

**JOINT LEGISLATIVE FISCAL COMMITTEE**

Legislative Office Building, Rooms 210-211

Concord, NH

Friday, November 8, 2019

**MEMBERS PRESENT:**

Rep. Mary Jane Wallner, Chair

Rep. Ken Weyler

Rep. Susan Ford

Rep. Lynne Ober

Rep. Peter Leishman

Rep. David Huot (Alt.)

Rep. Erin Hennessey (Alt.)

Sen. Lou D'Allesandro

Sen. President Donna Soucy

Sen. Jay Kahn

Sen. Shannon Chandley (Alt.)

Sen. James Gray (Alt.)

(The meeting convened at 10:06 a.m.)

**(1) Acceptance of Minutes of the September 26, 2019 meeting**

MARY JANE WALLNER, State Representative, Merrimack Count, District #10: Okay. I'll call the November Fiscal Committee to order, and our first item of business is to accept the minutes of September 26<sup>th</sup>.

**\*\*** LOU D'ALLESANDRO, State Senator, Senate District #20: Move the minutes.

DONNA SOUCY, State Senator, Senate District #18 and Senate President: Second.

CHAIRWOMAN WALLNER: Senator D'Allesandro moves and Senator Soucy seconds that we accept the minutes of September 26<sup>th</sup>. All in favor? Any opposed? The minutes are accepted.

**\*\*\* {MOTION ADOPTED}**

**(2) Old Business:**

CHAIRWOMAN WALLNER: Under Tab 2, we do have some Old Business. Would anyone like to take that off the table?

(No response).

CHAIRWOMAN WALLNER: Seeing none, then we'll just leave it on. I think we're waiting for a report from that organization.

**CONSENT CALENDAR****(3) RSA 9:16-c, I, Transfer of Federal Grant Funds:**

CHAIRWOMAN WALLNER: Let's move on to Tab 3 and does anyone want either of those items to come off Consent?

**\*\*** LYNNE OBER, State Representative, Hillsborough County, District #37: Move to approve.

CHAIRWOMAN WALLNER: Seeing none.

JAY KAHN, State Senator, Senate District #10: Second.

CHAIRWOMAN WALLNER: Representative Ober moves to approve and Senator Kahn seconds. All in favor? Opposed?  
Item is accepted.

**\*\*\*** {MOTION ADOPTED}

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

CHAIRWOMAN WALLNER: Under Tab 4, I know that the House would like to take off 283. Are there any others under Tab 4?  
No.

**\*\*** SEN. D'ALLESANDRO: Move the items.

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CHAIRWOMAN WALLNER: Okay. Hearing no other ones, Senator D'Allesandro moves the rest of the items.

REP. OBER: Second.

CHAIRWOMAN WALLNER: And Representative Ober seconds. Any discussion on any of these? Hearing none; all in favor? Opposed? The items pass.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: And now if we could ask the Department of Health and Human Services maybe to come up and talk to us a little while.

KERRIN ROUNDS, Chief Financial Officer, Department of Health and Human Services: Good morning.

CHAIRWOMAN WALLNER: Thank you.

MS. ROUNDS: Kerrin Rounds, Department of Health and Human Services, Chief Financial Officer.

JEFFREY MEYERS, Commissioner, Department of Health and Human Services: Jeff Meyers, Commissioner of the Department.

CHAIRWOMAN WALLNER: Thank you. I think we had -- I think Representative Ober had a couple of questions.

REP. OBER: Representative Hennessey.

CHAIRWOMAN WALLNER: Oh, I'm sorry. Representative Hennessy.

ERIN HENNESSEY, State Representative, Grafton County, District #01: That's okay. Thank you. Good to see both of you this morning. I have a question on the retroactive nature of this --

MR. MEYERS: Yes.

REP. HENNESSEY: -- request. And what that does to the employees that were -- I guess I'm trying to figure out how were the employees paid since September 1<sup>st</sup> through now and should these employees been laid off when the previous grant funds were spent?

MR. MEYERS: Why don't you start.

MS. ROUNDS: So part -- part of the difficulty with this, of course, was the CR, right? So during the CR we had the full understanding that no employees would be laid off. This grant is actually an expansion of the previous grant. They did rename it, but it's -- it includes the same basic --

MR. MEYERS: It's a new grant.

MS. ROUNDS: It's a new grant, but it includes the same basic requirements and mission that the previous grant did. So those employees will be doing the work under the new grant. And this item is part of cleaning up what happened during the CR and making sure all of our books are correct to -- to now. So that -- how have we been paying them now? They're being paid under the current grant and that's why we're asking for retroactive approval.

REP. HENNESSEY: Thank you.

CHAIRWOMAN WALLNER: Thank you. Any further questions about this item?

MR. MEYERS: So can I just add one item?

CHAIRWOMAN WALLNER: Yes.

MR. MEYERS: Thank you, Madam Chair. This came up during the time of the CR. So I just -- for the Committee to be aware the Center for Disease Controls has been pushing out a lot of money.

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And, literally, we find out about the grant opportunities kind of regularly at this point. There's just a lot of money going out to the states, particularly states that are hardest hit with the opioid crisis. This came up. Mr. Kane can correct me if I'm wrong, but I believe that there was some outreach to his office when this came up to see if it could be added to the budget, and I think what we heard back it was a little late to do that during the CR period, even though the final budget had not been fully formulated and acted upon by the Legislature. So we hung back because of that as well.

CHAIRWOMAN WALLNER: Thank you. I think that was -- that was helpful to hear that.

MR. MEYERS: Yep, yep.

CHAIRWOMAN WALLNER: Further?

\*\* REP. HENNESSEY: Motion to approve the item.

SEN. D'ALLESANDRO: Move the item.

CHAIRWOMAN WALLNER: Representative Hennessey moved and Senator D'Allesandro second. Any other further discussion? All in favor? Any opposed? Item passes. Thank you.

\*\*\* **{MOTION ADOPTED}**

(5) 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:

CHAIRWOMAN WALLNER: We move on now to Tab 5. I've had a request for Item 292 to come off Consent and request for Item 301 to come off Consent. Are there any other requests for items to come off? Okay. Seeing none. Could we have a motion on the other items?

\*\* REP. OBER: Move to approve.

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SEN. PRESIDENT SOUCY: Second.

CHAIRWOMAN WALLNER: Representative Ober moves to approve all the remaining items and Senator Soucy seconds. Any discussion on anything of these? All in favor? Any opposed? Items pass.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: And let's move now to Department of Administrative Services and this would be Item 292.

REP. OBER: I had a question, Madam Chair.

CHAIRWOMAN WALLNER: Yes. Let the Commissioner get --

CHARLES ARLINGHAUS, Commissioner, Department of Administrative Services: Hi! Charlie Arlinghaus, Commissioner of Administrative Services.

CHAIRWOMAN WALLNER: Representative Ober does have a question about this item.

REP. OBER: Good morning, Commissioner. Good to see you.

