

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES

January 15, 2002

The Fiscal Committee of the General Court met on Tuesday, January 15, 2002 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Neal Kurk, Chairman
Representative Kenneth Weyler, Clerk
Representative Keith Herman
Representative Beverly Rodeschin
Representative Mary Jane Wallner
Representative Robert Clegg
Senator Arthur Klemm, Vice Chairman
Senator John Barnes
Senator Gary Francoeur
Senator Beverly Hollingworth
Senator Caroline McCarley

Chairman Kurk opened the meeting at 9:18 a.m.

GOVERNOR JEANNE SHAHEEN:

FIS 02-003 Office of the Governor - Governor Shaheen addressed the Committee, presented Executive Order 2002-1, an order directing the reduction in executive branch expenditures of \$6.5 million, and responded to questions of the Committee.

On a motion by Senator Barnes, seconded by Senator Hollingworth, that the Committee approve the request from the Governor for an order directing a reduction in Executive Branch expenditures. MOTION ADOPTED.

ACCEPTANCE OF MINUTES:

On a motion by Senator Barnes, seconded by Representative Rodeschin, that the Committee accept the minutes of the December 19, 2001 meeting as written. MOTION ADOPTED.

RSA 9:16-a TRANSFER AND REDUCTIONS AUTHORIZED - CONSENT CALENDAR:

FIS 02-001 Board of Medicine - On a motion by Senator Barnes, seconded by Representative Wallner, that the Committee approve the request from the Board of Medicine to transfer \$1,000. MOTION ADOPTED.

RSA 124:15 POSITIONS RESTRICTED - CONSENT CALENDAR:

FIS 01-335 Department of Environmental Services - On a motion by Senator Francoeur, seconded by Representative Clegg, that the Committee approve the request from the Department of Environmental Services to continue a Hydrogeologist IV position through June 30, 2003. MOTION ADOPTED.

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RSA 7:12 - ASSISTANTS:

FIS 01-333 Department of Justice - Stephen Judge, Deputy Attorney General presented the request and responded to questions of the Committee.

On a motion by Senator Hollingworth, seconded by Senator Klemm, that the Committee approve the request from the Department of Justice to expend up to \$105,000 from the general fund to pay for autopsies conducted pursuant to RSA 611:7. MOTION FAILED.

On a motion by Representative Rodeschin, seconded by Representative Herman, that this request be tabled. MOTION ADOPTED.

RSA 100-a:41-A,II- SUPPLEMENTAL RETIREMENT ALLOWANCES:

FIS 01-337 N.H. Retirement System - On a motion by Representative Herman, seconded by Representative Rodeschin, that the Committee table this request. MOTION ADOPTED.

RSA 228:69,I(b) - APPROPRIATION AND USE OF SPECIAL RAILROAD FUNDS:

FIS 01-334 Department of Transportation - On a motion by Senator Klemm, seconded by Representative Weyler, that the Committee approve the request from the Department of Transportation, Bureau of Rail and Transit to expend an amount not to exceed \$32,000 from the Special Railroad Fund to purchase bridge timbers, spacers, crossties and other track materials to be installed on three (3) railroad bridges on the state-owned Concord-Lincoln railroad line. MOTION ADOPTED.

OLD BUSINESS:

Subcommittee to Develop LBAO Employee Salary Schedules - Representative Herman, Chairman of the Subcommittee presented the new LBAO salary schedule.

On a motion by Representative Herman, seconded by Senator McCarley, that the Committee adopt and approve the salary schedule recommended by the subcommittee appointed to develop a salary schedule for the Office of Legislative Budget Assistant, effective December 28, 2001. MOTION ADOPTED.

FIS 01-297 Department of Administrative Services - MV Retention -

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

On a motion by Representative Weyler, seconded by Representative Herman, that the Committee approve the request from the Department of Administrative Services for various departments to retain all state-owned passenger automobiles with FY 2001 mileage less than 12,000 miles. MOTION ADOPTED.

FIS 01-303 Department of Health and Human Services, Office of Family Services - On a motion by Senator McCarley, seconded by Representative Wallner, that this request be removed from the table. MOTION ADOPTED.

Commissioner Donald Shumway presented the request and responded to questions of the Committee.

