

FISCAL COMMITTEE OF THE GENERAL COURT

MINUTES

December 2, 2011

The Fiscal Committee of the General Court met on Friday, December 2, 2011 at 10:00 a.m. in Room 210-211 of the Legislative Office Building.

Members in attendance were as follows:

Representative Ken Weyler, Chairman
Representative Beverly Rodeschin
Representative John Reagan (Alternate)
Representative Stephen Stepanek
Representative Cindy Rosenwald (Alternate)
Senator Chuck Morse
Senate President Peter Bragdon
Senator Bob Odell
Senator Sylvia Larsen
Senator John Gallus

Chairman Weyler opened the meeting at 10:11 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Senator Morse, seconded by Representative Stepanek, that the corrected minutes of the October 28, 2011 meeting be accepted as written. MOTION ADOPTED. (8-Yes, 2-Abstain)

OLD BUSINESS:

Office of Legislative Budget Assistant – Administrative Procedures. Tabled 12/29/10. No Action Taken.

FIS 11-274 Department of Information Technology – request for an extension to the October 1, 2011 requirement to present the consultant's report on the MMIS system to the Fiscal Committee to December 31, 2011. Tabled 09/23/11. FIS 11-274 Additional Information – Department of Justice handout 10/28/11. Remained Tabled from 09/23/11. No Action Taken.

Stanley Rogers, Commissioner, Department of Information Technology, was present to hear the request of the Committee that this item be on the next agenda and that the Department and companies involved be present to explain when MMIS is going operational.

NEW BUSINESS:

RSA 9:16-a, TRANSFERS AUTHORIZED:

On a motion by Representative Stepanek, seconded by Senator Morse, that the Committee approve the requests on the agenda under this section as submitted. MOTION

ADOPTED. [FIS 11-331 Department of Safety – transfer \$43,075, FIS 11-353 Department of Transportation – transfer \$2,412,335]

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

On a motion by Senator Gallus, seconded by Representative Stepanek, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 11-324 Department of Resources and Economic Development – accept and expend \$90,000, FIS 11-332 State Treasury – accept and expend \$362,132, FIS 11-349 Department of Environmental Services – accept and expend \$420,000, FIS 11-355 Department of Transportation – accept and expend \$2,455,883 in other funds through June 30, 2012]

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 11-333 Department of Safety – Wesley Colby, Director of Administration, and Lieutenant William Haynes, Commander State Police Troop G, Department of Safety responded to questions of the Committee.

On a motion by Representative Stepanek, seconded by Representative Rosenwald, that the Committee approve the request of the Department of Safety to accept and expend \$236,201 in federal funds through September 30, 2012, and establish one (1) full-time temporary State Police Sergeant position through September 30, 2012. MOTION ADOPTED.

FIS 11-334 Department of Corrections – On a motion by Senator Bragdon, seconded by Representative Stepanek, that the Committee approve the request of the Department of Corrections to accept and expend \$662,291 in other funds through June 30, 2013, and establish one (1) full-time temporary Supervisor III position, one (1) full-time temporary Supervisor II position, and three (3) full-time temporary Corrections Officer positions through June 30, 2013. MOTION ADOPTED.

RSA 21-I:19-h, VIII, DISPOSAL OF STATE-OWNED VEHICLES BASED ON NONBUSINESS USE:

FIS 11-335 Department of Administrative Services – On a motion by Senator Morse, seconded by Senator Bragdon, that the Committee temporarily table the request of the Department of Administrative Services to increase the Non-Business Use percentage from 15% to 20%. MOTION ADOPTED.

RSA 228:12, TRANSFERS FROM HIGHWAY SURPLUS ACCOUNT:

FIS 11-354 Department of Transportation – On a motion by Senator Bragdon, seconded by Senator Morse, that the Committee approve the request of the Department of Transportation to transfer \$560,000 from Highway Surplus to fund increases in vehicle fuel prices and volume. MOTION ADOPTED.

CHAPTER 224:14, II, LAWS OF 2011, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

FIS 11-325 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Senator Morse, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$1,669,800 in federal funds through June 30, 2013. MOTION ADOPTED.

FIS 11-336 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Stepanek, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$651,366.71 in federal funds through June 30, 2013. MOTION ADOPTED.

FIS 11-337 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Stepanek, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$300,029 in federal funds through June 30, 2013. MOTION ADOPTED.

FIS 11-338 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$242,792 in federal funds through June 30, 2013. MOTION ADOPTED.

FIS 11-339 Department of Health and Human Services – On a motion by Senator Larsen, seconded by Representative Reagan, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$858,817 in federal funds through June 30, 2013. MOTION ADOPTED.

