

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES

January 23, 2006

The Fiscal Committee of the General Court met on Monday, January 23, 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 Robert Clegg, Jr.
Senator Richard Green
Senator Lou D'Allesandro

Chairman King opened the meeting at 9:35 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Stone, seconded by Representative Franklin, that the minutes of the December 8 and December 22, 2005 meetings be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

FIS 05-256 Department of Resources and Economic Development, Division of Parks and Recreation - accept and expend \$630,711.28 - Tabled 12/22/05 - No one was present from the Department of Resources and Economic Development. Chairman King stated this request would remain on the table.

FIS 05-270 Department of Health and Human Services - approval of the Department's plan for the Care Management Pilot Program for Medicaid clients - Tabled 12/22/05 - On a motion by Senator Morse, seconded by Senator Gatsas that this request be removed from the table.

John Stephen, Commissioner and Kathleen Dunn, Director, Public Health, Department of Health and Human Services were present to respond to questions of the Committee. A replacement request for FIS 05-270 dated January 19, 2006 was distributed to members of the Committee.

On a motion by Senator Green, seconded by Senator D'Allesandro, that the Committee authorize the Department of Health and Human Services to begin the implementation of a pilot care management program for Medicaid clients, as specified in their letter dated January 19, 2006. The Committee requested that the last sentence in paragraph number 3 on page 3, which reads "If CMS determines that a waiver is necessary the release of the RFP will be delayed and thus the feasibility of the Department achieving the approved budgeted savings diminishes significantly." be deleted.

This request is a replacement for the previous letter to the Fiscal Committee dated December 9, 2005 and seeks approval to implement the care management program utilizing different program parameters than previously proposed. MOTION ADOPTED. (The motion was adopted 7 yes and 3 no.)

FIS 05-275 Community Technical College System - authorization to expend \$963,000 from the NHCTCS non-lapsing account for the purpose of purchasing equipment and consulting services to complete its current information technology conversion - Tabled 12/22/05 - On a motion by Representative Stone, seconded by Senator D'Allesandro to remove this request from the table. MOTION ADOPTED.

William Simonton, Commissioner and Michael Marr, Chief Financial Officer responded to questions of the Committee.

On a motion by Senator Morse, seconded by Representative Stone, that the Committee approve the request from the Community Technical College System for authorization to expend \$963,000 from the NHCTCS non-lapsing account for the purpose of purchasing equipment and consulting services to complete its current information technology conversion. MOTION ADOPTED.

Senator Morse requested that Commissioner Simonton get on the next agenda of the Capital Budget Overview Committee to discuss why this project went up one-half million dollars in six months.

FIS 05-278 N.H. Retirement System - actuarial certification of funds available in the respective member classifications "special account" for the purpose of determining COLA's - Tabled 12/22/05 - On a motion by Representative Stone, seconded by Senator Morse, that this request be removed from the table. MOTION ADOPTED.

Robert Leggett, Executive Director and Richard Joyal, Finance Associate, NH Retirement System responded to questions of the Committee.

On a motion by Representative Hager, seconded by Senator Morse, that the Committee approve a cost-of-living adjustment (COLA) for individuals retired prior to July 1, 2005, effective July 1, 2006 and retroactive to their retirement anniversary date as follows:

Employees - 1%

Teachers - 1%

Policemen - 1%

Firemen - 1% MOTION ADOPTED. (The vote was 8 yes and

2 no.)

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:

Senator Morse requested that item FIS 06-018 from the Department of Safety be removed and Chairman King requested that FIS 06-005 Department of Education be removed.

Wes Colby, Director of Administration, Department of Safety and John Dolan, Budget Director, Office of the Governor responded to questions on request FIS 06-018. Additional information was distributed in the form of a spreadsheet prepared by Mr. Dolan.

Michael Bieniek, Business Manager, Department of Education responded to questions on request FIS 06-005.

Senator Gatsas asked Mr. Bieniek if the list that he had requested a couple of meetings ago was ready on what funds the Department of Education received, and how much they expended and what's the draw down?

Mr. Bieniek stated that he has prepared a draft document which includes the No Child Left Behind and that he has provided that information to LBA.

On a motion by Representative Hager, seconded by Representative Stone, that all the requests listed on the agenda under this item be approved as submitted. MOTION ADOPTED. (FIS 05-273, FIS 05-282, FIS 06-016, FIS 06-017, FIS 06-018, FIS 06-005, FIS 06-008, FIS 06-009, FIS 06-010 and FIS 06-019)

RSA 124:15 POSITIONS RESTRICTED - CONSENT CALENDAR:

FIS 06-004 Department of Corrections - On a motion by Representative Hager, seconded by Senator D'Allesandro, that the Committee approve the request from the Department of Corrections to establish a Secretary position through December 31, 2006. MOTION ADOPTED.

RSA 9:16-a TRANSFERS AUTHORIZED AND RSA 124:15 POSITIONS RESTRICTED:

FIS 05-283 Department of Education - On a motion by Senator D'Allesandro, seconded by Representative Stone, that the Committee approve the request from the Department of Education to transfer \$93,913.31 and continue a Consultant position through June 30, 2006. MOTION ADOPTED.

RSA 124:15 POSITIONS RESTRICTED AND RSA 215-A:23, IX TRANSFERS OF EXCESS REGISTRATION FEES:

FIS 05-288 Fish and Game Department - Daniel Lynch, Assistant Director presented the request and responded to questions of the Committee.

