, you know, the single-family housing, multi-family housing projects that USDA used to finance. We had a system in place where we would send out these letters reminding the applicant or the developer that, you know, hey, we're looking for this, you know, Form A, B, C. We haven't gotten it. You have 30 days to respond or we'll withdraw your application. And it's that type of communication that I want to bring back, but it takes people. It takes -- one of the positions you see here is actually more of an administrative person, an admin person to make sure that we develop the types of communication that we need between the applicant and the -- and the Department and our Department.

SEN. DANIELS: One final follow-up.

CHAIRMAN WEYLER: Final question.

SEN. DANIELS: In the budget that we just passed, did you have any extra money in there for additional employees?

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MR. MASON: No. And we have some strict laws. I can't move money from like Fish and Game funds, any of the federal money that we get. I'm trying to think, what's the --

MR. MARCHAND: Any money generated from hunting or fishing, license sales or federal excise tax dollars can't be used for the conservation of threatened and endangered species, which this would fall under. So we're pretty limited in our funds. Our program is generated from donations, as well as some Other Funds elsewhere but kind of separate from the most of the funds at the Fish and Game funds.

MR. MASON: Basically, what we do is a fund drive for non-game, and the Legislature matches that with \$100,000. And then we take that money and go to the fed -- the Feds and leverage that to get as much money as we can into this non-game program. I believe there were no new positions in non-game on that budget this year?

MR. MARCHAND: No.

SEN. DANIELS: Thank you.

CHAIRMAN WEYLER: Further questions from the Committee? Commissioner Mason, are you from Coos County?

MR. MASON: Yes, sir, I am.

CHAIRMAN WEYLER: I think I met you on your farm years ago.

MR. MASON: Okay. Yep. We used to have a little get together down on the river.

CHAIRMAN WEYLER: You looked familiar.

MR. MASON: No overalls today.

CHAIRMAN WEYLER: Very good. All right. You had to get into this job pretty quick then, get your feet on the ground.

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MR. MASON: It was a crash course. Nobody told me the budget was due 30 days after I walked through the front door, but I did hear the lock lock when I walked through the front door, and 30 days later we put together a budget and got it out. And I had never heard of AOT until I was talking with the Nature Conservancy and they brought me -- they were the ones that initially told me about AOT. And I spent most of my time since I've gotten here working on either AOT issues or hatchery issues.

CHAIRMAN WEYLER: Well, congratulations. All right.

MR. MASON: Thank you.

CHAIRMAN WEYLER: All right. Representative Leishman moves to approve the item, so there's a second by Senator D'Allesandro. Any further discussion from the Committee? Seeing none. Are you ready for the question? All in favor of approving item number 21-197 say aye? Opposed no?

SEN. DANIELS: No.

CHAIRMAN WEYLER: Okay. You wish to be recorded as a negative?

SEN. DANIELS: Yes.

CHAIRMAN WEYLER: Okay. Motion is adopted. Thank you all.

***** {MOTION ADOPTED}**

(3) Miscellaneous:

(4) Date of Next Meeting and Adjournment:

CHAIRMAN WEYLER: Next meeting isn't that far away. We'll have August 20th at 10:00 a.m., same place, same time or not same time but same place. And I expect we'll have a fairly full

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agenda. Appreciate all you folks coming and being ready to answer these questions. This is somewhat of a new format for us. We don't have quite the background on some of these issues that we frequently do because a lot of us have just been recently into the budget and seen some of these issues before. And all these new revenue sources are -- are new for us. We had some discussions with LBA to discuss how it was derived each amount of money and where it came from; but I guess Administrative Services and the Governor's Office are going through 150 pages to make certain everything is legal and meets the criteria of these latest fund distributions.

So if there's no further items and no further business to come before us, we'll see everybody on August 20th and we will stand adjourned. Thank you all for your attendance.

(Meeting adjourned.)

CERTIFICATION

I, Cecelia A. Trask, a Licensed Shorthand Court Reporter in the State of New Hampshire, do hereby certify that the foregoing transcript was transcribed by me from a digital recording. I was not physically present at this meeting, and I have transcribed the recording to the best of my ability, skill, knowledge, and judgment.

Cecelia A. Trask, RMR, CSR
NH Licensed Shorthand Reporter #00047

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