On a motion by Senator McCarley, seconded by Representative Wallner, that the Committee approve the request from the Department of Health and Human Services, Office of Family Services to accept and expend \$23,000 from the State Department of Education. MOTION ADOPTED.

FIS 01-305 Department of Health and Human Services, Office of Community & Public Health - On a motion by Senator Klemm, seconded by Representative Wallner, that this request be removed from the table. MOTION ADOPTED.

Commissioner Donald Shumway presented the request and responded to questions of the Committee.

On a motion by Senator McCarley, seconded by Representative Wallner, that the Committee approve the request from the Department of Health and Human Services, Office of Community & Public Health to accept and expend \$497,600 in federal funds. MOTION ADOPTED.

FIS 01-308 Department of Health and Human Services, Office of Family Services - On a motion by Representative McCarley, seconded by Representative Wallner, that this request be removed from the table. MOTION ADOPTED.

Commissioner Donald Shumway presented the request and responded to questions of the Committee.

On a motion by Senator McCarley, seconded by Representative Wallner, that the Committee approve the request from the Department of Health and Human Services, Office of Family Services to accept and expend \$200,000 in federal funds. MOTION ADOPTED.

FIS 01-317 Department of Health and Human Services, Office of Community & Public Health - On a motion by Senator Barnes, seconded by Representative Wallner, that this request be removed from the table. MOTION ADOPTED.

Commissioner Donald Shumway presented the request and responded to questions of the Committee.

On a motion by Senator Barnes, seconded by Representative Wallner, that the Committee approve the request from the Department of Health and Human Services, Office of Community & Public Health to accept and expend \$26,069 from the N.H. Chapter of the March of Dimes. MOTION ADOPTED.

FIS 01-318 Department of Health and Human Services, Office of Family Services - On a motion by Senator Hollingworth, seconded by Representative Wallner, that this request be removed from the table. MOTION ADOPTED.

Commissioner Donald Shumway presented the request and responded to questions of the Committee.

On a motion by Senator Hollingworth, seconded by Representative Wallner, that the Committee approve the request from the Department of Health and Human Services, Office of Family Services to accept and expend \$589,440.50 in federal funds. MOTION ADOPTED.

FIS 01-323 Department of Health and Human Services, Office of Planning and Research - On a motion by Senator Barnes, seconded by Representative Wallner, that this request be removed from the table. MOTION ADOPTED.

Commissioner Donald Shumway presented the request and responded to questions of the Committee.

On a motion by Senator McCarley, seconded by Representative Wallner, that the Committee approve the request from the Department of Health and Human Services, Office of Planning and Research to accept and expend \$189,780 in federal funds. MOTION ADOPTED.

FIS 01-324 Department of Health and Human Services - On a motion by Senator Barnes, seconded by Representative Wallner, that this request be removed from the table. MOTION ADOPTED.

Commissioner Donald Shumway presented the request and responded to questions of the Committee.

On a motion by Senator McCarley, seconded by Representative Wallner, that the Committee approve the request from the Department of Health and Human Services to accept and expend \$194,459 in federal funds. MOTION FAILED.

On a motion by Senator Barnes, seconded by Representative Wallner, that this request be tabled. MOTION ADOPTED.

RECONSIDERATION:

On a motion by Senator Francoeur, seconded by Representative Herman, that the Committee reconsider their action whereby they adopted request FIS 01-323. MOTION ADOPTED.

On a motion by Senator Francoeur, seconded by Representative Herman, that this request be tabled. MOTION ADOPTED.

CHAPTER 158:43, LAWS OF 2001 - ADDITIONAL REVENUES; DEPARTMENT OF HEALTH AND HUMAN SERVICES:

FIS 01-336 Department of Health and Human Services, Office of Family Services - Commissioner Shumway presented the request and responded to questions of the Committee.

On a motion by Senator Hollingworth, seconded by Representative Weyler, that the Committee approve the request from the Department of Health and Human Services, Office of Family Services to accept and expend \$502,184 in federal funds. MOTION ADOPTED.

MISCELLANEOUS:

Senator Barnes requested an update from Michael Buckley, Legislative Budget Assistant on Charles River Associates tax modeling software project.