MR. ARLINGHAUS: Nice to see you.

REP. OBER: We like this grant. However, we would like to know how we are going to measure the effectiveness, because we do think we need to reduce our energy consumption, and we'd like to be measuring having it deliverable or something.

MR. ARLINGHAUS: So the State does an annual energy report that -- that -- the energy office is currently run by Donnie Perrin. So Donnie and his staff put together a report and our Division Director is Karen Rantamaki who used to run that program. So in that report we measure every project based on -- based on energy usage. Some of the projects -- and

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essentially what they're doing for the most part is -- is energy audits. There'll look at the energy use in a building and look at, you know, what's going on and what kind of lights are these and are there -- are there more energy efficient lights that we can use or is there a problem with the windows, whatever. I sure don't know everything they look at because I don't know what all of that does or what's cheaper and what's not cheaper, and then they'll replace them.

For the most part we can measure, depending a little bit on how that building or how that area is metered, we just measure aggregate usage. In some cases we're going to make a change where we know that this light uses less, that this kind of bulb uses electricity. It's a little more complicated than just replacing incandescent bulbs with LED but that would obviously be a thing.

REP. OBER: Right.

MR. ARLINGHAUS: Some cases you can measure very precisely what happened based on what we did. In some cases you measure more in the aggregate, and then we aggregate all of those together in the annual energy report so we are measuring.

REP. OBER: Madam Chairman, may I?

CHAIRWOMAN WALLNER: Yes.

REP. OBER: When's that report out, Charlie?

MR. ARLINGHAUS: That report -- that's a really good question. I'll try -- and I'm trying to remember. I feel like in the last two months I reviewed a draft of it. And I will get back to you on when that report is out. I feel like we just sent it to the Legislature recently, but I could be wrong.

REP. OBER: Okay.

MR. ARLINGHAUS: In fact, I probably am. So let me get you a good answer.

REP. OBER: That be great. If you did just get it out, could you send the URL where it is on-line so we can look at it?

MR. ARLINGHAUS: Done.

REP. OBER: Thank you.

CHAIRWOMAN WALLNER: Any further questions?

\*\* REP. OBER: I'd move to approve.

SUSAN FORD, State Representative, Grafton County, District #03: Second.

CHAIRWOMAN WALLNER: Representative Ober moves to approve and Representative Ford seconds. Any further discussion of the item? All in favor? Any opposed? Item passes.

\*\*\* **{MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Thank you, Commissioner.

MR. ARLINGHAUS: Thank you.

CHAIRWOMAN WALLNER: The next item is 19-301, Department of Education. We can ask the Commissioner and whoever he would like to bring with him up.

FRANK EDELBLUT, Commissioner, Department of Education: For the record, Frank Edelblut, Commissioner of Education.

CAITLIN DAVIS, Department of Education: For the record, Caitlin Davis, Department of Education.

DR. NATE GREENE, Department of Education: Dr. Nate Greene, Department of Education.

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CHAIRWOMAN WALLNER: Thank you very much. I know that there are several questions about this particular item so, Representative Leishman, do you have a --

PETER LEISHMAN, State Representative, Hillsborough County, District #24: Yes, thanks again, Madam Chair. Nice to see you, Commissioner, and others.

First, I'd like to say thank you for your informational item as far as it was in our package listing the amount of enrollment of our charter schools and what's been sent out to date. Certainly appreciate that. But your request is somewhat concerning because it's a significant request and could bind the State in future legislative sessions to fund these programs. Obviously, you have to come to us to get our approval, and my concern is as I've expressed in the past that certain decisions really should be left up to the Legislature, because they're significant; and, to me, having ten people approve a request such as this may be a stretch. But -- so let me at least get to some of my questions, if I could, Madam Chair.

So within the body, and I know we numbered the pages at least in the House side, and there are 15 pages you provided us to look at today, and on Page 12 of your package there's specific language and for some reason -- I'll let you get to that page. At the very top of the page on the left-hand column there's a number ten, a bolden ten. So at the very bottom of that page it makes reference to the funding and it says that the Department or the Secretary cannot be bound -- let's see -- I'll read it specifically. Very last paragraph. Do not bind the Secretary to fund the award for these periods or the specific amounts shown. Has your Department put requests forward like for Federal funds in the past and seen a claw back or have these funds always been guaranteed going forward with such grants, do you know?

MR. EDELBLUT: Do you want to answer that?

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MS. DAVIS: So the only time there were ever cuts to federal funding for education was in the sequester around 2013 and they were very minimal. It was on a \$40 million grant, I believe, we were sequestered around \$700,000. Additionally, with this, this is a multi-year grant. The Department of Education has only asked for the funding that is in its very first grant award letter. So when we have access to the remaining \$36 million, we will either come to Fiscal or depending on the time request in the State Budget for those additional funds. But we are only asking for what has been awarded and essentially deposited in our State bank account for federal funding at this time.

REP. LEISHMAN: Further question, if I could, Madam Chair?

CHAIRWOMAN WALLNER: Yes.

REP. LEISHMAN: So one of the questions that we often ask if the funds aren't forthcoming that there'll be requests coming back to the Legislature at some point for General Funds, for instance, to continue such a program. And you answered on, I think it's Page 5, in the event that the Federal funds are no longer available, General Funds will not be requested to support these programs. It would seem if you're making a significant request as I see this and you're looking for perhaps as many as 20 new charter schools, that you wouldn't go out there and support such a thing without the possibility if the funds aren't available in the future to come back to the Legislature to continue those charter schools. Is that a fair statement?

MS. DAVIS: That's correct. So we will not award allocations to potential charter school sponsors until the U.S. Department of Education has awarded us those dollars. Additionally, we have assurances and grant sign-offs very similar to these ones that you see right here that we sign for the U.S. Department of Education that the potential charter schools will be signing that says if Federal funds are not available we will not continue to fund this with State funds. That, obviously, does not prevent a potential charter school going to their local legislator and asking them to sponsor legislation for this. But

we will not do that from the Department of Education's perspective.

Also, this grant is solely for start-up costs associated with charter schools. So last time we received a grant award was in 2010. We haven't had a grant or access to funding -- new funding for new schools for the last several years. And during that time the Department of Education did not propose any additional funding in our State Budget for charter school startups.

CHAIRWOMAN WALLNER: Further question.

REP. LEISHMAN: That response, I guess, leads me to another question, Madam Chair. So I'm looking back and this is, again, on Page 5, and it's item number two on kind of towards the middle of the page. And it says, "As stated above, the primary goal of the Charter School Program Grant are to support new public charter schools, expand existing public charter schools." So that's seems a little contrary to what you just said.

MS. DAVIS: So for these grant activities themselves, though, these are very prescriptive from the Feds to start-up or expand charter schools. They're not for ongoing costs. It would be for things like purchasing of curriculum, development time, particular -- specifically renovations on spaces and potentially transportation one-time costs. Ongoing operation costs for charter schools are not covered in this grant and are not something that we would be requesting funding for.

