

FISCAL COMMITTEE OF THE GENERAL COURT  
MINUTES

October 19, 2010

The Fiscal Committee of the General Court met on Tuesday, October 19, 2010 at 9:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Marjorie Smith, Chairman  
Representative Neal Kurk  
Representative Sharon Nordgren  
Representative Douglas Scamman  
Representative Robert Foose  
Representative Daniel Eaton, Alternate  
Representative Fran Wendelboe, Alternate  
Senator Harold Janeway, Alternate  
Senate President Sylvia Larsen  
Senator Kathleen Sgambati  
Senator John Gallus  
Senator Peter Bragdon

Chairman Smith opened the meeting at 9:11 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Foose, seconded by Senator Larsen, that the minutes of the September 21, 2010 be accepted as written. MOTION ADOPTED.

NEW BUSINESS:

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE:

**CONSENT CALENDAR**

FIS 10-286 Department of Safety, FIS 10-295 Department of Justice and FIS 10-296 Department of Justice were removed from the Consent Calendar.

On a motion by Representative Scamman, seconded by Senator Larsen, that the Committee approve the remaining requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-284 Department of Justice – accept and expend \$81,088, FIS 10-285 Department of Safety – accept and expend \$500,000]

FIS 10-286 Department of Safety – Wesley Colby, Director of Administration, Department of Safety presented the request and responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Safety to accept and expend \$259,912. MOTION ADOPTED.

FIS 10-295 Department of Justice – Orville B. Fitch, Deputy Attorney General, and Rosemary Faretra, Director of Administration, Department of Justice presented the request and responded to questions of the Committee.

On a motion by Representative Nordgren, seconded by Senator Sgambati, that the Committee approve the request of the Department of Justice to accept and expend \$300,000. MOTION ADOPTED.

FIS 10-296 Department of Justice – Orville B. Fitch, Deputy Attorney General, and Rosemary Faretra, Director of Administration, Department of Justice presented the request and responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Justice to accept and expend \$350,000. MOTION ADOPTED.

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE:

**ARRA FUNDS CONSENT CALENDAR**

FIS 10-300 Department of Administrative Services was removed from the Consent Calendar at the request of Representative Kurk.

FIS 10-300 Department of Administrative Services – Linda Hodgdon, Commissioner, Department of Administrative Services presented the request and responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Administrative Services to accept and expend \$82,124 in federal ARRA funds through December 31, 2010. MOTION ADOPTED. (9-Yes, 1-No)

CHAPTER 144:39, II, LAWS OF 2009, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

**ARRA FUNDS CONSENT CALENDAR**

FIS 10-287 Department of Health and Human Services was removed from the Consent Calendar at the request of the Chair.

FIS 10-287 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services responded to questions of the Committee.

On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to accept \$212,493.28 in federal ARRA funds through June 30, 2011. MOTION ADOPTED. (9-Yes, 1-No)

RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE AND RSA 124:15 POSITIONS RESTRICTED:

FIS 10-288 Department of Justice – On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request of the Department of Justice to 1) retroactively amend the grant award termination date by extending the end date from August 31, 2010 to June 30, 2011, with no increase in funding (FIS 09-284, approved August 27, 2009) and reallocate \$19,000 in federal funds and 2) retroactively extend one (1) full-time temporary Program Specialist II position and retroactively extend the Consultant positions from August 31, 2010 to June 30, 2011 (FIS 09-284, approved August 27, 2009) and 3) to retroactively accept and expend \$197,974 in additional federal grant funds from September 1, 2010 through June 30, 2011. MOTION ADOPTED.

CHAPTER 4:5, LAWS OF 2010, DEPARTMENT BUDGETS; TRANSFERS OF FEDERAL FUNDS:

FIS 10-290 Department of Environmental Services – On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Environmental Services to transfer \$7,500 in federal funds through June 30, 2011. MOTION ADOPTED.