On a motion by Representative Hager, seconded by Senator D'Allesandro, that the Committee approve the request from the Fish and Game Department to continue a Technical Support Specialist position through June 30, 2007 and transfer \$189,625 in excess OHRV registration fees. MOTION ADOPTED.

CHAPTER 176:9, I AND II, LAWS OF 2005 REPORTS BY TRANSPORTATION, ADMINISTRATIVE SERVICES, AND LEGISLATIVE BUDGET ASSISTANT; TRANSFERS TO HIGHWAY SURPLUS ACCOUNT:

FIS 06-021 Department of Transportation - Michael Buckley, Legislative Budget Assistant stated that this would be the final report for 2005 but the Department of Administrative Services, Transportation and LBA will be continuing the work when the books close for 2006.

Jeff Brillhart, Assistant Commissioner and Thomas Martin, Finance Director, Department of Transportation were also present to respond to questions of the Committee.

Senator Morse asked when the Committee could expect a presentation on how the money ties to the federal money that is due us. Mr. Brillhart stated that he should have that information available in 30 days.

Senator Gatsas requested that the Department of Transportation present a chart on every project for every dollar that has been approved and federal dollars that are tied to it.

On a motion by Senator Morse, seconded by Representative Hager, that the Committee approve the request from the Department of Transportation that net appropriations for the Consolidated Federal Account (#015-096-3054/04-01-03-09-01) be reduced by transferring \$34,700,000 to Highway Fund Undesignated Surplus retroactive to June 30, 2005, as specified in their letter and attachments dated January 13, 2006, and further that this transfer will not affect the Operating Account Surplus, but it will decrease the Capital Account deficit. MOTION ADOPTED.

CHAPTER 177:4,II, LAWS OF 2005 ADDITIONAL REVENUES:

FIS 05-284 Department of Health and Human Services, Division of Child Support Services - On a motion by Senator Green, seconded by Representative Wallner, that the Committee approve the request from the Department of Health and Human Services, Division of Child Support Services to accept and expend \$118,048. MOTION ADOPTED.

FIS 05-285 Department of Health and Human Services, Division of Public Health Services - John Stephen, Commissioner presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Wallner, that the Committee approve the request of the Department of Health and Human Services, Division of Public Health Services to accept and expend \$283,012. MOTION ADOPTED.

FIS 06-001 Department of Health and Human Services, Division for Children, Youth & Families - John Stephen, Commissioner presented the request and responded to questions of the Committee.

On a motion by Senator Green, seconded by Representative Stone, that the Committee approve the request from the Department of Health and Human Services, Division for Children, Youth & Families to accept and expend \$158,770. MOTION ADOPTED.

CHAPTER 177:4, III, LAWS OF 2005 ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 05-287 Department of Health and Human Services, Division for Children, Youth & Families - On a motion by Representative Wallner, seconded by Senator Morse, that the Committee approve the request from the Department of Health and Human Services, Division for Children, Youth & Families to transfer \$195,000. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

The informational items were accepted and placed on file.

LATE ITEMS:

FIS 06-038 Department of Safety - Earl Sweeney, Assistant Commissioner presented the request and responded to questions of the Committee.

On a motion by Senator Green, seconded by Senator D'Allesandro, that the Committee approve the request from the Department of Safety to transfer \$181,666 from the Highway Surplus account and to establish four (4) Data Control Clerk III positions through June 30, 2007. MOTION ADOPTED.

FIS 06-022 Fish and Game Department - Daniel Lynch, Assistant Director presented the request and responded to questions of the Committee.

On a motion by Representative Hager, seconded by Senator D'Allesandro, that the Committee approve the request of the Fish and Game Department to accept and expend \$316,425. MOTION ADOPTED.

FIS 06-030 Department of Justice - Kelly Ayotte, Attorney General and Linda Hodgdon, Administrator, Department of Justice presented the request and responded to questions of the Committee.

On a motion by Senator Green, seconded by Representative Stone, that the Committee approve the request from the Department of Justice to expend a sum not to exceed \$50,000 from the general fund for the purpose of a thorough background investigation of Belmont Gaming, LLC. MOTION ADOPTED.

FIS 06-025 Office of Energy and Planning - Maryann Manoogian, Director presented the request and responded to questions of the Committee.

On a motion by Representative Stone, seconded by Senator D'Allesandro, that the Committee approve the request of the Office of Energy and Planning to accept and expend \$3,116,822.95. MOTION ADOPTED.

Senator D'Allesandro stated that Ms. Manoogian is leaving state government and he wanted to commend her for the great work that she has done over the years.

AUDITS:

State of New Hampshire, Enhanced 911 System Performance Audit Report January 2006 - Catherine Provencher, Director of Audits, Office of Legislative Budget Assistant presented the report and responded to questions of the Committee. Bruce Cheney, Director Emergency Services, Communications and Management and Earl Sweeney, Assistant Commissioner, Department of Safety were also present to respond to questions.

The Fidelity Advisor 529 Plan Annual Report September 30, 2005, The UNIQUE College Investing Plan Annual Report September 30, 2005, and the New Hampshire Lottery Commission Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2005 - No presentations were made on these reports.

On a motion by Senator D'Allesandro, seconded by Representative Franklin, that all four reports be accepted, placed on file and released in the usual manner. MOTION ADOPTED.

DATE OF NEXT MEETING AND ADJOURNMENT:

The next regular meeting of the Fiscal Committee will be on Friday, February 24, 2006 at 9:00 a.m. in Room 210-211 of the LOB. (Whereupon the Committee adjourned.)

Representative Joseph Stone, Clerk