The one thing that we do fund is Adequacy as we have a Constitutional obligation to fund adequacy and charter schools receive Adequacy just like public schools.

REP. LEISHMAN: Okay. Thanks. Thanks, Madam Chair.

CHAIRWOMAN WALLNER: Thank you. Further questions? Yes, Senator Kahn.

SEN. KAHN: Thank you, Madam Chair. Thank you, Commissioner, and staff. So -- hello. Yep, it's been awhile since Committee of Conference.

CHAIRWOMAN WALLNER: Refresher on the microphones.

SEN. KAHN: Right. So backing in the big picture. If this grant was fully rolled out, what do you think would be the enrollment impact of the grant?

MS. DAVIS: So there's several different ways to look at this and who might be the potential people that receive this funding. So charter schools, in general, right now there's about 4,000 kids in charter schools in the State of New Hampshire. And we have 30 open charter schools. This grant is for 20 new schools, plus application of expansion of existing schools so potentially 30 more. So I think, you know, you could say are we going to double the current charter school population. That would be a worst case scenario or a best case scenario, however you want to look at that. So, potentially, 8,000 charter school kids and that will likely be over the course of the next ten years. So the last charter school grant, as I mentioned, we received in 2010. It took ten years to add 20 charter schools at that time. Additionally, one of the --

MR. EDELBLUT: Just to clarify that, be 4,000 additional students over the next ten years, which I think is your question.

MS. DAVIS: Yes. Additionally, a lot of these funds or some of the potential use of these funds could be charter schools that are started by local districts. And a charter school that's started by a local district which could be a lab of innovation for a local district within the local district, within the local school, would have no costs to the State of New Hampshire. It would not be included in the charter school enrollment numbers, but the local districts would be able to access these funds for those purposes.

SEN. KAHN: May I continue?

CHAIRWOMAN WALLNER: Yes.

MR. EDELBLUT: So just to clarify what that means is that you're going to have students who are enrolling in some of these charter schools are who are not coming out of the traditional school because they're part of that district LEA charter school.

SEN. KAHN: Yeah. Hum -- the -- so we've got currently 3811 students, I think that's the number someplace in your update report.

MR. EDELBLUT: We rounded to 4,000, yes.

SEN. KAHN: So the question is do we have a capacity number currently that we compare that number to? Because the contracts with the charter schools are for a certain enrollment cap. They won't be funded beyond the enrollment cap. But I'm just curious where we are in those 28, now I guess 29 schools, between the -- what's funded through contracts and what's actually enrolled?

MR. EDELBLUT: Yes. So I understand the question. So it's kind of we were just talking about this. It's somewhat geographically limited. It depends on the school. So I have, for example, some schools in Manchester where there is a very high demand. You know, I have one school that has 200 enrolled students and a waiting list of over 600. I have some schools in Nashua that have, you know, over 500 students enrolled and a waiting list of over 100 students. And then I have other schools that have some capacity.

For example, at this next State Board of Education meeting we have a district charter school, Pace Charter School that has a cap of five or 50 students and they're going to ask to increase for another -- to serve another 30 district students in that environment. But then there are some, you know, schools that are not at their cap.

For example, we've got schools that just started up in the last year and those schools their enrollment, you know, could be for they're authorized to have 100 students and they're at 45, I think, is one of the ones that I was at just recently, so. But, overall, it depends on which district you're in.

SEN. KAHN: Further.

CHAIRWOMAN WALLNER: Yes.

SEN. KAHN: What happens when the Board of Education authorizes a cap to go up? What's the fiscal impact of that kind of an action?

MR. EDELBLUT: So if a -- an additional student is enrolled so, for example, if I were to take the District Charter School like a Pace, if that increases then those district schools would send more of their students to Pace, the Pace Charter School, to be able to be enrolled in there. And the way that the district chartering works is that the funding continues to go to the local LEA and then it would pass through to Pace Academy to support the cost of those students' education at 80% of what the District was receiving. So in that case the District receives 100% of the Adequacy aid for that student and 80% passes through to the district charter school.

SEN. KAHN: And that's very -- I mean, that's one out of the other 29.

MR. EDELBLUT: Yep.

SEN. KAHN: How about the other 28?

MR. EDELBLUT: So if it was a non-district charter school what would be that those students who enrolled in that school would be enrolled in our Adequacy numbers for district charter schools and those schools would receive directly from the state

the State Adequacy for that district -- for that locally chartered school.

SEN. KAHN: Right. So then based -- the impact of one additional student above whatever the number was as we developed a budget for this biennium would be \$3,411.

MR. EDELBLUT: What is that number?

SEN. KAHN: So --

MR. EDELBLUT: The differential.

SEN. KAHN: I'll back up. By statute, the additional charter school grant per enrolled student is \$3,411. That's with part of the budget and that's part of our statute now. If enrollment went up by one student, is that the fiscal impact of that addition?

MR. EDELBLUT: So what would happen is then the State would provide \$7,200 to the charter school and the local district would not receive their 3600 and they would retain the approximately 10,000 plus dollars of locally-generated tax revenue.

SEN. KAHN: Yeah. But the budget for charter schools would go up by that amount.

MR. EDELBLUT: So the Adequacy amount -

SEN. KAHN: The spending could go up.

MR. EDELBLUT: The Adequacy support at the State level would go up by that amount and then you would have property tax relief at the local level.

SEN. KAHN: Okay. I don't know about the assumption about tax relief to the local level, but -- so why I'm trying to understand that is that along the way, I mean, as this grant

ramps up, ultimately, with 4,000 additional students in charter schools, we can't judge how many would be District approved versus Board of Education approved. But if we follow where we are right now, the worst case scenario or best case scenario as you said, there's a hundred students being added. There would be \$340,000 for every hundred students. By the time we get to 4,000, we are probably at \$12 million of additional aid, additional cost to the State. Am I doing the math correctly? That if there are a hundred more students enrolled in charter schools a year from now does the State start to pay some additional amount along the way to those charter schools?

MR. EDELBLUT: It won't actually result in any net additional cost to the state, because we've got what in the circumstance that we have on the ground in the state is a declining enrollment. And if you look at the declining enrollment numbers, those are declining faster than even if you did the full 4,000 into, you know, non-district sponsored charter schools. The State on a net basis would actually still come out with a lower investment, a lower cost of Adequacy, and what that wouldn't take into account is during that same period of time we will be putting into the State \$46 million of investment really in education innovation. That investment in innovation provides to our schools the opportunity to experiment and find ways within their school models to be able to create instructional models that will allow them to manage a continuing declining revenue or a declining enrollment over the years. So, hopefully, what will happen is this education innovation investment that we make gives the schools the opportunity to find instructional models that will allow them over the long haul to be able to accommodate a reducing number of students in the state.