Mr. Buckley explained that Charles River has been continuing to work on the delivery of all four models and the macroeconomic component of it. They have been coming to Concord on a weekly basis, installing software in the morning on a state server and demonstrating its functionality or lack thereof in the afternoon to members of the Department of Administrative Services, the LBA Office and Department of Revenue Administration. Each week they've shown progress to us. The trial and testing period is expected to begin on Thursday of this week.

LATE ITEM:

RSA 94:3-b SALARY ADJUSTMENT FOR RECRUITMENT AND RETENTION:

FIS 02-002 Department of Administrative Services - Commissioner Donald Hill presented the request and responded to questions of the Committee.

(Vice Chairman Klemm was in the Chair at this point in the meeting.)

On a motion by Senator Barnes, seconded by Representative Weyler, that the Committee approve the request from the Department of Administrative Services as presented.

(The Committee went into recess to gather additional information requested by members on this request prior to voting on this motion.)

INFORMATIONAL ITEMS:

The informational items were accepted and placed on file.

AUDITS:

The UNIQUE College Investing Plan Annual Report September 30, 2001 - Ann Kennedy from PricewaterhouseCoopers and Georgie Thomas presented the report and responded to questions of the Committee.

Senator Barnes stated that "he read in sadness, in the newspaper a week or so ago, about the retirement of Georgie Thomas from state service. I want to go on the record that I think that lady has done one heck of a job for the State of New Hampshire, and I have always been proud to vote for her when her election comes up in front of the Fiscal Committee Minutes
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Legislature. I'm going to miss you, and I know the State of New Hampshire is going to miss you. You have been a terrific asset, and

I'm tickled pink that we've had you here as long as we have had. I wish you nothing but great success in your future endeavors. (Representative Weyler moved that the remarks be put into the permanent record, and that we show it as a unanimous quote.)

On a motion by Senator Barnes, seconded by Representative Weyler, that The UNIQUE College Investing Plan Annual Report September 30, 2001 be accepted, placed on file and released in the usual manner. MOTION ADOPTED

State of New Hampshire Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2001 - Tom Martin, Controller, Department of Administrative Services, Shawn Warren and Karen Farrell, KPMG presented the report and responded to questions of the Committee.

(Chairman Kurk back in the Chair.)

On a motion by Representative Weyler, seconded by Senator Barnes, that the State of New Hampshire Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2001 be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

RSA 94:3-b SALARY ADJUSTMENT FOR RECRUITMENT AND RETENTION
(continued):

FIS 02-002 Department of Administrative Services - On a motion by Representative Herman, seconded by Senator Barnes, that the Committee **amend** and approve the request from the Department of Administrative Services to establish the salary levels, **as of December 27, 2001**, for the unclassified positions listed on the attached schedule for retention purposes, **effective retroactive to December 28, 2001; and further, that for those positions listed where the maximum step in the new range is greater than the salary as of December 27, 2001, the employee shall not receive a step increase until the employee's length of service equates to the next step available on the scale.** MOTION ADOPTED.

OLD BUSINESS (continued):

N.H. Turnpike System Audited Financial Statements June 30, 2001 - Herman Martin, Administrator, Bureau of Finance and Contract, Department of Transportation and Karen Farrell, KPMG presented the report and responded to questions of the Committee.

AUDITS (continued):

State of New Hampshire Sweepstakes Commission Comprehensive Annual Financial Report For the Year Ended June 30, 2001 - Catherine Provencher, Director of Audits, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Rick Wisler, Executive Director, Sweepstakes Commission was also present to respond to questions.

On a motion by Representative Weyler, seconded by Senator Klemm, that the State of New Hampshire Sweepstakes Commission Comprehensive

Annual Financial Report For the Year Ended June 30, 2001 be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

DATE OF NEXT MEETING AND ADJOURNMENT:

The next meeting of the Fiscal Committee will be held on Wednesday, February 13, 2002 at 9:00 a.m. in the Legislative Office Building, Room 210-211. A meeting date of Wednesday, March 13, 2002 was also set.

Chairman Kurk announced that for the record, Representative Herman's motion with respect to FIS 02-002 was an amendment to the item, and so the item was approved as amended by Representative Herman's motion.

(Whereupon the Committee adjourned.)

Representative Kenneth Weyler, Clerk