

JOINT LEGISLATIVE FISCAL COMMITTEE

Legislative Office Building, Rooms 210-211

Concord, NH

Friday, January 21, 2022

MEMBERS PRESENT:

Representative Karen Umberger, Chair

Representative Tracy Emerick

Representative Jess Edwards

Representative Keith Erf

Representative Peter Leishman

Representative Mary Jane Wallner (Alt.)

Representative Bob Lynn (Alt.)

Senator Gary Daniels

Senator Regina Birdsell

Senator Lou D'Allesandro

Senator Bob Giuda

Senator Cindy Rosenwald

(1) Acceptance of Minutes for the Meetings of:

(a) December 2, 2021 As Corrected

(b) December 17, 2021

(c) December 23, 2021

KAREN UMBERGER, State Representative, Carroll County, District #02 and Chairwoman: Good morning, everyone. I'd like to call the Fiscal Committee to order. The first item we have are the minutes from December 2nd. There was a -- a small change that occurred. I believe that was one. And so -- I think so. Okay. So could I have a motion to accept the minutes from December 2nd.

****** BOB GIUDA, State Senator, Senate District #02:
So move.

PETER LEISHMAN, State Representative, Hillsborough County, District #24: Second.

CHAIRWOMAN UMBERGER: As corrected. Do I have a second? Senator Giuda and Representative Leishman. All those in favor, please raise your hand? Opposed? Abstained? Two. Seven to two. Two abstentions. Okay. All right. The motion passes.

***** {MOTION ADOPTED}**

CHAIRWOMAN UMBERGER: The next item are the minutes from December 17th Fiscal Committee meeting. Are there any changes or corrections?

****** GARY DANIELS, State Senator, Senate District #11: Move to approve.

CHAIRWOMAN UMBERGER: Okay. Senator Daniels moves to approve. Do I have a second?

REP. LEISHMAN: Second.

CHAIRWOMAN UMBERGER: Thank you, Representative Leishman. All those -- all those in favor, please raise your hand? Opposed? Abstentions. The vote is nine in favor, one abstention.

***** {MOTION ADOPTED}**

REGINA BIRDSELL, State Senator, Senate District #19: That be two. I abstained.

CHAIRWOMAN UMBERGER: Yeah. Who else?

SEN. BIRDSELL: I was the only one?

CHAIRWOMAN UMBERGER: Yeah. And then we have our night before Christmas Eve meeting on December 23rd. Are there any changes or corrections? Seeing none. Could I have a motion to approve?

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** SEN. DANIELS: Move to approve.

CHAIRWOMAN UMBERGER: Senator Daniels moves to approve.

LOU D'ALLESANDRO, State Senator, Senate District #20:
Second.

CHAIRWOMAN UMBERGER: Senator D'Allesandro seconds.
All those in, favor, please raise your hand? Opposed?
Abstain? Three. Seven in favor, and three abstentions.

REP. EMERICK: (Inaudible).

***{MOTION ADOPTED}

(2) Old Business:

(None.)

CONSENT CALENDAR

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

CHAIRWOMAN UMBERGER: Okay. Now turning to the agenda.
We have several items that have been taken off the Consent
Calendar. I will go through these now. FS 22-007, FIS
22-022, FIS 22-023, FIS 22-028, FIS 22-030, FIS 22-013.
Okay. FIS 22-014, FIS 22-015, FIS 22-035, FIS 22-036.

REP. EMERICK: (Inaudible).

CHAIRWOMAN UMBERGER: Three five. There were so many
that I couldn't stand it. Okay. And just so that everyone
knows, we also have a late item which is FIS 22-043 and, of
course, we will have to vote on that at the end.

REP. EDWARDS: Madam Chair.

CHAIRWOMAN UMBERGER: Yes.

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REP. EDWARDS: My notes indicate on Page 4, 22-042 off of Consent. Is your note different?

CHAIRWOMAN UMBERGER: No, I did not have that. Did you want it off?

REP. EDWARDS: Let's pull it off and --

CHAIRWOMAN UMBERGER: Okay.

REP. EDWARDS: -- and when we get to it we could just wrap it up if it didn't need it.

CHAIRWOMAN UMBERGER: Does the Senate have any additional items that they would like to take off the Consent? Yes. Representative -- or Senator Rosenwald.

CINDY ROSENWALD, State Senator, Senate District #13: Thank you, Madam Chair. Just 039 for a quick question. It's rental assistance.

CHAIRWOMAN UMBERGER: It's FIS 039. Uh -- Tab 6. Could I have a motion to approve all of the other items that are on the Consent Calendar?

****** SEN. D'ALLESANDRO: So moved.

CHAIRWOMAN UMBERGER: Thank you, Senator D'Allesandro.

REP. EDWARDS: Second.

CHAIRWOMAN UMBERGER: Second by Representative Edwards. All those in favor? Or do I have to call the roll? No. Okay. All those in favor, please raise your hand? Ten-zero. Thank you very much.

******* {MOTION ADOPTED}

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(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 UMBERGER: Okay. The first item off the agenda is 22-007 from the Department of Military Affairs and Veterans Services. Is there someone here that would --

UNIDENTIFIED SPEAKER: They're in the hall.

CHAIRWOMAN UMBERGER: Oh, okay. Thank you. Thank you very much and welcome to the Fiscal Committee. You need to -- excuse me. You need to push the button on the mic.

MAJOR GENERAL DAVID J. MIKOLAITIES, Adjutant General, Department of Military Affairs and Veterans Services: Thanks, ma'am. For the record, I'm Major General David Mikolaities, the Adjutant General for the New Hampshire National Guard, Department of Military Affairs and Veterans Services.

Before you today is a proposal for approximately \$290,000 to be obligated or spent for a child care initiative. I provided you a handout which essentially has three pieces of information. First piece of information is the mission statement of the Joint Military Task Force of which I chair one of eight subcommittees on the Governor's Commission of Alcohol and Other Drugs. Through that initiative we try to take care of service members, the families in the veteran community. This is a specific initiative for service members and their families.

Second piece of information within that handout is a excerpt from a report from a 2020 analysis of the Army National Guard, the Health of the Force. And when you look at that analysis over the next four pages you will see that the New Hampshire Army National Guard ranks 45th out of 54 in the country in a bad way for the health of our force. And there are many reasons why.

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When you look at it, the two primary reasons they call it on that report is, obviously, hearing loss, which is predicated on the fact that as a Army National Guard we have a lot of what's called field artillery; but, more importantly, hazardous alcohol misuse. So when you look at the data, 7.9% of our force has a possibility of hazardous alcohol misuse. This is a pilot program initiative that we hope will provide or reduce stressors to military families in order to provide child care on drill weekends for our service members.

The last piece of information in that handout talks about, I think, it was my letter to the Fiscal Committee clarifying some of the reasons why. So the Governor's Commission on Alcohol and Other Drugs voted on this initiative I think last March. And like I said, we are one of eight sub task force on that Commission. Based upon this Committee's request, Patrick Tufts, the Chair of the Governor's Commission of Alcohol and Other Drugs is also here. And, by the way, there's also ancillary benefits of this initiative.

You know, as we look at holistically across our force, one of our sort of reasons also is diversity and inclusion. We continue to lose our female servicemen and our female servicewomen based upon the lack of child care. So, for example, at the Pease Air National Guard, our female service -- service women composed 29 percent of our force when they initially enlist. At the end of the 20-year -- 20-year career, this percentage goes down to 15 percent.

During the process of a 20-year career, our female servicewomen have to make the decision whether they want to continue with their service or whether they want to raise a family. This is a significant issue for us for our retention to our ability to have a diverse and inclusive workforce. Primarily it's for the stressors associated with

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family life. Whether it's a single-family parent -- a single-family parent, whether it's a dual family parent where both parents serve in the military, or where it's their significant other their spouse has a second job. So when we require three-quarters of our service members come in for that weekend a month because they're a part-time force, this is the reason why. Subject to your questions, that's all I have.

CHAIRWOMAN UMBERGER: Did you want Mr. Tufts to come and say anything?

MAJOR GENERAL MIKOLAITIES: Yes, ma'am.

CHAIRWOMAN UMBERGER: Okay.

PATRICK TUFTS, Chairman, Governor's Commission on Alcohol and Other Drugs: Good morning, Committee Members. Thank you, General. Hum -- as stated, my name is Patrick Tufts. I'm the Chair of the Governor's Commission on Alcohol and Other Drugs. I just want to add a couple of things to the General's presentation.

This particular investment is part of a much broader investment in prevention services, a roughly \$4.5 million investment in prevention programs all across the State of New Hampshire that the Governor's Commission has made. As part of it expanding our resources action plan, I've left copies on the table for any of you who haven't seen it. This is the 2001 Governor's Commission Strategic Plan.

This particular program is an important part of, again, this broader portfolio of investments for all the reasons that the General just stated. Our service members endure additional stress and endure additional hardships, additional complications in their lives, especially when they're deployed. Child care services and access to good child care services play a critical role in getting our

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kids off to a good start and reducing the stress on the parents.

There were questions about the evidence-based best practices. Again, all the child care programs in the State of New Hampshire do adhere to evidence-based best practices. This is a pilot program. So we can't bring in evidence in right now as to what the outcomes of this are. But this particular investment was heavily cooperative with the Prevention Task Force of the Governor's Commission. It was co-developed with the Prevention Task Force, and it really has an emphasis on reducing ACES or Adverse Childhood Experiences and really addressing the social indicators that we have to have in place for healthy kids and health families.

So while this is a new program to the Guard and a new effort, it really is tightly embedded in our prevention efforts as a state, and tightly connected to our Strategic Plan from the Governor's Commission.

So thank you for your time this morning. If you have any particular questions, I'd be happy to answer.

CHAIRWOMAN UMBERGER: Are there -- Senator D'Allesandro.

SEN. D'ALLESANDRO: Thank you very much. General, give me an indication of the number of deployments made by the National Guard, let's say over the past 12 months, and how we've dealt with those as they relate to the child care situation and the alcohol problem that seems to emanate from this situation?

MAJOR GENERAL MIKOLAITIES: Senator, I'd say in the last 12 months we have had probably three to 400 soldiers and airmen deployed overseas, whether it's the southwest border, Kosovo, the Middle East, Afghanistan. We are

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averaging about three to 400 soldiers per year and airmen activated.

SEN. D'ALLESANDRO: Further question.

CHAIRWOMAN UMBERGER: Yes, please. Follow-up.

SEN. D'ALLESANDRO: Thank you. General, I think it's important for all of us to realize that the Guard plays a much more significant role in our military obligations than in the past and that these deployments sometimes are extended periods of time. It's male and female who gets deployed. So the mother may get deployed, the father may get deployed. And just comment on the alcohol problem, the alcohol situation. I noticed that was mentioned in your narrative.

MAJOR GENERAL MIKOLAITIES: Yes. So thanks, Senator. So, again, we believe this is potentially affecting over 200 of our soldiers and airmen. When you look at 7.9% of about 2800 uniform service members, this is somewhat significant. I mean, when you see that we are 45th out of 54 in the nation, we stood up a wellness division in our organization using federal resources to bring in a wellness director, a dietician, a personal trainer, a financial counselor, and we're trying to get after the whole holistic sort of wellness program. This is just a piece of the pie that we're trying to get after the fact that we have an issue, we acknowledge it, and this is where we think we can make a difference.

SEN. D'ALLESANDRO: Thank you, Madam Chair. Thank you, General. I appreciate your service and your commitment. A Manchester Central graduate, graduate of the United States Military Academy, West Point. And, by the way, a good Greek boy from Manchester. I want to emphasize that.

CHAIRWOMAN UMBERGER: Okay. Well, we always need a biography of our people testifying.

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MAJOR GENERAL MIKOLAITIES: Yeah, yeah.

SEN. D'ALLESANDRO: I'm willing to give that.

CHAIRWOMAN UMBERGER: Okay. Thank you so much. Representative Leishman, you have a question?

REP. LEISHMAN: Thanks, Madam Chair. Knowing that he's a Greek, I guess you have the Senator's support.

CHAIRWOMAN UMBERGER: You'll need to move your mic up.

REP. LEISHMAN: Just one question and thanks for taking my question. How many service members do you think would take advantage of this program?

MAJOR GENERAL MIKOLAITIES: Senator, we're estimating approximately 200, 250 families would.

REP. LEISHMAN: Thank you, Madam Chair.

CHAIRWOMAN UMBERGER: Senator Rosenwald, you have a question?

SEN. ROSENWALD: I do. Thank you, Madam Chair. Good morning. My question's really for Mr. Tufts. Hum -- this seems like a creative solution, and I'm wondering if the Governor's Commission has experience from other states of using child care as a tool to prevent substance use disorders and -- and more broadly whether you're looking at that for other populations in New Hampshire?

MR. TUFTS: Some of the best evidence we've seen, Senator, is actually from the business community who's making heavy investments in child care to strengthen and reinforce their own workforces. I think this particular program is really cutting edge. I haven't seen it done with other Guard units across the nation; but we're starting to

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see an increased understanding that child care is a critical part of keeping not just children on the right track but also keeping the family healthy. And I think that we can continue to look at, you know, what the business community is doing as a real parallel comparison to what we're trying to do here. But this is a new program and it's relatively innovative. I think it's something that other states are going to want to copy when they see us put it in place.

CHAIRWOMAN UMBERGER: Representative Edwards.

REP. EDWARDS: Thank you, Madam Chair. Hum -- so, for the record, I -- I'm a 33-year Army veteran. I've deployed. I appreciate the need for this program. I -- I -- I do have some questions I'd like to just get some clarity.

As I understand it, this program is intended to be set up on the weekends. It's not -- it's not a seven day program. It's an every weekend program; is that true?

MAJOR GENERAL MIKOLAITIES: Yes, Representative. Initially, it's going to be just a weekend a month or maybe two weeks during the annual training period. So it's just -- it's to get after the 70% of our force that are part-time. So two weeks annual training, a week in a month.

REP. EDWARDS: Thank you. Follow-up. Hum -- okay. So I -- when I was in the Army, we could violate privacy rights. We would have been able to have sort of a by name roster of the 7.9% that we think are at-risk of alcohol abuse. And then we would be able to set up this program so that we could see exactly who was using it, because we would hope that there's some kind of correlation between those at-risk and those using the program. And I'm just curious since this is meant to be an evident-based program, the extent to which you guys are mapping the need to the use?

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MAJOR GENERAL MIKOLAITIES: A great question, Representative. Based upon the funding, we have to do a pre-imposed survey of the soldiers and airmen utilizing this program. So that pre-survey would include, you know, okay, you know, just a questionnaire about these are the things we're looking after. Like is there stress in your life? And then post survey, the year later, for in the subsequent years later to go after the post survey to look at that data and say did this make an Impact or not this pilot program.

CHAIRWOMAN UMBERGER: Further.

REP. EDWARDS: Okay. So what I think I heard you say, General, I don't want to misinterpret you, it sounds to me like you're saying you don't have anything like a by name list now of the 7.9% who may be considered abusing alcohol.

MAJOR GENERAL MIKOLAITIES: That's correct. That's a HIPAA violation. So we don't track -- we don't track -- we get the raw data, that 7.9%, based upon surveys taken during periodic health assessments as we do our annual medical training. When those soldiers and service members that are in question on an annual basis, you know, just the issue it becomes like a suicidal ideations and substance abuse. So that's how we treat.

REP. EDWARDS: Okay. One last one. Are you finding in your data that there's a distinction between male and female propensity to abuse alcohol? I'm hearing that there's a great retention opportunity for the female side of the force. And I get that. I think that's great. I'm just curious if -- if we think the female side of the force is -- is at much at-risk of alcohol abuse as the male side? Do you see any differences?

MAJOR GENERAL MIKOLAITIES: So the data tends to say that males age 21 and 25 have the high propensity for hazardous alcohol misuse. I think it's on one of the pages

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that I handed out. If not, I can get you that information specifically.

CHAIRWOMAN UMBERGER: Okay. Are there any further questions? Oh, I'm sorry, Senator Giuda. I knew that.

SEN. GIUDA: Thank you, Madam Chair. General, thank you for coming today. Can you provide a metric on like the number of days lost because of alcohol misuse or perhaps parental, you know, not having a babysitter at home. Obviously, you must have absence -- absence data that you're tracking.

MAJOR GENERAL MIKOLAITIES: Yeah. Yes, I'll have to get back to you on that. I think we have that data.

SEN. GIUDA: Thank you. I appreciate it.

CHAIRWOMAN UMBERGER: Senator Daniels.