SEN. KAHN: So I guess what we don't really understand between here and that assumption is that we've got a school funding commission that's up and, you know, hopefully, gets up and running shortly. We don't know what Adequacy aid is going to be. All we can judge with this grant relative to future costs is

that by statute there's \$3,411 more to be allocated to the charter schools for each additional enrolled student.

MR. EDELBLUT: So I would actually just look at it a little bit differently. So what we know now is that in our education system, particularly for at-risk students and disadvantaged students, that the school districts already are investing a significant amount of money trying to find alternative instruction models to be able to support those students. This allows us to invest \$46 million of, you know, innovation funds to allow them to develop new instructional models through charters that may be non-profit charters or may be LEA charters to figure out how to best educate those students. That innovation lab that we create, those schools then have the ability to assimilate that back into their traditional public school model to be able to more effectively instruct these at-risk students over time; and by doing so, allows them over time to be able to manage what we know will be a continuing decline in student enrollment.

SEN. KAHN: That continuing decline is something that the LBA has always told me you can't plan on that.

MR. EDELBLUT: Well, just to respond to that, I mean, what we do know is -- I mean, I enrolled this year my kindergarten class that will graduate in 2035. So we have a fairly strong, you know, idea as to what the numbers of students that will be enrolled in the future because many of those children have been born, and they will work through the system. So in some respects it is true that on a long-term horizon basis we don't know what that population might look like. But, certainly, for the foreseeable future in terms of the next 10, 15, even 20 years, we have a very strong idea as to what the demographic looks like.

SEN. KAHN: Well, maybe -- maybe that's information we'd want to see.

CHAIRWOMAN WALLNER: Right.

SEN. KAHN: I'll collect my thoughts on a different topic.

CHAIRWOMAN WALLNER: Okay, Representative Ford.

REP. FORD: Thank you, and thank you for the opportunity to meet with you whatever day that was. And I really appreciate that. But I need to go on as a former school principal, I will tell you declining enrollment means nothing in terms of cost. If you take five kids out of my school, they don't all come from one grade. You take 20 kids out of my school, I cannot reduce the class. It doesn't mean I can reduce a thermostat. It does not mean I can take away a teacher. The only thing it means is that I don't have to order quite as many textbooks. That's a minor cost in terms of that. So I look at that declining enrollment and I live in an area where there's declining enrollment. I understand that completely, but it has not changed our overall budget because 20 kids don't leave from the second grade so I can cut out a class.

MR. EDELBLUT: So thank you, Representative, and I 100% agree with you in your observation there. And that is why I think that this innovation grant is so important to us. Because, for example, if we were to take a Woodsville High School up in your district, we would be able to as they create a charter school grant them \$1.5 million over a grant period to be able to innovate and find ways to come up with instructional model that will allow them over the long-term to deal with that continuing decline in enrollment, because otherwise today what we're trying to do is continue to try and manage that shrinking pool. Because as that number is going to decline, the schools are going to be more and more pressed and they need some -- and so they're really just trying to continue to tread water with the funding they have. This allows us to invest in that community so that they can find a way to modify the instructional model that will allow them to manage that continuing decline that we know will take place into the future.

REP. FORD: Follow-up.

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CHAIRWOMAN WALLNER: Yes.

REP. FORD: And I appreciate that, Commissioner. But on the other hand, I've been looking at the charter school program and funding, you know, doing all that for quite a while. That's the initiative of what your charter schools are currently doing. Tell me how that has -- has helped the State in terms of dealing with these issues? Because we now have 28, soon to be 29 charter schools. How does that affect what we're doing now?

MR. EDELBLUT: Yes. So it actually helps quite a bit in terms of the at-risk student population that we're talking about. We know, for example, if I were to take the North Country Charter Academy that's up in your area.

REP. FORD: Does a wonderful job.

MR. EDELBLUT: Yes. So these are students who are coming out of the traditional public school into this North Country Charter Academy environment. As you know, that is a charter school that was founded by the superintendents in that area --

REP. FORD: Yes.

MR. EDELBLUT: -- to help those at-risk students that were otherwise disrupting some of the education of the traditional students in that traditional setting. So what we are doing is both increasing the efficacy of the instruction so that both, you know, the student who does well in that traditional environment, as well as that at-risk student, can have success. And what we're doing is we are funding their opportunity to explore options, to explore models to be able to manage a declining enrollment and, in particular, focusing on the success of those at-risk students. And if you -- like let's just step back for a moment.

The idea of the charters, the whole concept of a charter school is supposed to be about innovation and creativity, which

is why when you look at our own charter school laws, like an LEA can be a chartering organization. Two teachers in the law it states, if there are two teachers who have a good idea for a school and they want to try something innovative, they are allowed to create a charter school. If ten parents get together, they are allowed to be an authorizing body for a charter school or a non-profit. And the point is that as we create that innovation, we take that innovation back into our traditional schools so that they can better cope with the problems that they're facing.

We know that we are facing a declining enrollment problem and that we're having difficulty with at-risk students. This grant will allow our schools some breathing room to finally experiment to try different things, because there's no other grant program that we have in the state that's going to put a million and a half dollars into the hands of an LEA to experiment and try and come up with a different instructional model that allows them to work with the changing demographics and the at-risk students that we're dealing with.

CHAIRWOMAN WALLNER: Further question.

REP. FORD: Just a comment. Thank you, Commissioner. And, yes, I absolutely agree with North Country Charter Academy. I know their outreach program. I have just not seen the outreach from the other charter schools that are in other areas.

MR. EDELBLUT: Well, so I can talk about since this grant has come on the table, we have had a lot of conversations with different folks around the state and really the first stop that I made when we got this grant was to meet with the superintendents in one of their statewide meetings and say it's time to put on our thinking caps and find out how can we do something.

I will tell you about two of the innovative ideas that I'm particularly excited about, because I think that they are really creative, instructional opportunities for students. So in the

Manchester area, we have -- I've been at the facility myself and there have been a number of meetings with the superintendent, with the nonprofit, the aviation museum looking at the old airport terminal to try to turn that into a more comprehensive high school of combination of academic instruction and CTE instruction across a broad domain of stuff in the aerospace area. You know, whether that's building an airplane, flying an airplane, the avionics and the electronics that are associated with that.

Another example that I think is, you know, on the table and is actively under discussion, and I think we've got a meeting we're going to be heading down to Massachusetts to look at a model, is a dual language instruction program for those early learners and so an immersion program. So these are the kinds of things that traditionally our traditional public schools have not had the flexibility or the room to be able to explore and invest in because they're just basically trying to get through the current instructional model. So we have to create some opportunities for them to really innovate and try different things that will close the gap for those at-risk students and find ways to deal with a declining population which is going to continue to be the circumstance that we have on the ground here.

CHAIRWOMAN WALLNER: Further. Senator Gray. And then --

JAMES GRAY, State Senator, Senate District #06: Thank you. I guess I got to stay away from it. Let me try it without. I want to take exception to some of the remarks that Representative made and said, you know, these changing the students won't affect your costs in your communities.

