

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES
April 3, 2015

The Fiscal Committee of the General Court met on Friday, April 3, 2015 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Neal Kurk, Chair
Representative Ken Weyler
Representative Lynne Ober
Representative Mary Jane Wallner
Representative Daniel Eaton
Representative Richard Barry (Alternate)
Senator Jeanie Forrester
Senate President Chuck Morse
Senator Gerald Little
Senator Andy Sanborn
Senator Lou D'Allesandro

Chairman Kurk opened the meeting at 9:06 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Eaton, seconded by Representative Ober, that the minutes of the February 19, 2015 meeting be accepted as written. MOTION ADOPTED

OLD BUSINESS:

On a motion by Representative Ober, seconded by Senator D'Allesandro, that the Committee remove all tabled items from the table. MOTION ADOPTED.

On a motion by Representative Ober, seconded by Senator D'Allesandro, that the Committee approve all the items under Old Business as submitted with the exception of item FIS 15-018. MOTION ADOPTED. [FIS 15-017 Department of Safety – authorization to 1) transfer \$9,692 in federal funds through June 30, 2015 and 2) accept and expend \$190,845 in federal funds through June 19, 2015 (Tabled 02/19/15), FIS 15-012 Department of Health and Human Services – accept and expend \$1,818,182 (Tabled 02/19/15), FIS 15-019 Department of Health and Human Services – accept and expend \$334,000 (Tabled 02/19/15), FIS 15-020 Department of Health and Human Services – accept and expend \$3,935,131 (Tabled 02/19/15), FIS 15-038 Office of Energy and Planning – accept and expend \$36,000 (Tabled 02/19/15), FIS 15-021 Department of Justice – authorization to 1) accept and expend \$120,367 in other funds through June 30, 2015, and contingent upon approval of #1, 2) authorization to establish one (1) full-time temporary Planning Analyst/Data Systems (LG24) position through June 30, 2015 (Tabled 02/19/15), FIS 15-032 Department of Safety – authorization to 1) accept and expend \$149,518 in other funds through June 30, 2015, and 2) further authorization to establish consultant positions through June 30, 2015 (Tabled 02/19/15), FIS 15-033 Department of Education – authorization to 1) accept and expend \$1,949,991 in federal funds through June 30, 2015, and 2) further

authorization to establish two (2) full-time temporary positions through June 30, 2015 consisting of; a Program Specialist III (LG23) and a Program Assistant II (LG15) (Tabled 02/19/15), FIS 15-022 Department of Justice – authorization to establish one (1) full-time temporary unclassified Criminal Justice Investigator position (unclassified BB) through June 30, 2015 (Tabled 02/19/15), FIS 15-034 Department of Health and Human Services – authorization to 1) accept and expend \$2,932,930 in federal funds through June 30, 2015, and 2) transfer \$301,672.86 in federal funds through June 30, 2015 (Tabled 02/19/15)]

The Department of Education submitted a request (FIS 15-018 Additional Information) to withdraw FIS 15-018, seeking authorization to 1) accept and expend \$145,243.11 in federal funds, and 2) authorization to establish two (2) part-time temporary positions through June 30, 2015 consisting of; an Assistant Administrator (LG29) and a Program Specialist II (LG21), tabled February 19, 2015. WITHDRAWN BY AGENCY.

RSA 14:30-a, III AUDIT TOPIC RECOMMENDATION BY LEGISLATIVE PERFORMANCE AUDIT AND OVERSIGHT COMMITTEE:

FIS 15-065 Letter from Senator John Reagan, Chairman of the Legislative Performance Audit and Oversight Committee – On a motion by Representative Ober, seconded by Senator D’Allesandro, that the Committee approve the request of Senator John Reagan, Chairman of the Legislative Performance Audit and Oversight Committee relative to the recommendation of the following three (3) performance audit topics: 1) Department of Health and Human Services, Bureau of Developmental Services, Efficient and Effective Service Delivery, 2) Department of Environmental Services, Water Division, Dam Bureau, Efficient and Effective Operations, and 3) Department of Resources and Economic Development, New Hampshire Job Training Fund, WorkReadyNH Program, Program Objectives Being Met. MOTION ADOPTED.