SEN. DANIELS: Good morning, General. Uh -- I have one question. If you could give clarification to the initial statement that you said that 7.9% had the possibility of hazardous alcohol use. To me, that's analogous to say 20% of people driving cars have the possibility of having an accident. It really doesn't tell me anything with the word possibility in there. I would say potentially wouldn't 100% have the possibility of hazardous alcohol abuse?

MAJOR GENERAL MIKOLAITIES: Senator, I would say based upon annual periodic health assessments of which our soldiers fill out a survey for their, you know, like do you smoke cigarettes, do you chew tobacco, do you drink alcohol. On a frequency of alcohol, how often do you drink alcohol per week or per month? Based upon that data, 7.9% of our force has indicated that they have a hazardous alcohol use issue.

SEN. DANIELS: Okay. Thank you.

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CHAIRWOMAN UMBERGER: Are there any further questions?

** REP. LEISHMAN: Move the item.

CHAIRWOMAN UMBERGER: Okay. Representative Leishman moved item FIS 22-007, seconded by Senator Birdsell. Clerk please call the roll.

REP. EMERICK: Roll call for 007. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

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SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: FIS 22-007 is approved 10 to zero.

***** {MOTION ADOPTED}**

CHAIRWOMAN UMBERGER: I really want to thank you for coming in this morning, as well as thanking all of our Guard -- our Guard folks for the work that they do and for serving our country as part-time military people. It's extremely important. So thank you very much, and have a nice cold day.

MR. TUFTS: Thank you, Committee Members.

CHAIRWOMAN UMBERGER: The next item removed is FIS 22-022.

TAMMY VAILLANCOURT, Chief Financial Officer, Department of Education: Good morning. Tammy Vaillancourt, CFO for the Department of Education.

CHAIRWOMAN UMBERGER: Good morning.

KELLY RAMBEAU, Administrator, Office of Nutrition Programs and Services, Department of Education: Good morning. Kelly Rambeau, Administrator for the Office of Nutrition and Services Program.

CHAIRWOMAN UMBERGER: Okay. Thank you. Representative Edwards, you had some questions on this.

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REP. EMERICK: He's not here. Here he comes.

CHAIRWOMAN UMBERGER: Here he comes. Representative Edwards, you had some questions on FIS 22-022.

REP. EDWARDS: Oh, sorry. I apologize. I just needed to catch the General in the hall for a second. Hum -- can we -- can you give me a few minutes to come back to this. Are we able -- no?

CHAIRWOMAN UMBERGER: I will ask a couple of questions while, you know, you can -- I'll give him a little time --

REP. EDWARDS: Thank you.

CHAIRWOMAN UMBERGER: -- to get himself together. This is the Child Nutrition Program.

MS. VAILLANCOURT: Yes.

CHAIRWOMAN UMBERGER: And the question I have is this an extension where everybody gets meals?

MS. RAMBEAU: Yes. This year currently the USDA has a waiver for free meals that is set to expire on June 30th of this year, 2022.

CHAIRWOMAN UMBERGER: And so these dollars will get us through the 30th of June on the free and re -- on everyone receiving meals.

MS. VAILLANCOURT: No.

CHAIRWOMAN UMBERGER: Oh, okay. That's not a good answer.

MS. VAILLANCOURT: When we did an initial assessment we were using the State of New Hampshire First System and

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looking at the expenses that had been spent to date. When we looked into our food and nutrition systems subsystem, we found that we have not paid out expenses for November and December. So these funds that we are accepting in today will get us through those and into January. We plan to come back again next month because we've done another analysis and we will be bringing another item before you next month.

CHAIRWOMAN UMBERGER: So the Federal Government is paying. That's not the problem.

MS. VAILLANCOURT: It is when we built this budget two years ago, we did not anticipate COVID and the changes in the guidance from the Federal Government. So because they're giving out we -- we are like doubling our reimbursement requests from the schools.

CHAIRWOMAN UMBERGER: Okay. So it's the Federal Government will continue to support this through the 30th of June. We just need to get our money out to the town or to the schools.

MS. VAILLANCOURT: Yes, we just need to increase our appropriation so we can fund those reimbursement requests.

CHAIRWOMAN UMBERGER: Okay. Thank you. Representative Edwards.

REP. EDWARDS: Yes, ma'am. My notes indicate that I'm supposed to motion to accept this money. I don't -- I don't see any questions. I have questions on the item after this, 23.

CHAIRWOMAN UMBERGER: Okay. Representative or Senator Daniels.

SEN. DANIELS: Thank you. How do you determine the success? What is the success metric that you're using to determine the success of this program?

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MS. RAMBEAU: So as you can see in the requested action in front of you that the increase this year and the free meals compared to the years before is highly successful and that's what we're currently using. The claiming system each school claims the amount of meals that they have served. And this year since the meals are free there is a significant increase which is why we are requesting more money -- additional money.

SEN. DANIELS: Follow-up.

CHAIRWOMAN UMBERGER: Follow-up.

SEN. DANIELS: Does anybody track how much of the food is thrown away?

MS. RAMBEAU: At this time that is not tracked at the Department of Education.

SEN. DANIELS: One follow-up. And just a couple days I read of some on-line complaints from parents who posted pictures of the lunches that schools -- that particular school was handing out and the parents saying that was not nearly enough. So these are why I'm asking these questions is if we're just saying success is based upon the number that we throw out, I'm not sure that that's really the correct metric, because I hear often about how much of the food is thrown away by students. And then this -- this was new to me that -- that some parents were feeling that their child wasn't getting enough.

MS. RAMBEAU: So the current USDA regulations have not changed as far as meal standards. Those are still the same that we have been following before. And the claiming process is the schools do not claim meals for which they have not been served to the students. So every meal that has been claimed is a meal that has been given to the student. So -- and, again, the regulations that the USDA

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has put out as far as the standards are concerned are the same that they have been before. They're no different than has been in the previous years before COVID.

SEN. DANIELS: Okay. And if I may for clarification. When I talk about food being thrown away, I wasn't talking about the food that wasn't served. I'm talking about food that was served that the kids won't eat that they throw in the trash barrel.

MS. RAMBEAU: Yes, thank you. And, unfortunately, at this time the DOE does not collect that data once it goes to the child out in the cafeteria.

CHAIRWOMAN UMBERGER: Are there any further questions? Senator Giuda.

SEN. GIUDA: Thank you, Madam Chair. Can you speak to the numbers of students that are using this program year over year, say from '19, '20 or '20, '21 and present, so far in Fiscal '22?

MS. RAMBEAU: So -- hum -- as stated before, the -- due to the fact that the meals are free to all students and not just those students that fill out the free-and-reduced application, there is a significant increase to the meal program, and that is based off of the waiver for this year. So once the waiver expires, we will go back to using the free-and-reduced applications to use to determine eligibility who would receive a free meal or who wouldn't receive a free meal in that program.

SEN. GIUDA: Follow-up.

CHAIRWOMAN UMBERGER: Yes, follow-up.

SEN. GIUDA: So there's no financial criteria as far as qualifying for the free-and-reduced lunch program at this time.

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MS. RAMBEAU: At this time, that is correct. That is a USDA waiver that has been put out for this year. It was in place last year and it had an extension for this year and expires on the 30th of June.

SEN. GIUDA: Thank you.

CHAIRWOMAN UMBERGER: Are there any further questions? Seeing none. Uh -- Representative Edwards moves that we approve FIS 22-022. Seconded by Senator D'Allesandro. Will the Clerk call the roll.

REP. EMERICK: 022 roll call. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

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SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to 0.

CHAIRWOMAN UMBERGER: The vote is ten to zero. The item is approved.

***** {MOTION ADOPTED}**

CHAIRWOMAN UMBERGER: Thank you very much, ladies. Appreciate it. Okay. We now turn to FIS 22-023, authorization to accept and expend 350,000 in Other Funds through June 30th. Good morning. It's okay.

PATRICIA TILLEY, Director, Division of Public Health, Department of Health and Human Services: Good morning. I'm a little bit of a mess this morning. Patricia Tilley, Director of Public Health.

CHAIRWOMAN UMBERGER: Okay. Hum -- are there any questions? Representative Edwards.

REP. EDWARDS: Uh -- thank you, Madam Chair, and thank you, Miss Tilley, for taking my questions. I didn't realize that this program was in Public Health. Are you sitting in for somebody or -- or is this your program?

MS. TILLEY: Is this for 30? I was just -- just put up here. So maybe -- maybe I'm mistaken.

CHAIRWOMAN UMBERGER: No, this is for 23.

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MS. TILLEY: Great.

REP. EDWARDS: So 23 says it's for the Prescription Drug Affordability Board.

MS. TILLEY: Yep, not me. I told you I was a mess this morning.

REP. EDWARDS: I'm so glad other people make mistakes.

CHAIRWOMAN UMBERGER: Well, it's just that you spend so much time in that seat.

MS. TILLEY: I'm happy to give someone else a turn.

ROBERT BERRY, ESQ., General Counsel Specialist, Office of Information Systems, Department of Health and Human Services: Good morning. Thank you for clarifying that because I was kind of confused in the back. For the record, my name is Robert Berry. I'm the Department liaison between the Board and the Department. I'm happy to take any questions.

CHAIRWOMAN UMBERGER: Thank you.

REP. EDWARDS: Thank you, Madam Chair. And, Mr. Berry, thank you for taking my questions. As -- as I'm looking at this, I'm having a really hard time getting a sense that -- of the extent to which this program is cooked and ready to roll out. I -- I see that it's meant to rely on \$350,000 a year of user fees. Hum -- and if -- if you could walk us through the state of collection around those user fees and -- and -- uh -- at the rate at which you're going to expect to begin expending the money. I'm -- I'm worried about the cash flow aspect of -- of this program. I'm not seeing any data in here on that.

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MR. BERRY: Certainly. So the Board came into being on July 1st of 2020. Since then, we have been working on standing it up. It's an administratively attached board to the Department. The primary purposes of receiving the funds is so that the Board can hire an executive director to begin really the process of what the Board's purpose is. And I'm not extremely well-versed in the overall purpose of the Board. It's more of a question for the Board since I'm just a liaison. But the intent is to start receiving the funds so that it can begin the process of hiring the executive director to fully stand up the Board as it moves forward and fulfills its purpose.

CHAIRWOMAN UMBERGER: You have follow-up?

REP. EDWARDS: I do have a follow-up. So if I -- if I heard you, you won't be hiring a director until after the user fees have begun being collected. And, therefore, you do not anticipate a cash flow problem.

MR. BERRY: No, the Board does not anticipate a cash flow problem. Our --yeah, a cash flow problem at this point in time. We believe it should eventually be self-funded and the big expense is going to be the executive director, at least in the short-term. We are in the process of putting forth some legislation that would move the executive director position into an unclassified position. And the search will begin probably sometime in the spring, early summer is my guess.

Hum -- it's in other boards throughout the United States this is a fairly new concept. Finding an executive director has proven, quite frankly, fairly difficult. The Maryland Board just hired their executive director after 18 months of existence, and that individual was an attorney and a pharmacist. So that's a bit of a unicorn in the world. So yes, the answer to your question though, Representative, we do not believe there will be a cash flow problem.

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CHAIRWOMAN UMBERGER: Follow-up.

REP. EDWARDS: Thank you, Madam Chair. Hum -- I just lost the question. I'm sorry. I think Senator Giuda may have a similar question to what I was about to ask. Okay.

CHAIRWOMAN UMBERGER: Senator Giuda, you have a question?

SEN. GIUDA: Yes. Thank you, Madam Chair. Thank you for your testimony. Hum -- could you put in plain language what the function of this Board is?

MR. BERRY: I will try my best. I'm not a member of the Board. I'm just a liaison. But the essential function of the Board is to provide greater transparency with drug price increases or changes. That's the 40,000-foot view of what the Board does. There's a greater in-depth detail involves data collection, involves developing spending targets and things like that. I'm not overly sure how that works. It's more of a function of the Board. But yeah, the 40,000-foot view is to provide greater drug price transparency.

CHAIRWOMAN UMBERGER: Are there any other questions? Okay. Thank you.

REP. EDWARDS: So I had heard that a user fee schedule would need to be approved by JEL -- JLCAR and that these fees have not yet been approved. So my question is, you know, what's your JLCAR plan and can you navigate that without an executive director in place?

MR. BERRY: Yes. So the statute 126-BB:8 sets a floor for the manufacturer's fee which we can begin to start collecting. It's a \$500 floor. But beginning Monday there's a board meeting on Monday. We are soliciting public input on the rules, and we anticipate that they might be in place

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as early as this summer. So we will certainly include a fee, a user fee assessment in that -- in the rules for JLCAR approval.

REP. EDWARDS: Thank you.

REP. LEISHMAN: Madam Chair.

CHAIRWOMAN UMBERGER: Yes, Representative Leishman.

REP. LEISHMAN: Thanks, Madam Chair, and thank you, Mr. Berry, for taking a question or two. So as I read the correspondence from the Department, on Page 3 you talk about the assessment that would raise approximately \$350,000. Have you -- I got the impression you've already started collecting that fee?

MR. BERRY: We have not started collecting that. We were hoping to get an account so we could start collecting it which is why we're here today. So we have not started sending out invoices. Once we have a dedicated account to that, I believe that'll happen soon after. But, again, I don't want to speak for the Board, because I'm not a member of the Board, just a liaison. But that's my understanding of the intent.

REP. LEISHMAN: Further question, Madam Chair.

CHAIRWOMAN UMBERGER: Please.

REP. LEISHMAN: So then I look at Page 2 and it talks about other fees for other different things, such as pharmacy managers. It looks like that would raise an awful lot more money than the \$350,000; isn't that correct?

MR. BERRY: Well, right now we've identified 500 manufacturers that would be subject to the \$500 fee. We're still in the process of identifying who else may be subject

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to the fee, but that's the best estimate at this point in time.

REP. LEISHMAN: And I guess I have one follow-up, Madam Chair.

CHAIRWOMAN UMBERGER: You think?

REP. LEISHMAN: So because of other questions that have previously been raised, I did a deep dive into what this agency is suppose -- this new Board is supposed to do. And one of the things that happened to be missing from the correspondence and I printed it out, and the Representative from Auburn touched on this as far as rules, 126-BB:6, rulemaking, and it says the adoption of all fees.

Now, the threshold you've mentioned, that's a threshold which I assume that would be put forward to JLCAR as a base limit. But, again, the rulemaking as referenced in your letter which references :8 says shall be determined by the adoption of rules, which then you refer to or I referred to the section I just read. So all fees have to go through rules before any fees are adopted. That's how I read the statute.

So I -- I'm concerned that we're perhaps moving a little too quickly because the rules committee, JLCAR, has not adopted or approved any fees, I don't believe, for this agency yet. So, Madam Chair, I think this item probably should be tabled --

SEN. DANIELS: I'd second it.

REP. LEISHMAN: -- until such time those fees have been approved by JLCAR. Okay.

MR. BERRY: Can I respond to that?

CHAIRWOMAN UMBERGER: Yes, I'll let you.

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MR. BERRY: Well, RSA 126 --

CHAIRWOMAN UMBERGER: Although not appropriate.

MR. BERRY: I apologize, but I think this is important. RSA 126-BB:8 provides statutory authority to assess a minimum fee which is what this is based on.

CHAIRWOMAN UMBERGER: Thank you. Okay. I have a motion to table from Representative Leishman.

SEN. DANIELS: Second, Madam Chair. I believe that that motion be out of order since Representative Leishman spoke before making the tabling motion. And I think according -- according to rules it should be made by somebody else. I'd be glad --

REP. LEISHMAN: I have no problem.

SEN. DANIELS: I'd be glad to make that motion.

SEN GIUDA: Second.

CHAIRWOMAN UMBERGER: Heaven forbid I did something wrong. Okay. Thank you very much. Uh -- all right. I have a motion to table from Senator Daniels, second by Senator Giuda. Will the Clerk call the roll.

REP. EMERICK: Motion to table. Representative Edwards.

REP. EDWARDS: Yes, to the motion to table.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

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REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: No.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: No.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 8 to 2 to table.

CHAIRWOMAN UMBERGER: The vote is 8 to 2 to table FIS 22-023.

***** {MOTION ADOPTED}**

CHAIRWOMAN UMBERGER: The next item is FIS 22-028.
Hum -- Senator -- Representative Edwards, I believe you had some questions on this.

REP. EDWARDS: I did, yes.

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CHAIRWOMAN UMBERGER: Go ahead. Oh, I'm sorry. I'm faster -- excuse me. Would you please introduce yourselves?