Rochester, I'm very familiar with. I was on the School Board in Rochester after I retired before I was on the City Council. We had one blip in the population followed, you know, a dip and then followed by a blip, an increase. And, certainly, that dip and increase caused as we went through the various schools instead of having three classes of fourth graders, you

had two classes of fourth graders and three classes of fifth graders and that blip moved along as those students moved along.

It also affects when you get to your high schools, the mixes of classes that you got, how many English classes that you, you know, provide for the students. How many French classes. How many other classes. That small things that happen, you know, in the Rochester School District for, you know, well, there's probably between 1,500 and 2,000 students since the Spaulding population is about 2,000 per class. And we do take in some students from other localities. That amount, the variation at the local schools, which is hard to manage, which is hard to take out savings at particular times, but you can see it at the high school, you can see it at the middle school, where we take those students and put them together, and we can see those small changes aggregate into something that actually does give you.

One of the things that Rochester has done is try to provide alternatives to various students. One of the things that we have in Rochester is the Bud Carlson Academy for students who when they're going through high school aren't really situated so that they can go through that six classes a day. Well, Rochester actually does block scheduling so it's a little different; but, you know, and give them that an alternative. I see these charter schools, you know, as an investment in education and innovation, you know, that gives people more choices. You know, in Rochester, yes, we have got the Bud Carlson School. We have got the Catholic grammar school. We've got the Catholic high school down in Dover, which takes some of the students. We take, you know, all kinds of different things. But adding alternatives so that that student can be better served and get a better education that fits that student's needs – right on. And spending the federal money for it – good for me. So, again, you know, an investment in education innovation is where I see this, and I certainly will be voting for it.

CHAIRWOMAN WALLNER: Further question. Representative Ober.

REP. OBER: Thank you, Madam Chairman. Commissioner, it's always good to see you. Thank you for coming in and thank you for talking to us.

MR. EDELBLUT: Good to see you.

REP. OBER: I have two questions based on the memo you sent us. We always get these interesting things. You read through them. There's always questions you don't know enough about. You wish there was more. So the first question, I'm on Page 3 of 5 in your memo. And I'm in the fourth paragraph. And it talks about the expansion goals that have been set. When you talk about 20 new public charter schools, does that include the seven replications of existing public charter schools and the five expansions of high quality or is that total of 32 and can you explain the difference in what you're looking for?

MR. EDELBLUT: Sure. That, actually, in the grant application that we made that's an additional 32 actions. So 20 of those would be new public charter schools. And my hope would be that many of those are some of these alternative at-risk programs, like the Bud Carlson program in Rochester which is a great program that serves, you know, students that are at-risk. We have to make sure that those students have a bright future as well.

The replications are for charter schools that already exist. And so those -- the 20 new charter schools, those would receive grants of one and a half million dollars is how we, you know, parameterize that. Then we've got several replication schools, and so the replication schools are really for if there is someone in the state already who is operating a charter school and is having a lot of success with that, is it possible to replicate that model. An example of that may be an Academy for Science and Design which is our only school in the state that has 100% proficiency in math. And so maybe, you know, that's in Nashua. Maybe Manchester needs an ASD. Maybe the coast, you know, Portsmouth needs an ASD. Maybe someplace up

north needs an ASD. So that would be for replication. Those grants are \$600,000.

And then the last is expansion grants and these are for schools that are looking for opportunities to expand and that could be, for example, maybe a school today is serving, you know, Grades K through 6 and they want to expand and include, you know, up seventh and eighth grade. So that would be an expansion grant. It could be that a school that is presently serving, you know, a hundred students wants to increase to 150 students so that would be an expansion grant. So those are the nature of those grants that, you know, we would put out. There would be a competitive bidding process. There would be the grant application that we receive, we evaluate, and then their awards would be made.

REP. OBER: Thank you. And my second question, I'm going to Page 5 of 5 of your memo, and I'm looking at item number three. And you -- you have this grant will increase and expand upon the existing work of the Bureau of Educational Opportunities. Could you tell us a little bit about that work or could Caitlin?

MS. DAVIS: Absolutely.

MR. EDELBLUT: I think she would want to.

MS. DAVIS: I can let Nate do that as well. So just a little history. Over the past few years the Department of Education has reorganized substantially under leadership of Commissioner Edelblut, and one of the things that he did he really made sure that the goals of each Bureau are goals that are working well with each other and then how do they work with other Bureaus within the Department of Education.

My Division consists of four Bureaus. One of them is the Bureau of Educational Opportunities. So what that is is everything from macro to micro levels of school approvals. So traditional district public schools fall within my Bureau. So

one of the things that this grant could potentially do is work with traditional public schools as we've discussed this morning.

The next office that exists within this Bureau is the Charter School Office. Last year the Legislature finally gave us a position to manage charter schools and that position provides support and oversight for charter schools within the state. It's probably the first time in five years that the Department of Education has been 100% caught up on charter school renewals that we provided training on reporting requirements, that we've created templates and we are now in the process of revising rules and potentially laws around charter schools, renewals, approvals and whatnot.

The other part that exists in the Bureau is the Office of Non-Public Schools. And that is one person who oversees our 140-ish non-public schools that we have in the state and the requirements that we have on them with our Bureau. So one of -- partially why we wanted to put these together is because we wanted to see how are all these different approvals working and how can we work together to make sure that we are not duplicating efforts, to make sure that everybody is receiving the same level of training and the same level of oversight as prescribed in law. And that's what that -- that's what a lot of this grant will do, working particularly with the public schools that are approved and the charter schools that are approved.

REP. OBER: Thank you. Thank you, Madam Chairman.

CHAIRWOMAN WALLNER: Representative Weyler, did have you a question?

**\*\*** KEN WEYLER, State Representative, Rockingham County, District #13: Thank you, Madam Chair. Congratulations on getting this new grant. It's been a long dry spell. I visited several of these charter schools and I have been quite satisfied with the accomplishments. I went to one where they said three students had IEPs for anxiety, no longer had anxiety. The fact that so many parents have children that don't fit in the public schools

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is very apparent by the fact we have these lengthy waiting lists. So if we want to help all the students in the state, help parents finding problems, we definitely need charter schools. And I visited some, especially the K through 8 where the education they deliver puts them far ahead of the rest of the students in the national testing. I think some of the charter schools have some of the best in the country grades. And the other ones that are special students that would have dropped out, that's quite a savings that we finally get them to where they can get a diploma. So yes, I support this and I'd like to move that ought to pass on this proposal.

REP. OBER: Second.

CHAIRWOMAN WALLNER: Representative Weyler moves and Representative Ober seconds ought to pass. Further discussion? Yes, Senator Kahn.

SEN. KAHN: I wanted to -- because 12 of these schools are -- 12 -- 12 of the grants are going to be to existing schools, right, existing charters? I'm curious of the transparency of the financial condition of the current 28 that have been operating for a few years, not the 29<sup>th</sup> is kind of early. But yes, could you -- is that something that you're aware of? Do they -- do they do audits? Do they submit those audits to your Department?