RSA 9:16-c, I, TRANSFER OF FEDERAL GRANT FUNDS:

CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve the requests under this section as submitted. MOTION ADOPTED. [FIS 15-015 Department of Environmental Services – transfer \$35,000, and FIS 15-068 Department of Safety – transfer \$54,000]

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$100,000 FROM ANY NON-STATE SOURCE:

CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the requests under this section as submitted. MOTION ADOPTED. (9-Yes, 1-No) [FIS 15-044 Department of Environmental Services – accept and expend \$10,000,000, FIS 15-052 Department of Information Technology – accept and expend \$700,000, FIS 15-053 Department of Resources and Economic Development – accept and expend \$804,739, FIS 15-054 Department of Safety

– accept and expend \$191,319, FIS 15-055 Department of Safety – accept and expend \$189,167, and FIS 15-056 Department of Transportation – accept and expend \$2,080,000]

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 RESTRICTED:

CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Representative Ober, that the Committee approve the request under this section as submitted. MOTION ADOPTED. [FIS 15-045 Board of Pharmacy – authorization to retroactively amend FIS 14-015, approved February 14, 2014, by; 1) extending the end date from March 31, 2015 to June 30, 2015, with no increase in funding, and 2) extending the end date from March 31, 2015 to June 30, 2015 for a temporary full-time Administrator I (LG 27) position, and 3) extending the end date from March 31, 2015 to June 30, 2015 for a temporary part-time Administrator I (LG 27) position]

RSA 124:15 POSITIONS RESTRICTED:

CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request under this section as submitted. MOTION ADOPTED. [FIS 15-060 Department of Education – authorization to establish class 046 consultant positions through June 30, 2015]

RSA 7:6-e DISPOSITION OF FUNDS OBTAINED BY THE ATTORNEY GENERAL:

FIS 15-050 Department of Justice – Ann Rice, Deputy Attorney General, and Kathleen Carr, Director of Administration, Department of Justice, responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request of the Department of Justice to budget and expend \$1,096,330.34 in settlement funds from multistate settlements and request to retain said funds for the support of the Department’s Consumer/Antitrust Bureaus. MOTION ADOPTED.

RSA 7:12, I, ASSISTANTS:

FIS 15-043 Department of Justice – Ann Rice, Deputy Attorney General, and Kathleen Carr, Director of Administration, Department of Justice, responded to questions of the Committee.

On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request of the Department of Justice to accept and expend a sum not to

exceed \$450,000 from funds not otherwise appropriated for the purpose of covering projected shortfalls in the general litigation expenses incurred in the defense of the State and the prosecution of criminal law matters through June 30, 2015. MOTION ADOPTED.

RSA 162-H:21, III, FUND ESTABLISHED: FUNDING PLAN:

FIS 15-057 Site Evaluation Committee – On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request of the Site Evaluation Committee to amend the Site Evaluation Committee (SEC) Fiscal Year 2015 budget by transferring \$39,480 in other funds and create a new expenditure class (65-Per Diem Payments) through June 30, 2015. The original request, FIS 14-128, was approved by the Fiscal Committee on July 25, 2014. MOTION ADOPTED.

RSA 227-G:5, I(b), FOREST FUNDS:

FIS 15-023 Department of Resources and Economic Development – On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request of the Department of Resources and Economic Development to budget and expend \$23,000 in excess agency funds through June 30, 2015. MOTION ADOPTED.

CHAPTER 3:7, II, LAWS OF 2014, DEPARTMENT OF HEALTH AND HUMAN SERVICES; CONTRACTING; TRANSFER AMONG ACCOUNTS AND RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$100,000 FROM ANY NON-STATE SOURCE:

On a motion by Representative Eaton, seconded by Senator Forrester, that the Committee approve as a block requests FIS 15-061, FIS 15-062, and FIS 15-063 of the Department of Health and Human Services. MOTION ADOPTED. [FIS 15-061 Department of Health and Human Services – authorization to transfer \$8,139,504 in general funds and increase related federal revenues in the amount of \$8,046,308 and increase related other revenues in the amount of \$261,386 through June 30, 2015, FIS 15-062 Department of Health and Human Services – authorization to transfer \$216,865 in general funds and increase related federal revenues in the amount of \$133,561 and increase related other revenues in the amount of \$238,840 through June 30, 2015, and FIS 15-063 Department of Health and Human Services – authorization to transfer \$4,228,910 in general funds and increase related federal revenues in the amount of \$1,113,016 and increase related other revenues in the amount of \$371,939 through June 30, 2015]

CHAPTER 144:31, LAWS OF 2013, DEPARTMENT OF ADMINISTRATIVE SERVICES; TRANSFER AMONG ACCOUNTS AND CLASSES:

FIS 15-067 Department of Administrative Services – On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request of the Department of Administrative Services to transfer \$326,730 in and among accounting units and to create one (1) new expenditure class through June 30, 2015. MOTION ADOPTED.

CHAPTER 144:95, LAWS OF 2013, DEPARTMENT OF TRANSPORTATION; TRANSFER OF FUNDS:

FIS 15-058 Department of Transportation – On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request of the Department of Transportation to transfer \$127,000 within Turnpike Fund accounting units and classes through June 30, 2015. MOTION ADOPTED.