ANN LANDRY, Associate Commissioner, Department of Health and Human Services: Good morning. My name is Ann Landry, Associate Commissioner for Population Health for the Department of Health and Human Services.

MARY CALISE, Deputy Chief Financial Officer, Department of Health and Human Services: I'm Mary Calise, Deputy CFO for the DHHS.

REP. EDWARDS: Thank you, Madam Chair. Hum -- this question is going to come out of left field a little bit, and I apologize. You -- you two may not be the ones to answer this, but I'm just curious if we are anticipating any use of Federal funds in the coming weeks that come into the Fiscal Committee that would address our homeless veteran population. I understand we have about 120 New Hampshire veterans that are considered homeless. Uh -- approximately 110 of them or so are in transitional housing and not in permanent housing, and that leaves around ten that are without any housing resources at all.

So -- so I just want to make sure I understand the priorities of DHHS. These things come to us one at a time as they're ready to come to us. So but I would like to know the bigger picture here is homeless veterans, are they a priority, and what are we going to do about it.

MS. LANDRY: Thank you for that question, Representative Edwards. I am going to invite Associate Commissioner Santaniello to come up.

CHRIS SANTANIELLO, Associate Commissioner, Department of Health and Human Services: Good morning. I'm Chris Santaniello. Right now we have a number of priorities in the Council on Housing Stability. Much of the dollars to end the veterans' homelessness comes through the VA. And

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so what I can do is I can follow-up with Deputy Adjutant General Warren Perry to kind of see where some of that is and get back to you on that. But the Department itself does not fund that. It comes through the VA directly or HUD directly to a program in the Nashua area and Easter Seals.

REP. EDWARDS: I have a follow-up. Okay. Thank you for that. I understand exactly what you're saying when you say that most of the money, maybe all of the money comes through the VA. But -- hum -- I'm -- I'm asking if -- if all of the money must come through the VA, do we have discretion in the DHHS to appropriate or to request some of this funding to address a problem that's not yet been solved?

MS. SANTANIELLO: So I will -- hum -- not really. So the federal dollars that come to the Department come through the continuum of care. And those dollars have very specific projects. And the only way you can add to those projects and that funding is for an additional project, such as one of the other items on this, the youth demonstration. So that is the only way we can get additional dollars. But I will follow-up also -- hum -- with Warren on the numbers because that was not the numbers that we had for veteran homelessness.

REP. EDWARDS: Thank you. I think they're going to be doing a new survey next week or the week after. So we'll have fresh data.

MS. SANTANIELLO: Yeah, the point in time is later this month, so. Thank you.

CHAIRWOMAN UMBERGER: Thank you for that. And if you would you'll send that to LBA or Janet, one or the other. But the LBA, send it to them. Are there further questions on the Afghan resettlement? Senator Giuda.

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SEN. GIUDA: Thank you, Madam President. This may or may not be within your capability to answer, but I have received considerable expressions of concern for the housing of illegals coming into the state. I want to know if you're -- if you subcontract with housing agencies and NGO's and if you in any way inquire as to whether or not they're dealing with the alleged illegal population that's being brought into the state?

MS. LANDRY: Thank you for that question, Senator Giuda. Hum -- our state health -- our state refugees re- settlement program works with federal agencies -- agencies that are contracted by the Federal Government specifically for refugee resettlement. So our work and knowledge regarding anyone who settles in New Hampshire is strictly with the refugee resettlement program. We don't have -- we don't have actually anything to do with the settlement of immigrants that come here legally or illegally. Just strictly the refugees. So our agencies are federally vetted, have been in business -- there's nine national federal agencies that work. And then they have subsets in local districts and ours have been working-- we have been working with our ours for over 20 years as a state before the programming even came to DHHS. So highly vetted, regulated by Federal Government working simply with refugees.

CHAIRWOMAN UMBERGER: Do you have a follow-up?

SEN. GIUDA: Thank you, Madam Chair. Can you state categorically that funds are not being used by the agencies with which you contract to house illegals brought into the state?

MS. LANDRY: To my knowledge they are not. I -- I mean, I can only speak with the knowledge I have which is that they're federally regulated to resettle legal refugees that come through the refugee resettlement program.

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SEN. GIUDA: Thank you.

CHAIRWOMAN UMBERGER: Are there further questions?

REP. EDWARDS: One more.

CHAIRWOMAN UMBERGER: Okay. Representative Edwards.

REP. EDWARDS: Okay. This one is for you. So on Page 2 in the -- kind of in the middle of the big paragraph -- hum -- it talks about the goal of achieving rapid self-sufficiency. And then it goes on to read to that end refugee support services funding provides job development and placement employment, assessment, orientation to the American workforce, education training and referral services, employer supports, and job maintenance I believe. So -- so I happen to be extremely familiar with the Afghani culture. And I'd like to know if these education programs, these training programs, particularly as a result or is dealing with employment if there's an anticipation to segregate the male and female populations until they can get assimilated into the American society.

Generally, Afghani men are -- I don't want to go too far but I will say Afghani men tend to have a 18th, 17th Century view of women and training them in the same setting can be extremely problematic and inadequate to bring the Afghani women into our culture rapidly. So -- so would you tell me if there's any anticipation to segregate by gender for these training classes?

MS. LANDRY: Thank you, Representative Edwards. Hum -- in discussing with our director of the refugee resettlement program about this question ahead of time, so traditionally they are trained together, males and females, in the refugee resettlement program, with exception of specific program where there is a health, mental health or a cultural issue or cultural historical piece that you just

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mentioned. So I think with the agencies who have -- are the experts in this, I believe it's at their discretion to determine which training programs or which populations would need to be segregated based on the cultural differences in that society.

So there are set ones where the genders are separated as we would think with physical and mental health and situations like that, and then where there's a cultural difference. So I can't answer your question for sure regarding that specific question with job training with the Afghans but it is in their purview and their expertise to segregate appropriately when necessary.

CHAIRWOMAN UMBERGER: Are there any further questions? Let's see. Yes, Representative Erf.

REP. ERF: Thank you, Madam Chair. Hum -- thank you for your written responses. They were fantastic. And just to summarize my own benefit, is it fair to summarize that private agencies have sole discretion in choosing to resettle refugees in New Hampshire and their consideration need not be given to the costs that resettlement may have on the community?

MR. LANDRY: Thank you, Representative Erf. So they -- I'm not sure it's so -- so black and white and either/or. They've been working with these communities for over 20 years in the State of New Hampshire. Mary probably might have a more exact date but over 20 years. And they do this nationally. So they do work with the communities. There's a refugee advisory council that participates in understanding what the municipalities can handle as far as the cultural competencies within the community, within the school systems, within the municipalities. So it's not so much that they can say no or yes. It's they work together and they partner. And then they provide recommendations for what the state can handle. And our state generally resettles a very, very low number relative to the rest of

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the country given that we are a small population, a rural state, small urban areas. So it's very much done in partnership in that way. And the communities where the majority of the refugees resettle are -- participate in this Advisory Board. And then it's also conversations with the Governor's office as well before those recommendations are made. So it's very much done in partnership. It's not a forceful situation.

REP. ERF: Thank you.

CHAIRWOMAN UMBERGER: Are there any further questions? Seeing none. Could I have a motion to approve? Senator D'Allesandro moves to approve. Seconded by Senator Rosenwald. Would the Clerk please call the roll.

REP. EMERICK: Roll on 028. Representative Edwards.

REP. EDWARDS: No.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: No.

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REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 8 to 2.

CHAIRWOMAN UMBERGER: The vote being 8 to 2, FIS 22-028 is approved.

***** {MOTION ADOPTED}**

CHAIRWOMAN UMBERGER: Okay. We now go to FIS 22-030. You sure you don't want to talk about refugees as well?

MS. TILLEY: I think the Associate Commissioner handled that well. Thank you.

CHAIRWOMAN UMBERGER: Yes, she did. She did very well. Okay. If you would reintroduce yourself.

MS. TILLEY: Patricia Tilley, Director of the Division of Public Health Services in Department of Health and Human Services.

CHAIRWOMAN UMBERGER: Okay. Representative Erf, you had some questions?

REP. ERF: Yes, I just have one confirming question, if you will. Can you confirm that the opioid crisis dashboards are anticipated to be available early February this year?

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MS. TILLEY: That was our understanding. We are very close to the end and we anticipate that they will be ready by February. In February.

REP. ERF: Super. And you'll let us know when?

MS. TILLEY: We will.

CHAIRWOMAN UMBERGER: Represent -- Senator Rosenwald.

SEN. ROSENWALD: Thank you, Madam Chair. Good morning. On Page 2, the narrative in number four says enhance the prescription drug monitoring system, but I couldn't see elsewhere in the narrative what those enhancements are. So could you please tell us what's being done to the PDMP.

MS. TILLEY: Sure. Thank you for that question, Senator. In general, the paragraph you're referring to in number four is the overall work of OD2A, which is the acronym for this particular funding source Opioid Data to Action. So that's what OD2A stands for. And, in general, we provide support to the Prescription Drug Monitoring Program for some of their data initiatives to support that. But with these particular funds, there is nothing that we are using in this fund set of this carry forward to do additional work for the Prescription Drug Monitoring Program.

CHAIRWOMAN UMBERGER: Are there any further questions? Senator Giuda.

SEN. GIUDA: Thank you, Madam Chair. So safe to say these funds will in no way increase the -- or decrease the privacy constraints currently on the PDMP Program.

MS. TILLEY: That is correct, Senator.

SEN. GIUDA: Thank you.

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CHAIRWOMAN UMBERGER: Any further questions? Seeing none. Could I have a motion?

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

CHAIRWOMAN UMBERGER: Thank you, Senator D'Allesandro. Seconded by Senator Birdsell. Will the Clerk please call the roll.

REP. EMERICK: Roll on 030. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

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SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: The vote of 10 to zero, FIS 22- 030 is approved.

*** {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 UMBERGER: We now turn to FIS 22-013.

KAREN HEBERT, Director, Division of Economic and Housing Stability, Department of Health and Human Services: Good morning. For the record, my name is Karen Hebert.

CHAIRWOMAN UMBERGER: I don't -- is your microphone on?

MS. HEBERT: I think it is. Maybe needs to be closer. There we go.

CHAIRWOMAN UMBERGER: Thank you.

MS. HEBERT: My name is Karen Hebert. I'm the Director of the Division of Economic and Housing Stability for the Department of Health and Human Services.

MS. CALISE: Mary Calise, Deputy CFO.

CHAIRWOMAN UMBERGER: Thank you. Representative Leishman, I believe you have a question.

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REP. LEISHMAN: Thank you, Madam Chair. Thanks for taking my question. Uh -- we all and we just spoke about the homeless issue with veterans, and I heard yesterday from a Representative in Manchester that it's just getting worse as hundreds and hundreds of homeless people. And I noticed one, of course, this is a very small request, but on Page 7 in the middle of the supporting documentation it talks about the recipient must match all grants and funds. And there's an exemption above, but the box below is checked. So where is the -- where are the recipients going to get that matching grant money?

MS. HEBERT: The batch for that is built into the contract that we have now have with the Plymouth State University. So the vendor does provide that match.

REP. LEISHMAN: And just one further question, if I could, Madam Chair.

CHAIRWOMAN UMBERGER: Yes, please.

REP. LEISHMAN: Thanks. So I turned back and looked into the Dashboard as far as the homelessness issue and the amount of grants, and it's like the third page from the back and it's a little chart with, I think, the smallest font I've ever seen. But within that it mentions a number of homeless providers, and it still shows a large amount of money unencumbered. Is that just because of where we are in the year or are there reasons why that homeless money is being withheld?

MS. HEBERT: So I wouldn't say that it's being withheld. But because of a number of requirements from the Housing and Urban Development agency there are several phases to the distribution of funds and having to make frequent amendments to our contracts, which have to be approved, as I'm sure you know, by Governor and Council. So those amendments do take a long time and often the

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amendments are needed because we don't have the confirmed award amounts from HUD yet to move forward with them. So there's a little bit of a balance, if you will.

REP. LEISHMAN: Thank you. And thank you, Madam Chair.

CHAIRWOMAN UMBERGER: Senator Rosenwald.

SEN. ROSENWALD: Thank you, Madam Chair. Has the Department made any -- hum -- changes to shelter rates since the budget was signed in June?

MS. HEBERT: We have not made changes to shelter rates since then, but we are certainly in discussions about that now.

SEN. ROSENWALD: Follow-up.

CHAIRWOMAN UMBERGER: Yes.

SEN. ROSENWALD: So I believe this Committee was told that the Department would come forward with a plan to do that by last September. Hum -- here it is January. When -- when are we going to see that?

MS. HEBERT: If you would allow me to look into that information and get back to you with an answer, I'd be more than happy to -- to do so. Unless -- thank you.

MS. SANTANIELLO: Chris Santaniello for the record. There is actually, as you are aware -- hum -- we can only distribute dollars based on our budget. There is legislation actually -- hum -- and if you -- I cannot remember the actual --

MS. HEBERT: 415.

MS. SANTANIELLO: 415. That would actually look to add dollars to the Department's budget this year directly for shelters.

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MS. HEBERT: Senate Bill 415. Thank you.

** REP. LEISHMAN: Move the item. Oh, I'm sorry. She can't see him through that chair.

CHAIRWOMAN UMBERGER: No, that's not the problem. It was the answer that confused me. Uh -- Senator Giuda.

SEN. GIUDA: Thank you, Madam Chair. Does the Department have any estimate of the number of homeless youth that we have across the state?

MS. HEBERT: That is one of the reasons why we are moving forward with this demonstration project. We have -- understand that youth typically don't want to be found. So it's difficult to count them. The last time we did a point in time count was January of last year where we were able to identify 46 in the state and that is pretty much picked from the street. There are -- there's other data that the Department of Education has, I understand, which is quite different, but I don't know the criteria or methods of collecting that data.

SEN. GIUDA: Thank you.

CHAIRWOMAN UMBERGER: Yeah, it would probably be a good idea if you talk to DOE, because I -- I know what they do is through the guidance counselors, the principals, and all of those kinds of things. They -- that's how they're obtaining that information, so. And when you mention the term 46, I -- I said to Representative Emerick that I have 46 just in the Town of Conway. So, I mean, that number is you know, I wouldn't ever use that number. Okay. That's just my comment. So somebody had a question. Yes, Representative Edwards.

REP. EDWARDS: Thank you, Madam Chair. So I'm -- I'm just kind of curious about the practical implications of

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where this program is going to make sure our youth or I think they say "youth" in New Jersey but that our youths are taken care of. I imagine it's a little bit like chain migration. If you have a, say, a 15-year old then it makes sense that the parents to the extent they're around would also receive the -- the benefit of -- of a place to stay. And I'm just curious how far that chain migration might go. Would it include grandparents? Would it include aunts and uncles? I mean, once you get one person taken care of, I'm just curious how big a tail, a support tail we're anticipating.

MS. HEBERT: Thank you very much. So this is really some of the underlying purpose for this particular project is to really to develop that community plan. It is subject to HUD's approval. But the idea is to really identify, not just identify the count, the number of youth that are being affected, but what are the circumstances holistically around that. We want the Youth Action Board that is going to be created by the grant to identify that plan moving forward.

If HUD approves the plan, then we will be eligible for further federal funding to implement that plan. So there's a lot of this information that has yet to be discovered, but that is the purpose of the project.

REP. EDWARDS: Thank you.

CHAIRWOMAN UMBERGER: Okay. Uh -- are -- I guess I didn't get a real good answer to Senator Rosenwald's question about when we're going to get some kind of report.

MS. HEBERT: And -- and --

MS. SANTANIELLO: So we can provide you with what we are reimbursing now today to shelters. The Department at this point does not have additional funds to -- to pass on to shelters. We had -- there was a program through GOFERR

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this past -- that ended in December where shelters could apply for federal dollars through GOFERR to cover any uncovered COVID related costs. There is a Senate Bill that would look to add up to \$9 million to the Department to directly reimburse shelters. But aside from that, we don't have additional dollars in our budget.

CHAIRWOMAN UMBERGER: Senator Rosenwald.

SEN. ROSENWALD: Thank you. So I think we learned that the cost of a shelter bed was \$47 a day.

MS. HEBERT: Correct.

SEN. ROSENWALD: And the State is reimbursing \$8 a day. There was a plan last year to take it to \$20 a day. Hum -- and that it didn't --

MS. SANTANIELLO: It didn't pass the budget.

SEN. ROSENWALD: But the Department told us they would have come here with a plan in August or September and it's now January.