MS. DAVIS: So there's a few different types of financial reporting that charter schools are required to comply with. The first and most basic is quarterly financials that that charter schools are required to submit. They're unaudited financial statements that are submitted to the Department of Education.

The next thing is that they're responsible for submitting -- they are responsible for having an audit every single year. It's a GASB statement audit, which is governmental audit. It looks a lot just like the traditional District school audit. If a charter school receives more than \$750,000 of Federal funding, which at this time there aren't any, but they

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would have to have a compliance audit as well. That's the exact same standard that traditional public schools are required to follow.

And, lastly, charter schools just like district public schools are required to submit the DOE-25. And that is a very prescriptive spreadsheet 25 because it's 25 pages of coding and numbers that is submitted to the Department of Education that talks about the revenues and expenditures over the course of the year for instruction, transportation, special-education, you name it, it's all in there.

What the charter schools have actually been -- we've been working with the charter schools in the last year with that new position to make sure that the charter schools are compliant with all of that reporting requirement and that they've received the appropriate training to complete those forms, because they don't -- they have not necessarily had the support groups in the past that a traditional district school has had; but now charter schools are at that same level as the traditional public schools.

SEN. KAHN: So how many of the 28 schools have submitted their financial reports for the last year?

MS. DAVIS: So -- hum --

SEN. KAHN: And I'm asking this only because having just chaired a school violence committee, and when we ask for the data from that, there were no charter schools reporting on that form. So maybe on this form there's a better response rate, but I think 28 out of 28 would be good.

MR. EDELBLUT: So what I will tell you, and I think Caitlin can weigh on this as well, whether it's a public charter school or a traditional public school, some schools are very diligent in terms of their ability and their compliance with reporting requirements. And whether it's a traditional public school or a public charter school some are not so. And so we work with all

of the deficient schools to try to bring them into compliance. We -- I know I have traditional public schools even today that are more than three years in arrears in terms of stuff that they have not submitted to the Department that we are working with them to get those up-to-date.

SEN. KAHN: Okay.

MS. DAVIS: As far as the DOE-25, there was only one school last year that was not submitted. We are working right now with a few that are late on the deadline for this fall; but there's also a lot of public schools that are late on that. It's always the same ones. I call the same superintendents and the same charter school leaders every single year, so.

CHAIRWOMAN WALLNER: Further questions? No. Senator D'Allesandro.

SEN. D'ALLESANDRO: Thank you, Madam Chair. First of all, thank you very much for coming. We certainly appreciate your being here today; but isn't the goal of the Department of Education to improve public education?

MR. EDELBLUT: So, actually, the goal of the Department of Education is to support students to make sure that every student in the state gets to a bright future which is driven by a good education.

SEN. D'ALLESANDRO: Is the answer yes or no?

MR. EDELBLUT: So the answer is that we support all students.

SEN. D'ALLESANDRO: Just yes or no.

MR. EDELBLUT: Absolutely.

SEN. D'ALLESANDRO: Okay, fine. By Constitution we have to give every student an appropriate education; is that correct? Doesn't our Constitution state that?

MR. EDELBLUT: Correct, both our Constitution states in Article 83 a variety things and then at the federal level we have FAPE, which is Free and Appropriate Public Education, which is guaranteed to all the students in New Hampshire.

SEN. D'ALLESANDRO: All the students in New Hampshire are guaranteed an education by the New Hampshire Constitution.

MR. EDELBLUT: Correct.

SEN. D'ALLESANDRO: Therefore, why are we creating a competitive situation with the public schools? Here we're talking about we have 28 charters in place. We're going to build 20 more charters. So we're going to have 48 competitors in a declining enrollment situation. Why aren't we improving the public sector with this innovative and creative ideas?

MR. EDELBLUT: Yeah. So, first of all, I would just clarify that. These are public charter schools. So every one of these schools is open and accessible to any student in New Hampshire. When the enrollment caps are reached, there is a lottery for students to be able to gain access to that. So these are public schools. And so rather than think of these as competitors, I like to think of this as an investment in innovation for our public schools. Because, quite frankly, if we wanted to try and, you know, create a comprehensive CTE type high school at the Manchester Airport that would not happen in the current funding environment. So this creates the funding opportunity for us to create those alternatives, that investment to expand opportunities for our students. And what we have to recognize is when we guarantee a student an education as you have described, or an opportunity for an education, we have to recognize that we are not actually affording every one of our students that opportunity if we were to take a look at their performance, right? So if I have an assessment that says here's

what a student ought to know to get out of high school, and I only get half of them to that goal, have I actually given them the things that I wanted to?

And I can tell you within the public schools that we've already stood up for the last five years if I look at my statewide assessment results, in terms of the New Hampshire Statewide Assessment, the public charter school students perform higher than the traditional environment. So these -- and these are mostly driven by alternative, you know, at-risk students. So we're creating an environment where an at-risk student can actually reach their performance potential. And we deserve -- I mean every -- we have an obligation to ensure that every student, including our at-risk students, have the best opportunity to access education.

SEN. D'ALLESANDRO: I don't think there's any question about that. That's our social responsibility. But the postulate that you just articulated is your postulate. I don't think that's accepted across the broad spectrum. This -- this grant that you're bringing forward, I think, is -- is in contradiction to what we're talking about here at the state. \$500,000 has been allocated in the budget to look at the education system. More money has been allocated for education in this budget than there has been allocated in the last ten years. So I think this is contra to what we're doing in public education.

We have innovative situations that have been public/private partnerships and not federal one-time grants like these charter schools are. Manchester High School West, the innovative STEM program that was put together with people within the City. The fact that the people of the City of Manchester have gotten together and came up with a plan for public education. Public education, public schools, all of these things are active and ongoing. It seems to me what's being asked for here is a counter to that activity. And I'm not -- I'm not sure I can support that at this time.

I want a quality education for every student. Served on our local School Board for ten years. I've taught for the last 40 years. You do your best for each student. I think we can do that in the public sector by being creative in the public sector, and we can't deny that creativity exists in the public arena. I think this competitive situation causes problems in the public sector and it drains money from the education grant.

What does -- what does a charter school student get? What's the amount of money that a charter student receives versus what we give for an adequate education grant to a public school student?

MR. EDELBLUT: So, I mean, I would just reiterate that these, in fact, are public schools. I think it's important for this body to recognize as well that there is a law on the books that requires the Department of Education to apply for these grant funds. In other words, so we didn't -- you know, whether we wanted to or not, we were required to apply for these grant funds. The Federal Government granted us those funds, the biggest award in the country. And New Hampshire, I think, should be proud of that and should be -- should recognize that we are doing innovative things in education, such that the Federal Government is recognizing that and that they have given us seed money to continue efforts like we have taken in Manchester, whether it's at West, or in so many other schools across the state. Now rather than trying to struggle for this, we can actually see those efforts in the schools for those schools to be successful in moving forward those innovative ideas.