FIS 15-066 Department of Transportation – On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request of the Department of Transportation to transfer \$968,444 between various accounts and classes through June 30, 2015. MOTION ADOPTED.

CHAPTER 144:117, LAWS OF 2013, DEPARTMENT OF INFORMATION TECHNOLOGY; TRANSFERS AMONG ACCOUNTS:

FIS 15-059 Department of Information Technology – Denis Goulet, Commissioner, and Steven Kelleher, Information Technology Manager, Department of Information Technology, presented the request and responded to questions of the Committee. Elizabeth Bielecki, Director, Division of Administration, and William Joseph, Deputy Director, Division of Motor Vehicles, Department of Safety were also present to respond to Committee questions.

On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request of the Department of Information Technology to transfer \$568,152 in other funds through June 30, 2015. MOTION ADOPTED. (9-Yes, 1-No)

CHAPTER 327:74, LAWS OF 2014, ADJUTANT GENERAL’S DEPARTMENT; TRANSFERS AUTHORIZED:

FIS 15-040 The Adjutant General’s Department – On a motion by Representative Eaton, seconded by Senator D’Allesandro, that the Committee approve the request of the Adjutant General’s Department to transfer \$220,000 within Air Guard Maintenance through June 30, 2015. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

Nicholas Toumpas, Commissioner, Department of Health and Human Services, provided a review of the December (FIS 15-041) and January (FIS 15-064) dashboards and was asked to provide additional information explaining the differences between the two. In addition the Committee requested information on the impact of MAGI on caseloads and increases in state liability.

The informational items were accepted and placed on file.

LATE INFORMATIONAL ITEM:

FIS 15-069 Department of Administrative Services – Joseph Bouchard, Assistant Commissioner, and Teri Blouin, Business Supervisor and Appointed Waiver Committee Member, Department of Administrative Services presented the late informational item and responded to questions of the Committee in compliance with Executive Order 2014-02 for the period of May 22, 2015 through March 6, 2015 providing detail of the exceptions granted through the Office of the Governor.

9:30 a.m.

Audits:

State Of New Hampshire, Management Letter, Year Ended June 30, 2014 – Stephen Smith, Director of Audits, Office of Legislative Budget Assistant, Greg Driscoll, KPMG Partner, and Gerard Murphy, State Comptroller, Department of Administrative Services, presented the report and responded to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Ober, that the report be accepted, placed on file, and released in the usual manner. MOTION ADOPTED.

State Of New Hampshire, Turnpike System, Internal Control Letter For the Fiscal Year Ended June 30, 2014 – Stephen Smith, Director of Audits, Office of Legislative Budget Assistant, and Greg Driscoll, KPMG Partner, presented the report and responded to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Ober, that the report be accepted, placed on file, and released in the usual manner. MOTION ADOPTED.

State of New Hampshire, Lottery Commission, Management Letter For the Fiscal Year Ended June 30, 2014 – Stephen Smith, Director of Audits, and James LaRiviere, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Charles McIntyre, Executive Director, and Cassie Strong, Chief Financial Officer, New Hampshire Lottery Commission were present to respond to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Ober, that the report be accepted, placed on file, and released in the usual manner. MOTION ADOPTED.

State of New Hampshire, Internal Service Fund, Management Letter For the Fiscal Year Ended June 30, 2014 – Stephen Smith, Director of Audits, and Pamela Veeder, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Catherine Keane, Director, and Sarah Trask, Senior Financial Analyst, Division of Risk and Benefits, Department of Administrative Services, were present to respond to questions of the Committee.

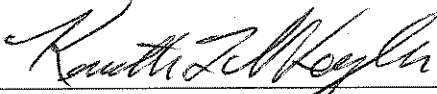
On a motion by Representative Weyler, seconded by Representative Ober, that the report be accepted, placed on file, and released in the usual manner. MOTION ADOPTED.

State of New Hampshire, Liquor Commission, Management Letter For the Fiscal Year Ended June 30, 2014 – Stephen Smith, Director of Audits, and Jean Mitchell, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Joseph Mollica, Chairman, Steve Kiander, Chief Financial Officer, and Craig Bulkley, Director of Administration, New Hampshire Liquor Commission were present to respond to questions of the Committee.

On a motion by Representative Weyler, seconded by Representative Ober, that the report be accepted, placed on file, and released in the usual manner. MOTION ADOPTED.

DATE OF NEXT MEETING AND ADJOURNMENT

The next regular meeting of the Fiscal Committee was set for Friday, May 15, 2015 at 10:00 a.m. (Whereupon the meeting adjourned at 11:18 a.m.)



Representative Ken Weyler, Clerk