MS. SANTANIELLO: But we don't have -- I guess the -- I believe -- hum -- if I'm correct in that we were going to apply for funding through GOFERR for that. And instead of money to go directly to shelters, they are using the shelter -- hum -- funds that they did give to shelters and that was about \$3 million. So we are continuing to look at all of the resources, and then one of those resources is that Senate Bill.

SEN. ROSENWALD: If I could just quickly follow-up.

CHAIRWOMAN UMBERGER: Yes, you may.

SEN. ROSENWALD: Thank you. So did the Department ask GOFERR for the amount of money it needed to -- to pay a

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reasonable reimbursement rate and GOFERR didn't come through after the Legislature didn't?

MS. SANTANIELLO: It's -- it's not --

SEN. ROSENWALD: Where are we?

MS. SANTANIELLO: What we did is we provided GOFERR through the Council on Housing Stability a number of strategies to assist with ending homelessness and supporting the shelters. One of those was for shelter dollars and that was what was given -- hum -- with that one-time funding.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN UMBERGER: Okay. I think that what Senator Rosenwald and the rest of us are looking for is a plan. Even though you don't have the money, okay, that's immaterial. What we're looking for is a plan.

MS. SANTANIELLO: Yep.

CHAIRWOMAN UMBERGER: Am I correct?

MS. SANTANIELLO: So the count.

CHAIRWOMAN UMBERGER: Yeah.

MS. SANTANIELLO: So the Council on Housing Stability, which includes the Department, did create a three-year strategic plan that includes some of this. So I will send that to the full Committee.

CHAIRWOMAN UMBERGER: Okay. As long as --

MS. SANTANIELLO: Thank you.

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CHAIRWOMAN UMBERGER: As long as it shows us today we're paying \$8, we're looking to pay thirty --

MS. SANTANIELLO: Yep, correct.

CHAIRWOMAN UMBERGER: Yeah, whatever.

MS. SANTANIELLO: Thank you.

CHAIRWOMAN UMBERGER: Because, obviously, we are all concerned about homelessness, especially when it was seven degrees below zero in North Conway this morning. And I think that we just -- we just need to get our --

MS. SANTANIELLO: Yep, I agree.

CHAIRWOMAN UMBERGER: -- hands around it.

MS. SANTANIELLO: Yep, I totally agree. Thank you.

CHAIRWOMAN UMBERGER: Okay. So you will send that to the LBA.

MS. SANTANIELLO: Yep.

CHAIRWOMAN UMBERGER: All right. Thank you. All right. Now, Representative Leishman, did you have a motion?

****** REP. LEISHMAN: Sure, Madam Chair. Move the item.

CHAIRWOMAN UMBERGER: All right. Do I have a second? Second by Senator D'Allesandro. Will the Clerk call the roll.

REP. EMERICK: Roll call 013. Representative Edwards.

REP. EDWARDS: Yes.

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REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: The vote is ten to zero, FIS
22- 213 is approved.

***** {MOTION ADOPTED}**

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AMERICAN RESCUE PLAN 2021
CONSENT CALENDAR

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

CHAIRWOMAN UMBERGER: Now move to Tab 6 and it's FIS 22-014. Representative Erf, you had some questions on this?

REP. ERF: Yes. I've got to find them. Thank you, Madam Chair.

CHAIRWOMAN UMBERGER: Yep, no problem.

REP. ERF: You all set?

CHAIRWOMAN UMBERGER: Yep.

REP. ERF: Given the focus on it --

CHAIRWOMAN UMBERGER: All right, we need to -- please, we need to have -- I'm -- yeah, no, I'm not all set. Thank you. Would you please introduce yourselves for the record.

LORI SHIBINETTE, Commissioner, Department of Health and Human Services: Good morning. Lori Shibinette, Commissioner of Health and Human Services.

HENRY LIPMAN, Medicaid Director, Office of Medicaid and Business Policy, Department of Health and Human Services: Good morning. Henry Lipman, Medicaid Director.

CHAIRWOMAN UMBERGER: Okay. Now we can try that, Representative Erf.

REP. ERF: Thank you, Madam Chair. Given the focus on a community-based care model, with expectation of lowered expense, will the review be looking at how to coordinate

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the organizations working in the state, how to fill the need for employees to work within this model?

MS. SHIBINETTE: So the intent of this money is to take on any valuation of our current Medicaid model. We've had this model since 2015?

MR. LIPMAN: '13

MS. SHIBINETTE: '13. And we've never really done a review on is it fulfilling the need that we originally intended it to. Is it saving us money? Is it serving our beneficiaries correctly? And Medicaid models have evolved over the last ten years. There are many different models out now.

The intent of this money is to look at our model and answer those questions and determine whether this is the right model for the citizens of New Hampshire. Is the current Medicaid model the right model for the citizens of New Hampshire.

Now there are several models that are community-based care. There are ACO's, CCO's, health homes, all of those different models. Yeah, I think that the plan is if -- if the determination is made that there are other models that would fit better for New Hampshire that we would look at those community-based models. But the first step is to do an assessment of our current model and this is the first step.

REP. ERF: Thank you.

CHAIRWOMAN UMBERGER: Are there further questions?
Senator Giuda.

SEN. GIUDA: Thank you, Madam Chair. Thank you, Commissioner, Director. So a third party vendor, will this

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be a sole source contract or will we be out to competitive bid.

MR. LIPMAN: It will be put out to competitive bid.

SEN. GIUDA: Thank you.

CHAIRWOMAN UMBERGER: Are there further questions? Seeing none. Could I have a motion to accept. Senator D'Allesandro moves to accept.

SEN. GIUDA: Second.

CHAIRWOMAN UMBERGER: Seconded by Senator Giuda.

REP. EMERICK: Roll call 014. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

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REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: The motion is approved on a vote of 10 to zero, 22-014.

***** {MOTION ADOPTED}**

REP. EMERICK: 015 is the next one.

CHAIRWOMAN UMBERGER: Yeah. Okay. FIS 22-015. This is spending some ARPA money. Would you mind introducing yourselves, please.

MS. SHIBINETTE: Sure. Lori Shibinette, Commissioner of Health and Human Services.

KATJA FOX, Director, Division for Behavioral Health, Department of Health and Human Services: And I'm Katja Fox, Director of the Division for Behavioral Health.

CHAIRWOMAN UMBERGER: Okay. Are there questions? Okay. Let's start -- let's start with Representative Edwards.

REP. EDWARDS: Uh -- thank you, Madam Chair. Uh -- thank you Commissioner and Miss Fox. Good seeing you again.

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I -- I think my -- my first question really is about precedent. And we had asked Mr. Arlinghaus -- is he in the room? I don't think he's -- oh, there he is. We had asked him if there's any precedent for the state to provide money to a private enterprise for the -- for purposes similar to this. I -- I -- I would like to know if we're setting precedent or if we have precedent that we're following?

MS. SHIBINETTE: Not -- not to the scale. Last year we -- I think we set aside 1.5 million for recovery housing updates, renovations, things like that within our state and gave out grants to those organizations to update their physical plants.

MS. FOX: We also with our nursing homes in order to alleviate -- uh -- the situation -- I can't even hear myself. So -- hum -- so to alleviate the situation that we had with our emergency departments and with our hospital systems, we did provide financing of \$45,000 a bed to nursing facilities and that was agnostic to whether they were private or nonprofit agencies.

REP. EDWARDS: May I? I want to -- I want to ask over your shoulders if Mr. Arlinghaus has anything further on the -- on the question.

MR. ARLINGHAUS: Hum -- no. I looked. We asked around in the Department and, in particular, Joe, and then also Mike Connor who most of you know has been with us for 47 or eight years and nobody remembered anything. There's some vague thought that there might have been a dental clinic a very long time ago in Conway or somewhere up north. That something was --

CHAIRWOMAN UMBERGER: Tamworth.

MR. ARLINGHAUS: Tamworth. But we couldn't find any -- any record of it. But, you know, we don't know of

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anything but that doesn't mean there's not a first time for everything.

CHAIRWOMAN UMBERGER: Uh -- Mr. Arlinghaus, Commissioner, could I ask a quick question? The -- hum -- what is it, Housing Finance Board that works with low-income housing, don't they provide money to commercial people that are constructing these homes for the benefit of low income?

MR. ARLINGHAUS: It's a good question. I don't know about that. But it's not an item that the State has been participant in before. Obviously, the BFA does things like this where they --

CHAIRWOMAN UMBERGER: We give the money to BFA and they carry it out.

MR. ARLINGHAUS: Yeah.

CHAIRWOMAN UMBERGER: So, I mean, it's -- so it may not be direct, you know, managed by the state, but there are other entities within the state that use our money to do things.

MS. FOX: Actually -- hum -- we were just reminded that the state did invest, I believe the Legislature directed us to provide Franklin Regional Hospital funding for their Designated Receiving Facility. So it actually was in the terms of a loan at that point in time; but it was a legislative action that directed the Department to do that.

CHAIRWOMAN UMBERGER: Okay. Thank you.

REP. EDWARDS: Follow-up. More questions.

CHAIRWOMAN UMBERGER: I'll give -- I'll give you three and then we'll let some other folks talk.

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REP. EDWARDS: This may be my only other one. But -- hum -- I -- I know that we've received communications back channel from DHHS talking about how the State benefits from this. And as I -- as I read the public facing document, it shows how HCA benefits, but it isn't really clear in the write-up how the state benefits. And -- and I know that we do, but I -- I just would like it in the public record.

MS. SHIBINETTE: So -- uh -- I think, you know, the benefit is -- is quite obvious. We've had an E.R. boarding crisis for ten years. We have invested significantly in the community and in the crisis end of things. We have -- uh -- you know, in addition to investing in the community, which we have substantially for the last four years, and in the crisis component Rapid Response, mobile crisis teams. The third prong to that system is inpatient beds.

Our system have been -- has been running at 100% capacity, 100% of the time, for ten years. Hospital systems, health systems are not meant to do that. So this project for a capital -- with that capital defrayment, brings on an additional new beds, 38 new beds. So the hospital itself that HCA is building is a 96-bed hospital. The total -- they will be closing the -- their behavioral health units in the other hospitals that they own in New Hampshire and moving those beds into this one facility. So the total new beds are 38 beds, 20 in adult, six in geriatric, and 12 in adolescent. So that is expected to have a direct impact on our waitlist.

When you look at our waitlist, you may see ten or 20 adults waiting on our waitlist on any given day. What you don't see is that the actual number of E.R. borders for psychiatric care are -- is at least two times that. The waitlist you see is the involuntary waitlist. You don't see the voluntary waitlist where people are voluntary -- waiting for voluntary beds.

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So the -- the great thing about the health -- the health care facility that HCA has agreed to build is that they will -- the adult beds will be duly certified. They will be both for involuntary and voluntary. They're also agreeing to run some subspecialty programs, such as eating disorder clinics, partial hospitalizations, a 12-bed youth facility for a youth age 12 to 16. So the health -- the State benefits by using ARPA money for infrastructure build. It's one-time payment for an infrastructure build and investing in the infrastructure of our mental health system which is what, you know, and I understand that this is coming fast. For ten years we've had an E.R. crisis and we're basically fixing it in two. And it -- it, you know, the projects are coming very quickly. But I think the time -- time is of the essence, and we have the opportunity to use ARPA funds for this type of infrastructure investment.

REP. EDWARDS: (Inaudible).

CHAIRWOMAN UMBERGER: Follow-up.

REP. EDWARDS: Okay. So my follow-up -- I think that was an excellent answer. I just wanted it on the record so that the public knows why we're spending this money.

Uh -- the -- the -- the other question I think we need to tell the public is why HCA? Why isn't there another provider out there that we should be putting this \$15 million into their infrastructure?

MS. SHIBINETTE: So at the, you know, at the same time that we offered the \$45,000 per nursing home beds, we also offered \$200,000 per bed for a hospital to convert their beds to a DRF. And although there were interest -- there was interest, no one has been able to execute that any beds for -- for increasing DRF beds across the state.

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There will be a second request coming forward. This is request one to build a 96-bed hospital. There will be a second request coming for a \$15 million defrayment to build a second hospital in New Hampshire pretty much the same size by another vendor. Those two vendors, one -- hum -- local non--- non-profit in New Hampshire and HCA who has a very strong -- who has very strong community ties in the Seacoast Region, was the second. They are two entities that are ready, willing, and able to build these. We have not had any other health system even approach us about converting beds to involuntary beds, besides the two entities that are offering to build hospitals.

REP. EDWARDS: Thank you. Thank you, Madam Chair.

CHAIRWOMAN UMBERGER: Thank you. Representative Leishman, did you have a question?

REP. LEISHMAN: Thanks, Madam Chair. I have a couple, but I'll go through the Chair, of course. Thank you, Commissioner, and for coming to see us.

CHAIRWOMAN UMBERGER: Peter, you've got to move your mic closer.

REP. LEISHMAN: Oh!

CHAIRWOMAN UMBERGER: Thank you.

REP. LEISHMAN: I'll do it that way. Thanks. So it's certainly there's none of us that would disagree there's a need here. I mean, we've heard that and we know that. By saying this is moving awful fast, I guess could be an understatement, because I recently saw an in-depth article that was written just last week and HCA refused to comment to the reporter on what was going on, and said that he would not provide any information at this time and declined to say when they would. It seems like something like they should want to get the information out there that this is

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moving forward, the community of Epping is in favor of it. But I reached out to one of our colleagues from Epping who actually serves on the Planning Board and nobody has come to Epping to discuss this with the Planning Board. And, yet, it says according to a lot of the documentation that we've received that this facility will be up and running next year.

So I wonder if you could comment on that. Why is some of the secretive stuff or why Epping is being mentioned is where it's going and yet apparently the folks in Epping haven't heard from HCA.

MS. SHIBINETTE: So we have the CEO of Portsmouth General Hospital here if you would like him to come up and give you information around HCA and their process. Would that be appropriate?

REP. LEISHMAN: It's up to the Chair.

CHAIRWOMAN UMBERGER: Yep, that would be fine.

MS. SHIBINETTE: Dean Carucci is here from Portsmouth.

DEAN CARUCCI, Chief Executive Officer, Portsmouth Regional Hospital: Good morning.

CHAIRWOMAN UMBERGER: Good morning.

MR. CARUCCI: For the record, Dean Carucci, Chief Executive Officer at Portsmouth Regional Hospital. So in terms of the news article, we just didn't feel it would be right to comment at this time having not gone through this process and didn't want to get ahead of this Committee. So that was the only reason for that.

Hopefully, within your materials you can see all the details that we've laid out for the plan. In terms of Epping, it is one location we're considering. We have a few

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that are right along 101 that are centrally located between what we view as the population centers in the State of New Hampshire, meaning Manchester, I-93 Corridor, and I-95 for the Seacoast Region. So we have not gone to Planning Board yet, because we did not want to waste folks' time until we had locked down which piece made the most sense.

REP. LEISHMAN: Well, just one further question, Madam Chair.

CHAIRWOMAN UMBERGER: Please, go ahead.

REP. LEISHMAN: Thanks. So in some of the information that we just received, considerations would have to be given for like property tax breaks. So you would be looking for the community that you would be locating in to give, like, property tax relief? Is that how I understand your documents?

MR. CARUCCI: Those are probably original documents that you have. We do not plan to pursue property tax breaks on this project.

REP. LEISHMAN: If I could, Madam Chair. I'm just confused because we just got these documents last week. So there's been a change since last week?

MR. CARUCCI: That's correct.

REP. LEISHMAN: Thank you, Madam Chair.

CHAIRWOMAN UMBERGER: Are there any further questions? Yes, Senator Rosenwald.

SEN. ROSENWALD: Thank you, Madam Chair. I have a few questions, if I could. They're focused on the fiscal impact of this project. When we met earlier this morning, Commissioner, when you presented to the Senate Members, we were told by the Medicaid Director that when this hospital

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is fully operational the non-federal cost increase to Medicaid would be about nine and a half million dollars a year. So, in total, about almost \$20 million a year. How -- what percentage of the patient bed days are we expecting will be filled by Medicaid enrollees?

MS. SHIBINETTE: I'm going to have Henry come up. So he did the calculations.

SEN. ROSENWALD: Thank you.

MS. SHIBINETTE: Thanks, Dean.

MR. LIPMAN: For the record again, Henry Lipman, Medicaid Director. Thank you for the question, Senator. Hum -- the -- in the start-up year it was 1195 admissions for Medicaid which is a little over 40%, I believe.

SEN. ROSENWALD: Forty?