SEN. D'ALLESANDRO: Well, shouldn't that money be put back into public schools with these ideas are innovative, they're taking place, and they're very, very positive in terms of their results. And we have an entity there. We don't have to pay for facilities. We don't have to put money aside to recruit more teachers. We don't have to do community engagement activities so that people will buy into the process. We have something in place. And why don't we -- we take the situation that's good and make it better?

MR. EDELBLUT: So, in fact, that's what we are trying to do within the parameters that the Federal Government has given us in terms of how we may use the funding. So while that funding stream may come with some activity, such as community engagement or, you know, other things, this creates an opportunity to invest in innovation in our public education system so that that system can be more resilient and can better serve the needs of at-risk students.

SEN. D'ALLESANDRO: Thank you. Thank you very much. Thank you, Madam Chair.

CHAIRWOMAN WALLNER: Further? Yes, Senator Kahn.

SEN. KAHN: One other thought. Also, on the books is the requirement for a legislative oversight committee. So I went to four charter schools. Maybe you can help me, because I think maybe it was Representative Leishman started off by saying I don't know if ten people ought to be deciding the future for charter schools vis-a-vis our overall education approach. I didn't see a report since 2011, you know, as that oversight committee is required to report on November 1<sup>st</sup>. And is that the last report that we've had?

MS. DAVIS: I believe so. I think Senator or Representative Weyler can probably remember back; but there were -- the last time the Committee met there was some challenges with the process the Department of Education was following when we received the grant in 2010. The State Board of Education had put a moratorium on the approval of charter schools, and the legislative oversight committee at that time met and had some concerns. And then as a result of it put changes in laws and changes in rules were proposed and then passed. To my knowledge it has not met since then.

SEN. KAHN: I think, Representative, that's part of the ongoing dialogue that may have helped the Legislature since then keep up with where we are. Are we meeting the enrollment

capacities that we're at? What's the Fiscal viability? I mean, the concerns about transparency and dialogue around the role of public charter schools in the state I think has been partly a legislative function that we haven't fulfilled over the last ten years and leaves us with questions.

CHAIRWOMAN WALLNER: Senator Soucy.

**\*\*** SEN. PRESIDENT SOUCY: Madam Chair, I would move to table this request at this time.

CHAIRWOMAN WALLNER: Senator Soucy moves to table.

REP. LEISHMAN: I'll second.

CHAIRWOMAN WALLNER: And Representative Leishman seconds. No discussion on that.

REP. OBER: Roll call, please.

CHAIRWOMAN WALLNER: And Representative Ober asked for a roll call.

REP. WEYLER: On the motion to table, Representative Leishman.

REP. LEISHMAN: Yes.

REP. WEYLER: Representative Ford.

REP. FORD: Yes.

REP. WEYLER: Representative Weyler votes no. Representative Ober.

REP. OBER: No.

REP. WEYLER: Representative Wallner.

CHAIRWOMAN WALLNER: Yes.

REP. WEYLER: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. WEYLER: Senator Soucy.

SEN. PRESIDENT SOUCY: Yes.

REP. WEYLER: Senator Kahn.

SEN. KAHN: Yes.

REP. WEYLER: Senator Chandley.

SHANNON CHANDLEY, State Senator, Senate District #11: Yes.

REP. WEYLER: Senator Morse -- Senator Gray.

SEN. GRAY: No.

REP. WEYLER: Six to four -- 6 to 3 -- 7 to 3.

CHAIRWOMAN WALLNER: Motion passes 7 to 3.

MR. EDELBLUT: Chairman, if I might just request now what action this body wants the Agency to take as a result of this tabling motion that would be helpful. Should we notify the Federal Government that we're not interested or how do you want us to respond?

CHAIRWOMAN WALLNER: I think we need -- we'll be in touch with you about how we would like you to respond and what our next step should be. I think you heard a lot of concerns today, and I hope that we were taking notes about what some of the -- some of the major questions are. There did seem to be some lack of materials to back up the request today. So I think

we'll be back in touch with you about that in the next several days.

MR. EDELBLUT: Thank you.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: Are you implying that this Fiscal Committee will be meeting to answer that question in the next several days, because I didn't think we had another meeting scheduled.

CHAIRWOMAN WALLNER: We don't have another meeting scheduled until December; but I think we are going to need to have a list of questions for the Department, and I hope people are keeping track. You know, we'll have a way of bringing those forward to you.

MR. EDELBLUT: Just for the Committee's knowledge. Obviously, we have an award for this this Fiscal Year and the further that we delay that and are unable to access those funds, so those funds may not be able to be accessed ultimately by the Department.

CHAIRWOMAN WALLNER: Thank you.

REP. WEYLER: I would just like to say that the Department has done an excellent job of defending what you've done. There's certain -- a certain bias on this Committee that prevents it from being reasonable. Thank you.

CHAIRWOMAN WALLNER: Let's move on to the next part of our agenda.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: I'm sorry, it's still not clear to me. Are you wanting this Committee to e-mail Janet the questions they want? She will put the list together. You will have a memo and get the list out to all of us and over to the Commissioner. It's not clear to me based on your comments what you want from us; but, obviously, if the Committee's going to do it then --

CHAIRWOMAN WALLNER: I think the LBA, I'm sure, has been keeping the list of questions. And if anyone here, any of our members have questions they want to have included, I would like that. I would like to have those e-mailed. You can e-mail them to Janet.

MR. KANE: E-mail to me directly, if you like.

CHAIRWOMAN WALLNER: Or e-mail directly to Mike Kane.

MR. KANE: And I'll compile them and send that compilation for the whole Committee to see if that's appropriate.

REP. OBER: Thank you. I just wanted to know what the process was.

MR. EDELBLUT: Thank you.

CHAIRWOMAN WALLNER: Okay Thank you. That works.

**(6) RSA 363:28, III, Office of the Consumer Advocate:**

CHAIRWOMAN WALLNER: Tab (6). Okay. This is the Office of the Consumer Advocate. Do we have -- do people have questions on this particular item? Seeing no questions, do we have -- yes, Senator Kahn.

SEN. KAHN: Thank you, Madam Chair. I just wanted to understand something about four-year cycle to this court or this PUC case.

CHAIRWOMAN WALLNER: Is there someone from the Consumer Advocate's Office here? Thank you.

REP. OBER: Can we do something about Senator Kahn's microphone which is putting out a very annoying -- that probably does it. Thank you.

CHAIRWOMAN WALLNER: Thank you.

D. MAURICE KREISE, Consumer Advocate, Office of the Consumer Advocate: Good morning, Madam Chairperson, Members of the Committee. I am D. Maurice Kreise, sometimes call Don Kreise. I'm the Consumer Advocate. Our office represents the interests of residential utility customers at the PUC and elsewhere.