CHAPTER 144:39, II, LAWS OF 2009, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 10-291 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$164,093 in federal funds through June 30, 2011. MOTION ADOPTED.

The Committee requested the Department provide additional information relative to New Hampshire's 16.6 percent prevalence of children with special health care needs and detail why it exceeds the national prevalence of 13.9 percent.

FIS 10-292 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services responded to questions of the Committee.

On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$190,623 in federal funds through June 30, 2011. MOTION ADOPTED.

CHAPTER 334:1, LAWS OF 2007, AS AMENDED BY CHAPTER 87:2, LAWS OF 2008, AS AMENDED BY CHAPTER 144:260, LAWS OF 2009, DISASTER RELIEF PAYMENTS TO LOCAL COMMUNITIES; MAY 2006 DISASTER ASSISTANCE AND CHAPTER 87:3, LAWS OF 2008, AS AMENDED BY CHAPTER 144:261, LAWS OF 2009, DISASTER RELIEF PAYMENTS TO LOCAL COMMUNITIES; APRIL 2007 DISASTER ASSISTANCE AND CHAPTER 392:5, LAWS OF 2008, AS AMENDED BY CHAPTER 144:262, LAWS OF 2009, RELIEF PAYMENTS TO LOCAL COMMUNITIES; JULY-SEPTEMBER 2008 DISASTER ASSISTANCE:

FIS 10-293 Department of Safety – On a motion by Representative Foose, seconded by Senator Larsen, that the Committee approve the request of the Department of Safety to expend \$1,010,444.65 in State Matching Funds for Federal Emergency Management Agency Public Assistance Grants for the amounts of: \$421,591.39 for the May 2006 Floods; \$92,862.90 for the April 2007 Floods; \$414,345.23 for the April 2007 Floods; \$44,967.90 for the July 2008 Tornado; \$3,521.54 for the July-August 2008 Floods; \$30,319.58 for the July-August 2008 Floods; \$1,729.26 for the September 2008 Flood and \$1,106.85 for the September 2008 Flood. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

FIS 10-298 Department of Environmental Services – Chapter 1:33, Laws of 2010, Special Session – FY 2011 additional general fund budget reduction of \$432,335. **Tabled**, with the request that the Commissioner and/or Deputy Commissioner of the Department of Environmental Services be present at the next meeting of the Fiscal Committee to respond to questions of the Committee.

FIS 10-302 Office of Legislative Budget Assistant – Richard Mahoney, Director of Audits, Office of Legislative Budget Assistant responded to questions of the Committee pertaining to the informational letter, dated October 12, 2010, to inform the Fiscal Committee of the Audit Divisions withdrawal from the performance audit of Uncollected State Taxes at the Department of Revenue Administration effective October 7, 2010. Also present to respond to questions of the Committee were Orville B. Fitch, Deputy Attorney General, Department of Justice; David Frydman, Esquire, House Legal Counsel, New Hampshire General Court and Kevin Clougherty, Commissioner, Department of Revenue Administration.

The informational items were accepted and placed on file.

AUDITS:

State of New Hampshire, Insurance Department, Financial Audit Report For The Nine Months Ended March 31, 2010 – Richard Mahoney, 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. Also present to respond to questions of the Committee were Alex Feldvebel, Deputy Commissioner, and Kathy Belanger, Director of Operations, New Hampshire Insurance Department.

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

State of New Hampshire, Division of State Police, Field Operations Bureau, Performance Audit Report, October 2010 – Richard Mahoney, Director of Audits, and Vilay Diccico, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee were John Barthelmes, Commissioner, Kevin O'Brien, Chief of Policy and Planning, and Colonel Robert Quinn, Director, State Police, Department of Safety.

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

ADJOURNMENT:

The next regular meeting of the Fiscal Committee was previously set for Monday, November 15, 2010 at 9:00 a.m. (Whereupon the meeting adjourned.)

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Representative Neal Kurk, Clerk