MR. LIPMAN: And -- hum -- the adult is 236 admissions. I think in terms of the percentage it's in that same neighborhood. The start-up operations, as I understand the statistics from Portsmouth pro forma that, you know, they're beginning expecting the first year to be a start-up and then, ultimately, you know, they expect an average daily census of somewhat less than the full that complement of 96 as they're beginning the start-up; but ultimately, that start-up is about 73% of full ADC, and then so there's another twenty -- 27% growth, I think, in the admissions that, ultimately, might be seen when they're at full operational status.

SEN. ROSENWALD: Thank you. Could I follow-up? So, Commissioner, you also told us that the Department expects there will be savings to the Counties in Corrections and the New Hampshire Department of Corrections. Do you know or can you tell us if those entities have been able to calculate savings that they project?

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MS. SHIBINETTE: So when -- when I talk about savings in both county jails and the DOC and in a variety of other areas, that is more of the long-term goal. As we build out our system, what we've talked about is that the acute care side of psychiatric care, which is why we filed the IMD Waiver, was to attract private entities to come and provide acute care in New Hampshire. So this is one example and there will be a second example. That will leave New Hampshire Hospital to provide care to those very chronically ill. Those -- those people that have a hundred admissions to psychiatric hospitals in their lifetime and they're in and out our doors all the time.

We're expecting to still serve that population at New Hampshire Hospital. The forensic population, the justice involved, including the dozens and dozens of mentally ill people that we have residing incarcerated in our county jails. They will -- many of them belong in a clinical environment. Not in a clinical environment like Portsmouth Hospital, but in a clinical environment like New Hampshire Hospital.

So there are several more steps to the build-out of the system before we get there, Senator. So I have not been able to quantify what that overall savings would be to the county system or the DOC system or any of the other systems, including homelessness, all of those other systems that it could impact.

SEN. ROSENWALD: Thank you. One more.

CHAIRWOMAN UMBERGER: Yes, please go ahead.

SEN. ROSENWALD: Thank you. So if 40% of the patients will be projected to be on Medicaid, then up to 60% would be either covered by Medicare or private insurance.

MR. LIPMAN: If I could, Senator. I just want to clarify what -- the numbers that I gave was the, as I mentioned to you this morning, were the additional beds, the 38 additional beds that the dollar figure you quoted and the percentage was based on the additional beds being put into service, the 38 beds.

SEN. ROSENWALD: Okay. But so that's the incremental cost.

MR. LIPMAN: Yeah.

SEN. ROSENWALD: My question is because we're talking about really the most expensive hospital system in the state, has anyone in State Government looked at the potential impact on health insurance premiums for the -- for the voluntary commercially paid beds? I know you haven't, but do you know if, can we be assured that somewhere within the Executive Branch somebody is looking at the potential impact on health insurance?

MS. SHIBINETTE: I can reach out to the Insurance Department and have them do an analysis. But what I do want to stress is that although we're adding beds in New Hampshire, many of our citizens that require this inpatient capacity are just leaving the state to get it right now, because it's not available in New Hampshire. But I will have our Insurance Department look and -- and see if there will be a significant impact by adding these beds.

SEN. ROSENWALD: Thank you.

MS. SHIBINETTE: Yes.

CHAIRWOMAN UMBERGER: Are there any further questions? Oh, you've had your three, Senator.

SEN. ROSENWALD: No -- no hospital took us up on the \$200,000 incentive payment. Forget exactly how much that

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total, but is it coming back somehow or is it staying out there?

MS. SHIBINETTE: It's -- it's not spent, the \$200,000 incentive payment. There were several hospitals that were interested for sure. There was definitely many letters of interest. But COVID hit them so hard in the last year it is really, really difficult for them to look beyond operating their hospitals day-to-day rather than taking another risk. So that money will go back in the pot if it's not spent.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN UMBERGER: Okay. Are there any further questions? Seeing none. Can I have a motion to accept FIS 22-015.

SEN. GIUDA: So moved.

CHAIRWOMAN UMBERGER: Senator Birdsell moves.

SEN. GIUDA: Second.

CHAIRWOMAN UMBERGER: Second by Senator Giuda. Will the Clerk call the roll.

REP. EMERICK: Roll call on 015. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yet. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: No.

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REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair the vote is 9 to 1.

CHAIRWOMAN UMBERGER: The vote being 9 to 1, FIS 22-015 is approved.

***** {MOTION ADOPTED}**

CHAIRWOMAN UMBERGER: We now move to FIS 22-035. Welcome back. Would you mind introducing yourselves. Excuse -- if you would excuse me. The reason I am asking to make sure that people talk into the microphone is because this is going out to anyone that happens to be looking at our YouTube. And we do have a lot of folks that -- that do that. So if you could, it's helpful. Thank you.

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MS. CALISE: Mary Calise, Deputy CFO, DHHS.

MS. FOX: Katja Fox, Director of Division for Behavioral Health.

CHAIRWOMAN UMBERGER: Thank you. Okay. Representative Erf, you had a couple of questions.

REP. ERF: Thank you, Madam Chair. And, again, thank you for your responses to my questions. The only follow-up I have is will the developed quality performance and evaluation metrics be made publicly available and in what time frame?

MS. FOX: Absolutely. We will do that. We often -- and thank you for -- for raising this because we often get asked at these types of settings how are you going to pleasure the effectiveness. And this was an opportunity through this grant to be able to measure the effectiveness of our programs. So yes, we can make those publicly available. I'll have to check with my team at what point in time that we'll -- we'll have that information available.

I will take this opportunity to say that our New Hampshire Rapid Response Program just started on January 1st. And it's served thousands of people already through our ten Community Mental Health Centers. And we're watching the data almost every day. But for the -- cost for really looking at the effectiveness of it, we need a longer period of time for it to be -- hum -- you know, implementation and full implementation. So it may take close to a year before we're able to really take that step back and really see how effective it is.

The other opportunity that we have with this funding is to look at the model. We have a model and what we know in New Hampshire is and our communities and our regions is that not every model fits across the board. So that's why

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we want to look at these and look at the rural areas and look at what it means for particular populations.

REP. ERF: Thank you. Thank you, Madam Chair.

CHAIRWOMAN UMBERGER: Are there any further -- excuse me -- are there any further questions? Representative Edwards.

REP. EDWARDS: This is in the spirit of brainstorming. Earlier we saw that \$290,000 going to the military day care for alcohol avoidance. I'm just curious if -- if you could consider maybe implementing some training at that child care center so that the kids start to hear it before it becomes a problem for them. I mean, be nice if we can integrate some of these programs.

MS. FOX: Absolutely. It's under this effort that wasn't contemplated. But under the Bureau of Drug and Alcohol Services in coordination with the Governor's Commission and it was referenced earlier by Chair Tufts that we have prevention efforts. And so the Governor's Commission has really taken a strong look and heavy emphasis and put forth proposals that look at prevention efforts. And I can follow-up on those efforts and what's happening. But child care serving agencies are really important.

REP. EDWARDS: Thank you.

CHAIRWOMAN UMBERGER: Thank you. Are there any further questions? Could I have a motion?

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

CHAIRWOMAN UMBERGER: Senator D'Allesandro moves the item.

REP. EDWARDS: Second.

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CHAIRWOMAN UMBERGER: Seconded by Representative Edwards. Clerk call the roll.

REP. EMERICK: Roll for 035. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

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REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: FIS 22-035 is approved on a vote of 10 to 0.

***** {MOTION ADOPTED}**

CHAIRWOMAN UMBERGER: We now turn our attention to FIS 22-036. Good morning.

DAVID WIETERS, Information Services Director, Office of Commissioner, Department of Health and Human Services: Good morning. David Wieters, Information Services Director for DHHS.

CHAIRWOMAN UMBERGER: Thank you very much. Representative Edwards, I believe you have a question or a comment.

REP. EDWARDS: Yes, ma'am. It's kind of a quick one. I think we did this offline, but I want to get it into the record. On -- Mr. Wieters, good seeing you again.

MR. WIETERS: Good to see you.

REP. EDWARDS: On Page 2 in the first paragraph, second sentence, it reads the contractor will focus on gathering information on the data being collected, processed, stored and used within the solution, providing details on the intended use of this data, and assessing the privacy controls. I think all of that's good. I just think it's missing the plans for data retention and the data destruction plan. So, you know, data has a life cycle and -- and this sentence overlooked the death of the data.

MR. WIETERS: Certainly. Thank you for the question. The intent of that was an overview. Certainly in the contract it's going to have data destruction, retention,

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pretty much everything that you would expect in a data governance plan -- hum -- to include how people get access, who has access, how it would be shared, with whom and for why.

REP. EDWARDS: Thank you for that. I think it's absolutely brilliant that you guys are doing a PIA on this.

MR. WIETERS: Thank you, Representative Edwards.

CHAIRWOMAN UMBERGER: Are there any further questions?

SEN. GIUDA: Does that mean that Representative Edwards moved the item?

CHAIRWOMAN UMBERGER: No, not yet. No, because Senator Daniels has a question.

SEN. DANIELS: Just one quick question. Is this going to be a competitive bid or sole source?

MR. WIETERS: Thank you for the question. This is going to be a sole source. The goal is to try to get this done as quickly as possible to address any privacy control issues that may or may not be on the system. We don't anticipate any privacy control issues in the system, but we wanted to have that report to the Health and Human Services Oversight Committee as soon as possible. RFP would delay that process.

CHAIRWOMAN UMBERGER: Representative Keith.
Representative Erf.

REP. ERF: Thank you, Madam Chair. And thank you for the answers to the questions I posed. I just want to confirm that the expectation of privacy assessment will be complete by May of this year and will be made public.

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MR. WIETERS: Thank you for the question. So the goal is to have this, if this is approved here at Fiscal Committee, to the next step would be going to Governor Executive Council for approval. Once that contract is approved, it will take six to seven weeks to complete. And then once we have that report, we'll need to put it into a publicly accessible like formatting in case the vendor puts it in their letterhead or whatnot. So we're anticipating an extra week for that. Hum -- so the goal would be eight weeks after contract execution. Currently set for if we get the contract approved in February, it would be March, April, in the -- in the middle of April, beginning of May.

REP. ERF: Thank you. I was actually adding up a giving a little bonus time there, too. Thanks.

MR. WIETERS: I appreciate that.

CHAIRWOMAN UMBERGER: Are there any further questions? Representative Edwards.

****** REP. EDWARDS: I'd like to move this item.

CHAIRWOMAN UMBERGER: Okay. Thank you.

SEN. GIUDA: Second.

CHAIRWOMAN UMBERGER: Senator Giuda seconds. Will the Clerk call the roll.

REP. EMERICK: Roll call on 036. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

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REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: The vote on FIS 22-036 is 10 to zero. The item is approved.

***** {MOTION ADOPTED}**

CHAIRWOMAN UMBERGER: FIS 22-039. I don't think you have that one here.

REP. EMERICK: Yeah, I do.

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CHAIRWOMAN UMBERGER: Oh, you do. Okay. I'm sorry. I did not write down which Senator -- okay. Senator Rosenwald, you had some questions.

SEN. ROSENWALD: I did. I just was hoping to get a count of how many households have been -- hum -- assisted by this Rental Assistance Program so far.

CHAIRWOMAN UMBERGER: First of all, you turned yourself off.

TAYLOR CASWELL, Executive Director, Governor's Office for Emergency Relief and Recovery: I did?

CHAIRWOMAN UMBERGER: Yeah. Okay.

MR. CASWELL: Usually red means off.

REP. EDWARDS: Means it's hot.

CHAIRWOMAN UMBERGER: Hot mic.

MR. CASWELL: Okay. Got it. Okay. With regard to the Emergency Rental Assistance Program --

CHAIRWOMAN UMBERGER: Could you -- Yeah. Could you --

MR. CASWELL: I'm sorry. Taylor Caswell, Executive Director of GOFERR in this role. Is that what your question -- I'm sorry, Senator.

SEN. ROSENWALD: How many households have been assisted so far?

MR. CASWELL: To date, I believe we've just crossed over 12,000 households that have been assisted. And just for the record, also, Senator, that information is on our website. We keep it pretty updated there on the Emergency

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Rental Assistance Program. You can search for how much is for each individual component, rental assistance, utility assistance. You can see all that information right there.

CHAIRWOMAN UMBERGER: Are there any further questions? Okay. Senator Rosenwald moves to approve.

SEN. BIRDSELL: Second.

CHAIRWOMAN UMBERGER: Seconded by Senator Birdsell. Will the Clerk please call the roll.

REP. EMERICK: Roll call on 039. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

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SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: FIS 22-039 is approved on a vote of 10 to zero.

***** {MOTION ADOPTED}**

CHAIRWOMAN UMBERGER: Okay. The next item is FIS 22-042. Is that correct?

REP. EMERICK: No. Next one I have is 016.

CHAIRWOMAN UMBERGER: Okay. All right. Okay.

REP. EDWARDS: Mine must have been (Inaudible).

CHAIRWOMAN UMBERGER: Okay. Uh -- Mr. Kane, did we take 042 off? We did. Okay. So I need a motion to approve 042.

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

CHAIRWOMAN UMBERGER: Thank you --

SEN. BIRDSELL: Second.

CHAIRWOMAN UMBERGER: -- Senator D'Allesandro.

REP. EMERICK: I got to get there. Wait a minute.

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CHAIRWOMAN UMBERGER: Okay. No problem. It's in Tab 6.

REP. EMERICK: Tab 6. Okay. 042. Okay. I'm with you.

CHAIRWOMAN UMBERGER: Okay. It was Senator D'Allesandro and Senator Birdsell.

REP. EMERICK: Okay. Roll call on 042. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes. Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

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REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: FIS 22-042 has been approved on a vote of 10 to zero.

***** {MOTION ADOPTED}**

(8) RSA 7:12, Assistants:

CHAIRWOMAN UMBERGER: Okay. We now turn to Tab 8.

REP. EMERICK: Tab 7 I thought we had. I thought we had 01 in Tab 6.

CHAIRWOMAN UMBERGER: No, that was taken off. Okay. Tab 8. Mr. Attorney General. The first item on the -- on Tab 8 is FIS 22-011, and it's a request for 2 million --

SEN. GIUDA: 001.

CHAIRWOMAN UMBERGER: Sorry, 001. Excuse me. I -- dyslexia, I guess. Okay. And this is a request for two -- \$2,853,691 in general litigation expenses. So.

JOHN FORMELLA, ESQ., ATTORNEY GENERAL, Office of Attorney General, Department of Justice: Yeah, would you like me to give an overview?

CHAIRWOMAN UMBERGER: I certainly think that's appropriate.

ATTORNEY GENERAL FORMELLA: Sure.

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CHAIRWOMAN UMBERGER: I don't think anyone here is just going to say, okay, here's --

ATTORNEY GENERAL FORMELLA: Right.

CHAIRWOMAN UMBERGER: -- two million.

ATTORNEY GENERAL FORMELLA: Absolutely. Thank you, Madam Chair. Thank you, Members of the Committee. Attorney General John Formella for the record.

Hum -- as you'll recall, we came before you in August of last year for, I think, approximately \$2.7 million for our litigation fund. That was the best estimate we had at the time. As the item explains, we've had a number of developments that have significantly increased our estimated expenses through the end of this Fiscal Year. One of the primary matters that accounts for this is the YDC criminal investigation and also the civil side of that matter.

One thing that I think has -- that hasn't been completely understood by the public is that as part of the criminal investigation of the Youth Development Center, we also have to assist the Department of Health and Human Services with responding to requests related to that criminal investigation and that happens on the civil side of our office. So that has just resulted in a very large volume of records and documents that need to be produced and reviewed. We -- we came before you and got approval for four temporary attorneys through ARPA funds. We have -- we've filled two of those positions. We have another person starting in March, and I do believe that as -- as those new attorneys get up to speed and are brought on, we will be able to reduce the need for outside help in reviewing and producing those documents for the criminal investigation. And also reducing the need for outside help for the -- for the criminal lawyers who -- who have to ultimately produce these documents to the defense.

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So that -- that -- the -- the sheer volume of the documents involved is -- is much greater than I think we anticipated back over the summer. So much of this investigation has really heated up or I should say much of the prosecution part of this matter has really heated up since we charged 11 individuals back in April. As we've moved, I think we have a better handle now on -- on what we're looking at over the next couple years and we'll be able to estimate this more accurately going forward, you know, now that we've got charged cases and now that those cases are moving forward. But, anyway, the YDC matter is a big component of this.