CHAIRWOMAN WALLNER: Senator Kahn has a question.

SEN. KAHN: Thank you, Madam Chair. Thank you, Mr. Kreise. Four years, just from my limited time on this Committee, seems like a long time for a PUC hearing on a case. Can you just describe what's -- what's the reason, the situation that's extending this?

MR. KREISE: Sure. Let me just stress, I do not work for or represent the Public Utilities Commission so what you're about to hear is my personal views about this and not the views of the PUC.

The Commission opened an informal investigation to consider the question of grid modernization in 2015. And so, to date, the Commission has not applied its contested case rules to the Grid Mod Docket, despite the fact that I've urged them to do that. And when the Commission operates on an informal basis, it -- that tends to slow things down because there's no timeline or set of deadlines that apply.

In this case, the Commission has been encouraging stakeholders, meaning Public Utilities, my office, the staff of

the Commission, various non-governmental organizations, to participate in a series of informal workshops, working groups, meetings and things like that.

There was a two-year delay during which the staff of the PUC conducted, I think, a fairly in-depth study of the question of grid modernization. They put out 130-page report this past spring with their recommendations. I think the Commission got very -- is very concerned about cyber security and the implications of that problem for grid modernization, and I think that accounts for a substantial amount of the delay. And while I have been, both publicly and privately, as impatient as anybody at the lack of progress on this front, I will note that there is no crisis here in the sense that what drives grid modernization is the deployment of so-called distributed energy resources, which for your purposes you can think of solar panels on people's roofs and that sort of thing. And that is in a very nascent state here in New Hampshire compared to states like California, or Vermont, or Hawaii. And so we do still have time to figure out how to modernize the grid in a way that is reasonable and cost effective. I hope that was responsive to your question.

SEN. KAHN: It helps me understand how this is different from other PUC docket items that are filings where multiple parties are investing significant resources to try to come to resolution. Now I understand why this is extended over a long period of time; but it seems -- I mean, this -- it would be unfortunate that two years from now you're back asking for another extension on this consultant because we have not brought this to some conclusion.

MR. KREISE: I heartily agree and I will say that back in September, my office filed a very specific set of initiatives that we would like the PUC and the utilities to undertake and is available on the PUC's website. I'd be happy to share it with you because I'm quite proud of it.

CHAIRWOMAN WALLNER: Thank you. Yes, Representative Ober.

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REP. OBER: Perhaps we should ask the PUC to come and talk to us about why we should continue spending tax dollars while they have an informal hearing that has no set deadline, because these are tax dollars that could go to something else that directly impacts and benefits our residents. I know the good Senator talked about the need for more aid in public school aid in Manchester this morning, and that resonates with us, and we're continuing to spend tax dollars and not get anything out of it, and I'm not sure why we do that.

MR. KREISE: Representative Ober, if I might offer a friendly amendment to the observation you just made? These are actually ratepayer dollars rather than tax dollars. I realize that ratepayers and taxpayers are mostly the same people.

REP. OBER: Yes, mostly pretty much all the ratepayers in my town are paying taxes.

MR. KREISE: Indeed.

REP. OBER: They may not be in your town, but they are in my town.

CHAIRWOMAN WALLNER: Do we have a motion on this item?

\*\* SEN. D'ALLESANDRO: Move the item.

SEN. KAHN: Yes, second.

CHAIRWOMAN WALLNER: Senator D'Allesandro moves and Senator Kahn seconds. Any further discussion of the item? Seeing none. All in favor? Any opposed?

REP. OBER: I'm opposed.

CHAIRWOMAN WALLNER: Representative Ober is opposed. I believe she wants to be recorded.

\*\*\* {MOTION ADOPTED}

(7) Miscellaneous:

CHAIRWOMAN WALLNER: Okay. And moving on to Miscellaneous, we have an item here from the State Treasurer but that's nothing we have to --

MR. KANE: You would have to -- I'm sorry.

CHAIRWOMAN WALLNER: Do we have to approve of this one?

MR. KANE: Yes.

CHAIRWOMAN WALLNER: Okay.

MR. KANE: Yes, it's for the State Treasurer to -- it's for the State Treasurer to release those audits once they're available.

CHAIRWOMAN WALLNER: Okay. So do we --

\*\* SEN. D'ALLESANDRO: Move the item.

CHAIRWOMAN WALLNER: -- have a specific motion?

SEN. GRAY: Second.

CHAIRWOMAN WALLNER: The audit motion to release.

SEN. D'ALLESANDRO: I moved it. Senator Gray seconded.

CHAIRWOMAN WALLNER: Senator D'Allesandro moved and --

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: Representative Weyler seconds. All in favor? Opposed? None oppose. So they will be released when they're ready.

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MR. KANE: Yes.

\*\*\* {MOTION ADOPTED}

(8) Informational Materials:

CHAIRWOMAN WALLNER: And now we have a lot of informational items. And I if people -- the LBA has something.

MR. KANE: Yes.

CHAIRWOMAN WALLNER: Want to come up and talk to us.

MR. KANE: I won't turn on the microphone. But so we're coming up -- as you know, we had six vacancies, I believe, last September or this past September. We came in and requested to fill three of those vacancies and had notified if we filled those would come back to replace or to request additional three positions. We were actually able to fill those three positions within the last month, which is lucky and good, I guess, both. So we're -- I'm coming before you to ask to fill three staff auditor positions and to notify you we do have two potential candidates that are ready to come on board within the next couple months if it is approved.

CHAIRWOMAN WALLNER: Good.

\*\* REP. WEYLER: Move to approve.

SEN. D'ALLESANDRO: Second.

REP. OBER: Second.

CHAIRWOMAN WALLNER: Representative Weyler moves to approve. Everybody wants to. We have got Senator D'Allesandro seconds. All in favor? Opposed? None opposed. Thank you. And good news to be able to get all six, hopefully, very soon.

MR. KANE: Yes, hopefully. Thank you very much.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Any other items in the informational items that you would like to have more -- have someone come up and talk about? Okay. Seeing none.

**(9) Date of Next Meeting and Adjournment**

CHAIRWOMAN WALLNER: The next meeting is scheduled for -- oh, boy, Friday, December 13<sup>th</sup>. So --

REP. WEYLER: Friday the 13<sup>th</sup>.

CHAIRWOMAN WALLNER: So Friday, December 13<sup>th</sup>, 10 o'clock. Same room, same place. And if there's no other items -- no other business to come before the Fiscal Committee, we're adjourned.

(The meeting adjourned at 11:18 a.m.)

## CERTIFICATION

I, Cecelia A. Trask, a Licensed Court Reporter-Shorthand, do hereby certify that the foregoing transcript is a true and accurate transcript from my shorthand notes taken on said date to the best of my ability, skill, knowledge and judgment.

Cecelia A. Trask  
Cecelia A. Trask, LSR, RMR, CRK  
State of New Hampshire  
License No. 47