Another big component of this is a major transaction - I think you're all probably aware of what it is - but -- but a major transaction within our antitrust bureau, and it's an investigation we're doing of the proposed combination between Dartmouth-Hitchcock Health and GraniteOne. So I don't want to go -- I can't go into the details of -- of that, but that -- that is a review and investigation that is taking longer than we anticipated it may take back in August. I was hoping that we would -- we would have it completed by the end of the year when we came before you in August. At this point we're looking more towards March or April, and that -- that will result in additional costs.

And then the third major component of this request is a couple of federal court cases that we provided you some detail on that -- that got past the motion to dismiss stage. So in August we were still hopeful that we would not have to go past the motion to dismiss stage in these cases. Motions to dismiss in both those cases were denied and what that means is we're now moving into discovery which will require a large amount of document review, a -- hum -- some assistance from outside counsel in how we manage that. It will require many depositions. So it's just an additional burden on our civil litigation unit.

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In addition to those three major components, what we're seeing right now from my perspective, and I've also confirmed this with folks who have been in the office longer, we -- we are dealing with a higher volume of -- of civil litigation than we have in a long time and perhaps ever. We're just in an era where states and governments are being sued more and more often. And so we -- that's placing a large burden upon our civil litigation unit.

I'm actively working on and I've tasked the team with working on strategies for how to address this in the next budget. One of the things we've already started to do is -- is obtain things like more up-to-date E-discovery tools to -- to make our processes as efficient as possible so that we do not need to utilize outside counsel for help. But the reality is, is that if our lawyers are busy with a very high volume of cases when we get these major matters in, in order to be able to manage discovery and keep these cases moving along, and not get ourselves into a place where we have to settle the cases on poor terms for the state, we need to utilize outside counsel, and that's a significant expense.

So, again, we'll be -- we'll be putting a lot of effort into how we address that and looking for strategies to address that in the next budget. But for purposes of sitting here now, that -- that really is the major driving force behind -- behind these increased estimated costs for the rest of the Fiscal Year to both prosecute a criminal matters and defend the state in civil litigation.

So that's an overview of the request. I'm happy to answer any -- any specific questions you have.

CHAIRWOMAN UMBERGER: Are there any questions? Senator Giuda.

SEN. GIUDA: Thank you, Madam Chair. General, as you know, this Committee has been served and would it be safe to say that incorporated in the cost you're asking us to fund is potentially your reaction to that action?

ATTORNEY GENERAL FORMELLA: Yes, that is one of the many cases we're working on but yes. We represent all of you and everyone else who's been served in that case. So yes, that would be accurate.

CHAIRWOMAN UMBERGER: The only one here is Senator Birdsell has not been sued.

REP. LEISHMAN: Change that.

CHAIRWOMAN UMBERGER: Oh. Excuse me. We shouldn't have fun. Uh -- Senator Rosenwald.

SEN. ROSENWALD: Thank you, Madam Chair. Good afternoon.

ATTORNEY GENERAL FORMELLA: Good afternoon.

SEN. ROSENWALD: I know the State is prepared to go to trial against Johnson & Johnson in a week or two. Is that factored in here or is that a separate contingency based piece?

ATTORNEY GENERAL FORMELLA: Yeah. That is not factored in here because we -- we signed a contingency fee agreement with outside counsel long ago. And so they -- they're handling all those costs and whatever we recover in an eventual settlement or verdict they will be paid with a percentage of that.

CHAIRWOMAN UMBERGER: Are there any further questions? Okay. Let's divide \$2 million by six months. That's quite a bit each day. Okay. Could I have a motion for the item?

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SEN. GIUDA: Move the item.

CHAIRWOMAN UMBERGER: Thank you --

SEN. BIRDSELL: Second.

CHAIRWOMAN UMBERGER: -- Senator Giuda. Seconded by Senator Birdsell. Okay. Would the Clerk please call the roll.

REP. EMERICK: Roll call on 001. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

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SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: The vote is 10-zero on FIS 22- 001 is approved.

ATTORNEY GENERAL FORMELLA: Thank you.

*** {MOTION ADOPTED}

- (9) RSA 9:16-a, Transfers Authorized, RSA 14:30-a, VI Fiscal Committee Approval Required for Acceptance And Expenditure of Funds Over \$100,000 from any Non-State Source, RSA 9:17-a, Limitations, and Chapter 91, Section 35, Laws of 2021, Change in Federal Match Revenue:

CHAIRWOMAN UMBERGER: Okay. Turning now to FIS 22-032, Department of Health, authorization to transfer General Funds in the amount of \$19,053,889 between various class lines. Decrease federal revenues in the amount of 83,747, and decrease other revenues by nineteen million fifty seven -- \$19,057, and create a new expenditure class code. So.

MS. CALISE: Mary Calise, Deputy CFO, DHHS.

CHAIRWOMAN UMBERGER: Uh -- could you just give us a quick overview of why we need to do this?

MS. CALISE: So periodically, approximately three times a year, the Department does come in and reallocate funding

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that was originally budgeted to address needs as they have arisen since the budget was passed.

CHAIRWOMAN UMBERGER: Okay. Are there any questions? Representative Erf.

REP. ERF: Thank you, Madam Chair. Uh -- thank you for answering questions I had previously asked. I received a spreadsheet in the last day or so which I'm guessing is from you, which was really helpful in understanding the underlying Fiscal Note. And I know I'm unusual in this regard, but I would ask would you might be able to provide that in the future with the Fiscal Note when it comes out to have a little more time to understand it?

MS. CALISE: Certainly. We've used the same format for well over ten years and have not been asked to change it until recently, and certainly we can make adjustments to that if it better suits what you're looking for.

REP. ERF: Well, thank you for the changes. Those are great, too. But even the change without the spreadsheet I couldn't understand. But once you gave me the spreadsheet, it made a lot more sense. So thank you very much for all the help.

CHAIRWOMAN UMBERGER: One of the things that the Committee has asked and will ask not only Health and Human Services but all of the departments when it's time to do transfers, that we would like to see what we call a "to and from". Okay. So that we know that it's going here and it came from here.

MS. CALISE: Hm-hum.

CHAIRWOMAN UMBERGER: Because it's -- I'm sure the information is all there, but it's difficult because not all of us are well aware of what's in your -- in your budget, although overall we know, so. If -- uh -- if we

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could do that, and I know that Mr. Kane has indicated that he will pass that on to DAS. So are there any question -- any further questions? Yes, Senator Edwards or Representative Edwards.

REP. EDWARDS: Thank you, Madam Chair. You know, one of the reasons I've really enjoyed working with Miss Rounds this past year is that she's just a straight shooter. And so -- hum -- the question I have here is -- hum -- while I understand that there's normal budget variances, that our budgeting knowledge isn't perfect in reality, it's just going to happen, you know. Hum -- but what I'm curious about is did we -- did we learn anything in this particular round of budget variances? Did we -- did we miss something? Did we make, you know, a significant communication error that we're fixing? I'm just -- I'm looking for, you know, lessons learned.

MS. CALISE: I would want to do a deeper analysis to be able to respond to specifics of that. One thing that comes to mind, when we budget vacant positions they're all budgeted at Step 1. One thing we found is often vacant positions get filled at a much higher step which means the dollars to pay for those positions weren't budgeted at the appropriate level. Hum -- so that's something that we could provide data on. That might assist in terms of how we could better budget moving forward.

REP. EDWARDS: All right. I'm not looking for any more data. But if Miss Rounds wanted to, you know, inform me if we've -- if she's learned anything in this variance adjustment process that's significant or material, I'd appreciate just hearing that.

MS. CALISE: I'll speak with her about it.

REP. EDWARDS: Very informal.

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CHAIRWOMAN UMBERGER: Thank you. Uh -- are there any further questions?

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

CHAIRWOMAN UMBERGER: Uh -- Senator D'Allesandro moves approval of FIS 22-032. Do I -- seconded by Senator Birdsell.

REP. EMERICK: Roll call on 032. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

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SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: FIS 22-032 is approved on a vote of 10 to zero.

***** {MOTION ADOPTED}**

(10) RSA 490-F:7, III, Circuit Court Judges; Number:

CHAIRWOMAN UMBERGER: We now turn to Tab 10, FIS 22- 037 from the Judicial, Branch, and this is authorization to convert an existing vacant full-time marital master position to a full-time judicial vacancy in the Circuit Court. Hi.

HON. GORDON MACDONALD, Chief Justice, New Hampshire Supreme Court, Judicial Branch: Good afternoon, Madam Chair. For the record, Gordon MacDonald, Chief Justice. With me is Susan Ashley who's the Deputy Administrative Judge for the Circuit Court.

HON. SUSAN W. ASHLEY, Deputy Administrative Judge, Circuit Court, Judicial Branch: Thank you.

CHAIRWOMAN UMBERGER: Thank you. Could you just give us a short overview of -- I don't think we have any problem with what's occurring, but it would just be nice for a short discussion.

CHIEF JUSTICE MACDONALD: Thank you. Thank you for the opportunity, Madam Chair. The Circuit Court was created in 2011. When it was created, there were 30 -- get the number

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right -- 32 judges and 13 marital masters. When the Court was created, the Legislature provided that when a marital master left, that position could be converted to a judicial officer. And as the materials I submitted with our letter indicate, that has happened eight times over the intervening period.

To have that happen requires two things. One, approval of the Fiscal Committee; and, two, the fact that sufficient funds have been appropriated to cover the judicial officer. And in my letter I have indicated that we have appropriated sufficient funds for this biennium to cover the judicial officer.

We have at present two marital masters and 39 circuit judges, total of 41 judicial officers. A marital master has indicated that he is retiring as of February 1st. So that would convert that position to a full-time circuit judge.

CHAIRWOMAN UMBERGER: And how long do we anticipate until someone might be nominated?

CHIEF JUSTICE MACDONALD: That's a great question. I defer to the Governor.

CHAIRWOMAN UMBERGER: Can't you see the second?

CHIEF JUSTICE MACDONALD: From my perspective, Madam Chair, as quickly as possible; but I leave that to the Governor.

CHAIRWOMAN UMBERGER: Oh, okay. All right. Well, you know -- hum -- when we -- when you lose a person on the Circuit Court, it really -- uh -- creates a lot of problems, and that's -- that's one of the reasons I was asking.

CHIEF JUSTICE MACDONALD: I agree with the Chair, and -- hum -- it's one of the reasons we were coming

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forward as quickly as we are to get the position converted so there's no undue diminishment in productivity.

CHAIRWOMAN UMBERGER: Thank you. Are there any further questions?

** SEN. GIUDA: Move the item.

CHAIRWOMAN UMBERGER: Okay. Senator -- oh, you had a question?

SEN. DANIELS: Yes.

CHAIRWOMAN UMBERGER: Go ahead. I'm sorry.

SEN. DANIELS: Thank you. I've been around long enough where I remember the times where Judiciary came to the Legislature and talked about how they needed all these marital masters. Now we seem to be going the other way. Is the intent to phase out the marital master and convert them all back? And if that is the case, then what went wrong with the previous experiment?

CHIEF JUSTICE MACDONALD: This is an entirely -- this is a policy decision that was made by the Legislature in 2011. When a marital master left, that position pursuant to legislation could be converted to judicial officers. So that was the decision, Senator, that this body made back in 2011.

SEN. DANIELS: Follow-up. As you just stated it could be converted; but it appears that you choose not to convert it.

CHIEF JUSTICE MACDONALD: I am here asking for the current anticipated vacancy to be converted.

SEN. DANIELS: Okay. Let me see if I can rephrase my question.

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CHAIRWOMAN UMBERGER: Sure.

SEN. DANIELS: It's not a requirement that you -- that you change a marital master position to a justice position; is that correct?

CHIEF JUSTICE MACDONALD: No, it does not -- if I'm understanding, Senator, your question, it doesn't happen automatically, and it's not required. It is within, you know, our discretion to come forward to this Committee and ask for approval and, ultimately, it's the decision for the Fiscal Committee.

SEN. DANIELS: So why are we asking for this conversion as opposed to filling it some other way?

CHIEF JUSTICE MACDONALD: There is no other way to fill it.

SEN. DANIELS: Okay.

CHAIRWOMAN UMBERGER: Representative Lynn, you had a question?

REP. LYNN: Yeah, if I may just add a little bit of context to this. I think -- I think, Senator, because I do have some background in this, I think that this is really sort of a long and, candidly, as I think it's a story in large part of the Legislature changing its mind. In 2011, the -- the idea -- the statute was enacted that permitted the change, the conversion to from marital masters to Circuit Court judges. And initially the -- I think for that biennium, the idea was that -- that this change would occur by attrition. That when as marital masters retired, they would be replaced by Circuit Court Judges.

Subsequent to that, and candidly in my view very unfairly, the Legislature changed its mind and decided that

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some marital masters should be terminated. And, in fact, some were. Quite unfairly in my mind. After that, at some point, and I can't give you an example when, but certainly while I was still -- still working in the Judicial Branch, the Legislature decided, I think for monetary reasons, and I'm not -- please understand, I'm not criticizing, that may have been entirely appropriate, the Legislature decided, well, because marital masters are paid less, maybe it does make some sense to kind of continue with marital masters. And so for a certain period of time then there were no changes. And now, you know, it seems that that has changed again.

My understanding and I -- and I asked particularly Judge Ashley who's been here for a long time, my understanding is that from the perspective of the Judicial Branch, we believed all along from the beginning when this statute was first enacted that it was -- although we certainly didn't think anybody should be fired, we thought we agreed with the idea initially that all this change should be by attrition. But we agreed with the idea that it was better to have Circuit Court Judges rather than marital masters.

So it was not, as far as I know, it was never the Circuit Court that thought we should kind of, you know, not make the conversions. But for a period of time we didn't do it because we understood that that's what the Legislature desired. That's -- if -- if my understanding, Miss Ashley or Judge Ashley is wrong, please correct me.

JUDGE ASHLEY: No, that is an accurate assessment.

CHAIRWOMAN UMBERGER: Please -- please turn your mic on.

JUDGE ASHLEY: I'm sorry. My apologies. Can you hear me better now?

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CHAIRWOMAN UMBERGER: Yes.

JUDGE ASHLEY: Thank you. So what the legislation actually requires is that -- that marital master positions shall convert to a judicial position upon its being vacant, provided just as the chief indicated earlier that there is the request of the Fiscal Committee to allow that conversion, and then the funding being available. It doesn't really give us the option to continue or appoint another marital master in place of the one who's retiring.

So that's what we have to do. We have to come and ask all of you folks for assistance with this process in order to fill the vacancy that we have now for the one of the two remaining marital masters who have not yet retired.

CHAIRWOMAN UMBERGER: Okay. Thank you very much.

JUDGE ASHLEY: You're welcome.

CHAIRWOMAN UMBERGER: Are there further questions? Seeing none. Could I -- oh, is that a question? Senator Giuda.

SEN. GIUDA: Thank you, Madam Chair. So with -- with the addition of this Circuit Court Judge, what will the total number of Circuit Court Judges be?

CHIEF JUSTICE MACDONALD: Total number of Circuit Court Judges will go from 39 to 40.

SEN. GIUDA: Thank you.

CHAIRWOMAN UMBERGER: Any other questions? Seeing none. Could I have a motion, please.

** SEN. BIRDSELL: So move.

CHAIRWOMAN UMBERGER: Senator Birdsell moved.

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SEN. D'ALLESANDRO: Second.

CHAIRWOMAN UMBERGER: Oh, let's let --

REP. LEISHMAN: Lou have it.

CHAIRWOMAN UMBERGER: Let's let Representative Leishman.

SEN. D'ALLESANDRO: (Inaudible.) The other side.

CHAIRWOMAN UMBERGER: Well, you know, it's okay.

REP. EMERICK: I just need a name.

CHAIRWOMAN UMBERGER: Leishman.

REP. EDWARDS: (Inaudible.)

CHAIRWOMAN UMBERGER: Will the Clerk please call the roll.

REP. EMERICK: Roll call on 037. Representative Edwards.

REP. EDWARDS: Yes to approve this divorce.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

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REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is ten to zero.

REP. LEISHMAN: Madam Chair, I did before the Chief Justice leaves, I just had something to say.

CHAIRWOMAN UMBERGER: Okay. Let me announce the vote --

REP. LEISHMAN: Oh, I'm sorry.

CHAIRWOMAN UMBERGER: And then you can say whatever you want.

REP. LEISHMAN: Don't say that.

CHAIRWOMAN UMBERGER: Oh. FIS 22-037 is approved 10 to zero.

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*** {MOTION ADOPTED}

CHAIRWOMAN UMBERGER: Now, Representative Leishman, you have a comment.

REP. LEISHMAN: Thanks, Madam Chair. So I haven't had a public ability to say this but -- until now, but I worked with the Attorney General, now the Chief Justice, for years on Division I in Finance. And I know there was lot of talk at the time and question about his nomination. But I'd have to say that there's nobody with the integrity, honesty, and ethics that I witnessed, and I'm so glad to see him in the position that he's in. So thank you.

CHIEF JUSTICE MACDONALD: Thank you. Thank you very much, Representative.

REP. EMERICK: (Inaudible).

CHAIRWOMAN UMBERGER: Yes, very good. All right. Thank you very much for coming in and good luck on finding a judge.

(11) Miscellaneous:

CHAIRWOMAN UMBERGER: Okay. We now turn to the late item from Health and Human Services, FIS 22-043.

Uh -- Mr. Kane, for those listening from home or wherever, is this item on the website?

MR. KANE: Yes, it is.

CHAIRWOMAN UMBERGER: Okay. All right. So if you want to find out what we're talking about you can go into the website and look up FIS 22-043.

Uh -- this is ARPA money in the amount of \$12,012,000, which will be used to pay for at home COVID test kits.

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Okay. That's what it's for. So could I have someone from HHS come forward.

MS. SHIBINETTE: Good afternoon. Lori Shibinette, DHHS Commissioner.

JONATHAN BALLARD, M.D., Chief Medical Officer, Department of Health and Human Services: Good afternoon. Jonathan Ballard, Chief Medical Officer for DHHS.

CHAIRWOMAN UMBERGER: Uh -- are there -- you have a question?

REP. EDWARDS: Two.

CHAIRWOMAN UMBERGER: All right, two. Go ahead, Representative Edwards.

REP. EDWARDS: Thank you, Madam Chair. I have a technical question and kind of a strategic question to get your thoughts. The technical question is, as I understand it, this \$12 million is coming out of federal funds and then as we sell these, it sounds like we're selling them, that we will have revenue returned and it will be somehow credited back. And so the technical question is an accounting one. Shouldn't there -- as we're seeing 12 million going out, shouldn't we see the 12 million coming back in?

MS. CALISE: Mary Calise, Deputy CFO. The -- it will come back in. We are still working out the logistics with Bureau of Accounting on how we will reflect that.

REP. EDWARDS: So will that require another Fiscal Committee vote.

MS. CALISE: That remains to be seen at this time. Unlikely, but that remains to be seen. We have not worked out all the specifics.

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REP. EDWARDS: Thank you. And then a follow-up on the --

CHAIRWOMAN UMBERGER: Yes.

REP. EDWARDS: It's kind of a strategic question. You know, I don't -- I don't know -- really have the feel that you both have for the sort of the rhythm of where we are in the COVID process. We've had Delta which is a big one. We've had Omicron which was contagious. But it -- it -- are we buying these kits right as the demand for the kits are about to drop substantially? I mean, the -- the initial estimate of a need was probably done a few weeks ago when it was, oh, my God, the world is caving in. But now that we're a little further in the process, I'm wondering -- if -- if this is too much too late.

DR. BALLARD: If I may, Representative? Again, my name is Jonathan Ballard, Chief Medical Officer. As you're aware nationally, there's a demand for rapid test kits. It's essential to keep businesses open, children in school, child care open, the economy continue to function amidst of continuous surge in the COVID-19 Pandemic.

The current situation is the Federal Government is buying up large swaths of the rapid antigen test. Been announced they may need 500 million now, additional 500 million soon, and there's a website that's been released where individuals can request at this time for tests to be mailed to their individual homes. Much like New Hampshire's already done a couple of rounds recently. But what has -- part of that national purchase is that they are not purchasing the stock that is already out in the market produced. They've entered into contracts with manufacturers of rapid antigen tests for those that have not been promised already.

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What we're dealing with today is this is really a short-term issue in that we have large numbers of people who need access to those tests now, and we have vendors who do have these tests available now, but they're not into the system where individuals can purchase them. There's limited stock in the pharmacies and other locations. And as you've been aware, there's shortages where people are not able to get them. They're there on some days of the week but not every day essentially. So it can create a barrier for schools to be open, barriers for children to have access to those tests and employers.

So what we intend to do with this purchase is to go through a competitive bid process. All of those different vendors that are approaching us and saying that they have tests available now, but they can't get them out to the public, we just want to make sure that that access happens. And so through a competitive bid process working with Department of Administrative Services, the team that procures medical equipment, to offer that procurement, immediately get these into sell in the state, recover our costs essentially, not making -- looking to make any profit off of this, but ensuring access to all individuals. So that's all it is is just ensuring access and meeting an observation that we can meet the need.

REP. EDWARDS: Follow-up. It is a real follow-up.

CHAIRWOMAN UMBERGER: Okay.

REP. EDWARDS: Okay. So to follow that up, what -- what I think I heard you say to my question is that this is the right quantity at the right time that we -- knowing what we know today, we are validating the decision that was probably made a month or so ago.

DR. BALLARD: That's accurate, Representative. You're aware the Department worked with our partners at the CDC and NIH to be the only state that dispersed an initial

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round of nearly a million tests, and then we were able to do it again with another round of 750,000 tests. That got us through about two weeks in early December, another two weeks there in late December, and then this would be another essential round of a similar size quantity that could get us through, you know, the next, you know, period.

CHAIRWOMAN UMBERGER: Senator Rosenwald.

SEN. ROSENWALD: Thank you, Madam Chair. What is the projected date for having these kits in the stores and ready for sale?

DR. BALLARD: So simultaneously we did not want to slow down, and we also wanted to have New Hampshire have the advantage of obtaining the tests that are out there and the limited number that are already produced and ready. So we've been working with Department of Administrative Services to open the competitive bid process. It actually closed today. We're actually able to open all of the bids and find out what they are. We had a number -- I don't know which one will be chosen. It'll be competitive and go through the proper procedures. But a number of these different manufacturers and distributors have the tests in hand and have indicated that they would like to ship them directly to the warehouses and get them out into the stores as quickly as possible.

CHAIRWOMAN UMBERGER: Follow-up.

SEN. ROSENWALD: Thank you. Does this then have to go to the Executive Council, also? I'm really looking for a date when these tests will be in the stores.

DR. BALLARD: Okay. So the next Executive Council meeting on the 27th, I believe, will have an accept and expend of these funds. But because it's going through the competitive bid process it's not a contract. It's through actual procurement through existing vendors. But it's the

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27th. It does have to go through Executive Council in a different form to use the funding. And then at that point in time the vendors would have to go ahead, they would be paid, and would be able to start shipping to the state.

MS. SHIBINETTE: So seven to 10 days after the Executive Council. He's a doctor. I'm a nurse.

CHAIRWOMAN UMBERGER: And we're all patients. Senator Daniels, you have a question?

SEN. DANIELS: Yes, thank you. The explanation states that these funds from the sales of these will then be reallocated to another eligible expense under the normal process. Does that normal process include coming back to Fiscal to determine where the 12 million will be reallocated or are they going to be able to just take that 12 million and put it wherever they want without coming here?

MS. CALISE: That speaks to when we get this money from the sales, it will free up the ARPA dollars that are being used to make this purchase and those dollars would then be reallocated through the normal process.

SEN. DANIELS: I understand what you're saying. I'm asking what the normal process is. I'm asking if then somebody can take that \$12 million and go and spend it without coming back to Fiscal or whether they're going to need to come back to Fiscal and say --

MS. CALISE: I believe they would need -- I believe they would need to come back to Fiscal, yes.

SEN. DANIELS: Okay. Thank you.

CHAIRWOMAN UMBERGER: Senator D'Allesandro.

SEN. D'ALLESANDRO: Thank you very much, Madam Chairman. Dr. Ballard, thank you for all of the work that you have done. I call and you pick up the phone. Do you know what an exhilarating experience that is when someone actually answers the damn phone? And you do all the time, and I thank you for that. Because that shows we have responsible public servants there when we need them, and that is essential. That's what makes government work. You're helping to make government work. I'm appreciative of that, truly. So I want to thank you. And I didn't get any comments with regard to my health or anything of that nature. It was just a professional question, so thank you so much. He's not -- he's not acting as my doctor, but he's acting as a state employee.

CHAIRWOMAN UMBERGER: Oh, okay.

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

CHAIRWOMAN UMBERGER: You're quite welcome.
Representative Leishman.

REP. LEISHMAN: Thank you, Madam Chair. But when I see D'Allesandro's number show up on my phone, I usually don't answer it, so. But I do have a real question. So you don't have an idea right now of the cost associated with these kits and what the administrative costs might be that someone would bear if they purchased one?

DR. BALLARD: Thank you very much for that question. So the open market I think they're around 10 to \$12 per test. So that's actually the fee that the Federal Government has said that insurance should be reimbursing persons for would be \$12 per test. And so that's sort of the cost. If you have a box that has two tests in it, 20 to \$24. But I guess I can say that now that the competitive bid process is closed. I didn't want to say that in advance obviously. And then there would be -- I don't know about the actual fee for the Liquor Commission to be able to sell the product,

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but somewhere on the range of 1 to \$2 is what we understand.

REP. LEISHMAN: Thank you. Thank you, Madam Chair.

CHAIRWOMAN UMBERGER: Are there any further questions? Senator Giuda.

SEN. GIUDA: Tongue in cheek, Madam Chair. I would inquire whether the Liquor Commission is expecting to see an increase in revenues because they are the point of dispensation of these tests? Just saying.

DR. BALLARD: Thank you, Senator. We have heard that you can get a COVID test and glass of wine.

CHAIRWOMAN UMBERGER: Certainly works for me. Okay. Uh -- are there any further questions? Seeing none. Could I have a motion to --

** SEN D'ALLESANDRO: So move.

CHAIRWOMAN UMBERGER: Moved by Senator D'Allesandro.

SEN. BIRDSELL: Second.

CHAIRWOMAN UMBERGER: Seconded by Senator Birdsell. Will the Clerk please call the roll.

REP. EMERICK: Roll call on 043. Representative Edwards.

REP. EDWARDS: Yes.

REP. EMERICK: Clerk votes yes. Representative Erf.

REP. ERF: Yes.

REP. EMERICK: Representative Leishman.

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REP. LEISHMAN: Yes.

REP. EMERICK: Senator Daniels.

SEN. DANIELS: Yes.

REP. EMERICK: Senator Birdsell.

SEN. BIRDSELL: Yes.

REP. EMERICK: Senator Giuda.

SEN. GIUDA: Yes, with Merlot.

REP. EMERICK: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. EMERICK: Senator D'Allesandro.

SEN. D'ALLESANDRO: Yes.

REP. EMERICK: Representative Umberger.

CHAIRWOMAN UMBERGER: Yes.

REP. EMERICK: Madam Chair, the vote is 10 to zero.

CHAIRWOMAN UMBERGER: The vote on 22-043 is 10 to zero.
It is approved.

***** {MOTION ADOPTED}**

(12) Informational Materials:

CHAIRWOMAN UMBERGER: Okay. We now move to the information item. And I would -- I do have a couple of comments that I want to pass on. Hum -- first of all,

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Melissa Rollins is receiving a step increase. She has recently joined the LBA and she was with New Hampshire State Government before. So this was a standard procedure. Just appears to be a little early.

The second thing is DAS has provided a health insurance request or information. And I just felt that this was an excellent report and that you're -- your folks that are managing the health benefits are, obviously, doing a good job. And because some of us remember when you were here pleading for money because the health insurance and dental insurance were in such terrible state. So thank you for getting us to the point where we can be very pleased with what's going on in the health insurance arena. So thank you.

Uh -- we also got a report on PFAS and all that other "P" stuff that goes on with that. And -- hum -- I want to thank Environmental Services for that information. And it may be that I just may not have been keeping up with all the reporting, but it certainly helped me in understanding what was going on with the PFAS in New Hampshire.

FIS 22-119, which is the Operating Statistics Dashboard. Let me get to that one. Did anyone have any questions on this besides me? This is just a very simple question. Hum -- we all obtained eye strain from reading your Dashboard. And it -- it makes it difficult to try to come to grips with all of the hard work that you're putting in to providing us the Dashboard. And -- and we really appreciate it, and we -- we appreciate the information, but it -- it's just -- I don't know, I don't have any answer to it. But I just know that you heard Representative Leishman say that earlier today and I don't know -- I don't know how to solve the problem.

MS. SHIBINETTE: Well, two years ago I wanted to change the Dashboard because I felt like there was more relevant information that I could provide the Committee rather than

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going back to '18 and '19, and I was asked not to change it.

CHAIRWOMAN UMBERGER: Who asked you that?

MS. SHIBINETTE: Fiscal.

CHAIRWOMAN UMBERGER: Does anyone have any objection to -- to.

UNIDENTIFIED SPEAKER: (Inaudible).

CHAIRWOMAN UMBERGER: Yeah, to making changes.

MS. SHIBINETTE: I'll -- I'll continue to provide what I have. And then when we come up with a new Dashboard, I'll provide it in addition to so you can see whether the new format and the new information better suits or is more relevant to your decision-making.

When I look at this Dashboard and I see years past I just -- I don't know how it's relevant to some of the decisions you're making and that's what makes the -- the -- -- the print so small is that we go back so far. So is there a better way to provide you this information that makes it more relevant and useful to the discussion and to the decisions.

CHAIRWOMAN UMBERGER: Thank you.

MS. SHIBINETTE: Okay. I'll work on it.

CHAIRWOMAN UMBERGER: Okay.

MS. SHIBINETTE: It probably won't be ready for next month, but in the coming months I will come with something.

CHAIRWOMAN UMBERGER: All right, just -- okay. Thank you very much.

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REP. EDWARDS: Madam Chair.

CHAIRWOMAN UMBERGER: Yes.

REP. EDWARDS: Could I follow-up on that?

CHAIRWOMAN UMBERGER: You certainly may.

REP. EDWARDS: You've mentioned that you would like to provide us information to help us make our decisions. The information I also get extremely interested in is the critical information that's driving your decisions and your management of the Department. So if you could think of it as, you know, a two-way thing, because I'd like to have some insight into what is driving your decision-making.

MS. SHIBINETTE: Sure. And we talked a little bit about that this morning -- hum -- at a pre-Fiscal meeting around coming with more of a strategy like a meeting where I can lay out the strategy, let's say for around mental health, you know, and all of the projects we have coming forward, now, that I could lay out more of a strategy, rather than the individual project. And although I often communicate with the Chair or with -- with Senator Morse, I think having a wider audience so that you understand my strategy or the Department's decision-making is more helpful for you.

CHAIRWOMAN UMBERGER: Great. Representative Erf. This is not supposed to be a big discussion.

REP. ERF: This is a question.

CHAIRWOMAN UMBERGER: Go ahead.

REP. ERF: Could you also provide the underlying spreadsheets then as well?

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MS. SHIBINETTE: The underlying spreadsheets for?

REP. ERF: A lot of these -- I assume a lot of these elements of the Dashboard is spreadsheets and they sort of look like spreadsheets.

MS. SHIBINETTE: I think a lot of them are right from our budget -- our budget software but yes. We're going -- we're going to start from scratch, so I'll see what I can provide and we can have many iterations of it.

REP. ERF: If there's a question, Miss Rounds can contact me. She'll know what I want.

MS. SHIBINETTE: Okay.

CHAIRWOMAN UMBERGER: Okay. I do have just one quick question and that is on your caseload versus unemployment. And I just -- I can't understand why since the COVID -- we had the large unemployment in April and it's continued to go up. I know that there's supposedly a thing that says you can't have anybody leave, but it just seems to me that -- hum -- it's getting to -- it's getting to the point that I -- I obviously need to understand this better.

MS. SHIBINETTE: That -- that is the issue is that during the Federal Public Health emergency you're not able to take anybody off Medicaid. So because the Public Health emergency, the federal -- the federal designation of the Public Health emergency is going on for an extended period of time. We do believe that the Federal Government is going to make an effort to decouple those two things so that we can start doing what we're calling Medicaid Unwind, which is taking people off Medicaid very quickly. So the increase that you see in Medicaid and caseloads and things, that's what it is through '20 and '21. But that's federally mandated.

CHAIRWOMAN UMBERGER: No, I got that. I guess that what -- what concerns me is that our Medicaid caseload or the caseload has remained at about 12% forever.

MS. SHIBINETTE: Hm-hum.

CHAIRWOMAN UMBERGER: And so anyhow, that's enough of that.

MS. SHIBINETTE: Okay.

CHAIRWOMAN UMBERGER: Thank you very much for -- for the information.

MS. SHIBINETTE: Okay.

CHAIRWOMAN UMBERGER: And we do -- we really do look at it. So okay. Audit.

AUDITS:

CHAIRWOMAN UMBERGER: Okay. Does anyone have any questions on the audit for the Sununu Youth Center? Okay. Seeing none. We have three audits, basically from the -- now don't all of you runaway. I mean -- I don't know. These -- yeah. These audit folks have worked very, very hard and I know that you're all interested, especially when it comes to you. Okay.

STEPHEN SMITH, Director, Audit Division, Office of Legislative Budget Assistant: Good afternoon, Madam Chair, Members of the Committee. For the record, Steve Smith, Director of Audits. The first audit we'd like to present is the Turnpike System's Annual Financial Report. KPMG actually conducted this audit. And so with me is Bob Mahoney. He was the partner on the audit. And also Karen Farrell you'll remember from last Friday.

KAREN FARRELL, Manager, KPMG: Just last week.

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MR. SMITH: She was the Manager on Turnpike Audit. Also joining us is Marie Mullen, the Director of Finance for DOT. So I'll turn it over to Bob.

BOB MAHONEY, Partner, KPMG: Great! Thanks, Steve. For the record, Bob Mahoney, an Audit Partner with KPMG. This is my first year serving as Turnpike System Audit Partner and just wanted to indicate the materials that, hopefully, you have in front of you, one being a copy of the financial statements; secondly, a copy of the Internal Control Over Financial Reporting and Compliance Report, also known as the Yellow Book Report. And, thirdly, a Debt Compliance Letter. So those two last reports should be separate handouts in your materials.

So I will cover the results of the audit opinion, as well as the Internal Control Over Financial Reporting and Compliance Report, and then I will turn it over to Karen Farrell who was the Senior Manager on the audit to cover the Debt Compliance Report, as well as the required communications to the Committee.

With respect to the audit opinion on the financial statements which is on -- starting on Page 8 of the financial statement handout, our audit opinion was unmodified this year. Also known as a clean opinion. So congratulations to Marie and her team for all the hard work that they do to prepare for the audit and prepare accurate financial statements.

In addition, the audit opinion indicates that Management is ultimately responsible for the accuracy of the financial statements, and the auditors are responsible for expressing an opinion on the financial statements.

In addition, the audit opinion indicates that we conducted the audit in accordance with U.S. generally accepted auditing standards, as well as government auditing

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standards. And, lastly, the opinion references a separate report, which is the Internal Control Over Financial Reporting and Compliance Report. And in that report, you'll notice that there were no significant deficiencies or material weaknesses identified during the course of the audit of the Turnpike System. So, overall, the audit went well and I will turn it over to Karen to cover the Debt Compliance Report and the required communications.

MS. FARRELL: Okay. Thanks, Bob. So the Debt Letter is the just one single page with a signature on the bottom, and really the Turnpike System has to comply with certain provisions and covenants in their general bond resolutions. And so what we do as part of the audit is review those and we did not find any compliance issues with the general -- them not complying with the general bond resolutions. So, again, another favorable letter for the Turnpike System.

The second thing I want to do is again go through those required communications, very similar to what I did last week. It's just specific to the Turnpike System because we are required to do these you under AICPA auditing standards.

The significant accounting policies of the Turnpike are described in Note 1 of their Annual Report. We did not identify any unusual transactions throughout our audit. The Management has to come up with or make judgments over certain estimates such as the allowance of doubtful accounts over the toll violations, and we review these estimates and deem them to be reasonable -- reasonable in light of the financial statements as a whole. We did not have any disagreements with management or any scope limitations in completing our audit work.

As far as we are aware the Turnpike did not seek other auditors' opinions in the application of generally accepted accounting principles. We did not discuss any major issues

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with Management prior to our retention as their auditors. We did receive full cooperation of the staff and Management from the Turnpike throughout the entire audit. We need to confirm that we're independent auditors of the Turnpike System under relevant professional and regulatory standards. And we did not identify any suspected or actual fraud involving Management or those close to major components of internal control or where fraud resulted in material misstatements of the financial statements. And we did not identify any material non-compliance related to laws and regulations.

Finally, I have to inform you of an audit difference that we noted. And this is one that's been noted in the past few years and that's related to the liability for the OPEB trusted plan. And that is because the state has determined to record that liability entirely on their books because of the amount and not allocate the portion down to the Turnpike. So if the Turnpike recorded that, their OPEB liability would be \$1.2 million higher.

We assess that in regards to our materiality that we calculate and determine that it was not material that it would affect our audit opinion on the Turnpike financial statements. So any questions, we would be happy to take those now.

CHAIRWOMAN UMBERGER: No, I -- I -- I thought the audit was great, all the comments. Did you have a question?

SEN. D'ALLESANDRO: (Inaudible).

CHAIRWOMAN UMBERGER: Turn your mic on.

SEN. D'ALLESANDRO: In the items on financial highlights, you noted the revenues were decreasing. You didn't in any way mention the cancellation of the tolls, that we had eliminated tolls I think two times, and one more time this -- I think January the last toll booth was

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cancelled. When is that going to be considered in the report and that loss of revenue?

MARIE MULLEN, Director of Finance, Department of Transportation: Yeah, so -- is it on? Okay. So the loss of tolls the first time was in Fiscal Year 20 and the tolls that were just removed were in January a few weeks ago. So that will be Fiscal Year 22. So in Fiscal Year 21 we didn't have any toll removals that were a part of that loss of revenue.

SEN. D'ALLESANDRO: Okay.

MS. MULLEN: It was primarily related to COVID and the reduced traffic on the Turnpike System.

SEN. D'ALLESANDRO: Right. One other question. And the fact that we don't collect tolls between 10 o'clock at night and 6 o'clock in the morning, what effect has that had on people running the tolls booths?

MS. MULLEN: Well, we do use all electronic tolling.

SEN. D'ALLESANDRO: Right.

MS. MULLEN: So we do take pictures of the license plates and then they do have seven days where they can go into the system and pay it or we will send a bill out after those seven days and send an invoice to their residence to collect.

SEN. D'ALLESANDRO: Okay. Thank you. Thank you, Madam Chair.

CHAIRWOMAN UMBERGER: Are there any other questions? Okay. Marie, did you have anything you wanted to say?

MS. MULLEN: Unless you have any more questions; but really just to thank the auditors KPMG, you know, Dana Call

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and her team and also the team at Turnpikes and DOT because without all of them, this, you know, this wouldn't be clean and wouldn't -- they do a really great job. So I just want to thank all those involved.

CHAIRWOMAN UMBERGER: Okay. Thank you very much. Appreciate that. Marie, I guess you can leave unless you're interested in --

MS. MULLEN: Thank you. Wipe this down? Because we have masks no? All right. Thank you.

CHAIRWOMAN UMBERGER: Thank you. We'll see you soon. Steve, which one we doing first?

MR. SMITH: The next one will be the Lottery Commission.

CHAIRWOMAN UMBERGER: Okay.

MR. SMITH: And our office performed this audit.

CHAIRWOMAN UMBERGER: Okay.

MR. SMITH: And joining me here is Kim Bisson. She's the Manager who conducted the audit from our office. And joining us from the Lottery Commission is Linda Plante, she's the COO, and then Jim Duris the CFO for any questions you may have, so. So Kim.

KIMBERLY BISSON, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant: This one's on, right? Okay.

Good morning, Madam Chair, Members of the Committee. Again, for the record, my name is Kimberly Bisson. I'm here today to present the results of our audit of the financial statements contained in the Lottery Commission's Annual

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Comprehensive Financial Report for the Fiscal Year ended June 30, 2021.

The financial statements begin on Page 36 of the Lottery's ACFR. Lottery Management is responsible for the preparation and fair presentation of these financial statements in accordance with generally accepted accounting principles. Our auditors' opinion and report can be found on Pages 19 through 21 of the report. And as described in the opinion paragraph on Page 20, we've issued an unmodified or clean opinion on the Lottery's basic financial statements, which also include the notes and other supplementary information.

While our opinion speaks directly to the basic financial statements and notes, no matters came to our attention that caused us to believe that other information in the financial section of the report was inconsistent with the basic financial statements.

Auditing standards require we make a number of disclosures to you and these disclosures were previously discussed by KPMG. So in the interest of time, I will not go through each of them individually. However, we can say that we were satisfied with the cooperation of the Lottery and the progress of the audit, and there is nothing that we need to bring to your attention related to any concerns with those required disclosures.

Hum -- also included inside the back cover page of the report is a multi-page letter that presents the results of certain agreed upon procedures which we performed over the Lottery's operation of its Lucky for Life Game. All states offering the Lucky for Life Game are required as a condition of participation to have similar agreed upon procedures performed with the results reporting to the other participating state lotteries.

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In accordance with government auditing standards, we will be issuing a report on our consideration of the Lottery's internal control over financial reporting and on compliance and other matters as a byproduct of our audit of the financial statements, and that report will be included in the Management Letter which will be presented to this Committee at a future meeting.

This concludes my presentation. I'd like to thank Lottery Commission Management and their staff for their assistance during the audit. And if there are no questions, I'd like to turn the presentation over to Lottery to provide their perspective.

CHAIRWOMAN UMBERGER: Thank you. Thank you. So what do we have from the Lottery Commission?

JIM DURIS, Chief Financial Officer, New Hampshire Lottery Commission: Jim Duris, CFO for the New Hampshire Lottery Commission. Just we would like to thank the, you know, another three months with the LBA is always a wonderful thing. It was a pleasure working with them this year and it was also a pleasure reporting \$45 million additional revenue this year. The numbers like that make it a lot more fun to do all the work. But it was a good audit and we appreciate their help.

CHAIRWOMAN UMBERGER: Thank you. Did -- no. Okay. Are there any questions from us? Okay. Seeing none. Thank you and keep up the good work. Forty-five million extra for education is welcome.

Okay. Now we move to Liquor.

MR. SMITH: Our last audit also conducted by our office is the Liquor Commission on their ACFR. And from our office Jean Mitchell. She's our Financial Audit Supervisor. She will present our audit. And joining us

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from the Commission is Chairman Mollica and Tina Demers, the CFO.

JEAN MITCHELL, Financial Audit Supervisor, Audit Division, Office of Legislative Budget Assistant: I'm short enough. These chairs are very low. Excuse me. Good afternoon, Madam Chair, and Members of the Committee.

CHAIRWOMAN UMBERGER: I have got to have someone get that chair raised. Because I sat down and thought I was on floor yesterday. So we'll fix that.

REP. EDWARDS: (Inaudible).

MS. MITCHELL: Yes. That's good. I like to be young, so. So that's a great thing, so.

Members of the Committee, for the record, my name is Jean Mitchell. We are here today to report the results of the audit of the financial statements contained in the Liquor Commission's Annual Comprehensive Financial Report known as an ACFR for the Fiscal Year ended June 30, 2021.

Our auditor's report an opinion dated December 17, 2021, can be found on Pages 12 through 14 in the financial section of the report. As noted in the opinion paragraph on Page 13, we have issued an unmodified opinion on the financial statements.

For Fiscal Year 2021, the Liquor Commission produced the full ACFR. That includes an introductory section, a financial section with Management discussion and analysis, financial statements, notes, required supplementary information, as well as a statistical section. An important item to note, no material adjustments to the accounting records were proposed as a result of our audit.

As mentioned by KPMG during their presentation of the Turnpike System Annual Report and further explained in the

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handout letter, as a result of the State's decision not to flow the New Hampshire Retirement System subtrust OPEB expense and related liability down to the Enterprise Fund financial statements, we identified a significant but non-material uncorrected misstatement understating the Liquor Commission's OPEB expense and related liability by approximately \$3.8 million.

The auditor disclosures you have previously heard also pertain to the Liquor Commission. I will not go through them individually but will say there's nothing I need to bring to your attention.

We will be issuing a report on our consideration of the Liquor Commission's internal control over financial reporting, compliance, and other matters based on our audit of the financial statements, which was performed in accordance with government auditing standards, and that report will be presented as part of the Management Letter at a future Committee meeting.

I'd like to thank the Liquor Commission Management and staff, as well as the State Comptroller's Office for their cooperation and assistance during the audit. And I will now turn the presentation over to the Liquor Commission Management.

CHAIRWOMAN UMBERGER: Go ahead, Mr. Mollica.

JOSEPH MOLLICA, Chairman, New Hampshire Liquor Commissioner: Thank you. For the record, Madam Chair, Joseph Mollica, Chairman of the New Hampshire Liquor Commission. We just today like to thank Jim Lariviere, Jean and Steve. Wonderful job. We're always pleased to have them come look at our organization to make sure it's running as efficiently as it can. And I'd just like to turn it over to Tina for a couple of comments that she'd like to make. Thank you.

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CHAIRWOMAN UMBERGER: Sure.

TINA DEMERS, Chief Financial Officer, New Hampshire Liquor Commission: Good afternoon. For the record, my name is Tina Demers, CFO for the Liquor Commission. And I would just like to point out two items on the table on Page 17. You have under the distribution the final transfer to the General Fund was 164 million, which was 5 million more than the actual cash transfer for the Fiscal Year. And this is resulting in a due to the General Fund of \$5 million, which we will be transferring next month.

And the other is a clerical error in FY 20 column. The \$10 million should be in the line above under the transfer to the Alcohol Abuse and Prevention Fund, not to the Granite Advantage Health Care Trust Fund. That's all I have. Thank you.

CHAIRWOMAN UMBERGER: Okay. Representative Edwards, you had a question.

REP. EDWARDS: Yes, ma'am. Thank you. And I'm horrible with names. The female auditor, you mentioned that you had one -- I think you said you had one significant finding but no material findings. But you had mentioned significant and material as two different things. Would you -- would you remind me what the distinction is between those two terms?

MS. MITCHELL: Sure. If you go to our auditor's opinion.

REP. EDWARDS: Just laymen stuff is good,

MS. MITCHELL: Okay. A material weakness would be that during the normal course of business there could be a material misstatement in the financial statements that would go undetected. A significant -- it's basically based on numbers. So if you have \$100 million balance sheet, for example, materiality may be 5% of assets. Whereas

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significant difference may be a much lower number. So it's just --

REP. EDWARDS: So there's a quantitative --

MS. MITCHELL: Quantitative, as well as a qualitative if there was like a fraud or something like that.

REP. EDWARDS: Thank you.

MS. MITCHELL: Yep.

CHAIRWOMAN UMBERGER: Are there any -- Representative Leishman.

REP. LEISHMAN: Thank you, Madam Chair.

CHAIRWOMAN UMBERGER: Speak into the microphone, please.

REP. LEISHMAN: Thank you, Madam Chair. And I guess a question for Tina, if she would take it.

MS. DEMERS: Sure.

REP. LEISHMAN: On Page 30 there's a section at the bottom, bonds payable maturity. See that. I was just curious the range of interest shows some 2% to 9.5%. Have you folks been able to negotiate any better rates or are those pretty much locked in?

MS. DEMERS: Those are locked in and it's done through Treasury.

REP. LEISHMAN: Right. I didn't know if Treasury had reached out or you had reached out to Treasury to see if you could modify them. I know Treasury has made some adjustments on other bonds for the state so I was curious.

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MS. DEMERS: Oh, we have not.

REP. LEISHMAN: Okay. And just I guess one final question.

CHAIRWOMAN UMBERGER: Certainly.

REP. LEISHMAN: Could you speak to the Debt Service. I see that's pretty high, 4.9. If you could travel down through it, it's remained fairly high at least in my opinion. Any real reason for that? New building construction? I know you've put up some new facilities. Is that driving that obviously?

MS. DEMERS: That and our new POS System.

REP. LEISHMAN: Okay. The POS System.

MS. DEMERS: Yes, that's a \$20 million project.

REP. LEISHMAN: Okay. Thanks so much.

MS. DEMERS: You're welcome.

REP. LEISHMAN: Thanks, Madam Chair.

CHAIRWOMAN UMBERGER: You don't have that in your pocket to pay it down?

REP. LEISHMAN: I don't have that in my pocket, not today, Madam Chair.

CHAIRWOMAN UMBERGER: Okay. Thank you. Are there any further questions for the Liquor Commission or the audit, LBA? All right. Seeing none. I said I'd be here till 1 o'clock and I missed it by four minutes. So thank you all for coming, and thank you for all of your work for the state. Appreciate it.

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SEN. D'ALLESANDRO: Thank you, Madam Chair, for another wonderful meeting. What an experience being here. You make our day.

CHAIRWOMAN UMBERGER: Yeah. Thank you.

SEN. D'ALLESANDRO: Really.

(The meeting concluded.)

CERTIFICATION

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

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

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