FIS 11-340 Department of Health and Human Services – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$713,931 in federal funds retroactive to October 1, 2011 through June 30, 2013. MOTION ADOPTED.

CHAPTER 224:14, II AND III, LAWS OF 2011, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS:

ARRA FUNDS

FIS 11-341 Department of Health and Human Services – On a motion by Representative Reagan, seconded by Senator Bragdon, that the Committee approve the request of the Department of Health and Human Services to transfer \$1,198,722 in federal funds through June 30, 2012 and further accept and expend \$963,258 in federal ARRA funds in SFY 2013 and transfer \$1,414,510 through June 30, 2013. MOTION ADOPTED.

CHAPTER 224:203, LAWS OF 2011, DEPARTMENT BUDGETS; TRANSFER OF FEDERAL FUNDS:

FIS 11-342 Department of Safety – On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Safety to transfer \$49,961 in federal funds through June 30, 2012. MOTION ADOPTED.

CHAPTER 224:203, LAWS OF 2011, DEPARTMENT BUDGETS; TRANSFER OF FEDERAL FUNDS AND RSA 14:30-a, VI FISCAL COMMITTEE APPROVAL REQUIRED FOR ACCEPTANCE AND EXPENDITURE OF FUNDS OVER \$50,000 FROM ANY NON-STATE SOURCE:

FIS 11-351 Department of Safety – On a motion by Senator Bragdon, seconded by Representative Reagan, that the Committee approve the request of the Department of Safety to transfer \$235,363 in federal funds through June 30, 2013 and accept and expend \$83,469 in federal funds through June 30, 2013. MOTION ADOPTED.

CHAPTER 224:210, LAWS OF 2011, DEPARTMENT OF INFORMATION TECHNOLOGY; TRANSFERS AMONG ACCOUNTS:

FIS 11-346 Department of Information Technology – On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Information Technology to transfer \$116,170 in other funds through June 30, 2012. MOTION ADOPTED.

FIS 11-347 Department of Information Technology – On a motion by Senator Bragdon, seconded by Senator Gallus, that the Committee approve the request of the Department of Information Technology to transfer \$92,892 in other funds thorough June 30, 2012. MOTION ADOPTED.

INFORMATIONAL LATE ITEM:

FIS 11-357 Office of the Governor – John Beardmore, Budget Director, Office of the Governor, presented the Governor's plan to meet the Compensation and Benefit Cost Reductions required by Chapter 224:202, Laws of 2011.

LATE ITEMS:

FIS 11-358 Department of Administrative Services – On a motion by Senator Morse, seconded by Senator Bragdon, that the Committee **amend** and approve the request of the Department of Administrative Services for an extension of the date to complete and make available to the public the FY 2011 Comprehensive Annual Financial Report from December 31, 2011 **to a date no later than January 20, 2012**. MOTION ADOPTED.

Office of Legislative Budget Assistant – Jeffry Pattison, Legislative Budget Assistant, requested authorization of the Committee to release publicly the FY 2011 Comprehensive Annual Financial Report for the State of New Hampshire, the FY 2011 Comprehensive Annual Financial Report for the Turnpike System, the FY 2011 Comprehensive Annual Financial Report for the Lottery Commission, and the FY 2011 Annual Reports of the UNIQUE College Investing Plan and The Fidelity Advisor 529 Plan as soon as they are available.

On a motion by Senator Morse, seconded by Representative Reagan, that the Committee approve the request of the Office of Legislative Budget Assistant to release publicly the FY 2011 Comprehensive Annual Financial Report for the State of New Hampshire, the FY 2011 Comprehensive Annual Financial Report for the Turnpike System, the FY 2011 Comprehensive Annual Financial Report for the Lottery Commission, and the FY 2011 Annual Reports of the UNIQUE College Investing Plan and The Fidelity Advisor 529 Plan as soon as they are available. MOTION ADOPTED.

Office of Legislative Budget Assistant – Jeffry Pattison, Legislative Budget Assistant, requested permission to fill one vacant position in the Office of Legislative Budget Assistant, Audit Division.

On a motion by Representative Stepanek, seconded by Senator Morse, that the Committee approve the request of the Legislative Budget Assistant to fill one vacant position in the Office of Legislative Budget Assistant, Audit Division. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

FIS 11-350 Department of Administrative Services – RSA 21-I:19-h, IV – Linda Hodgdon, Commissioner, and Tara Merrifield, Senior Management Analyst, Division of Fixed and Mobile Assets, Department of Administrative Services responded to questions of the Committee regarding the report, dated November 9, 2011, of all vehicles which have non-business use exceeding 15% for Fiscal Year 2011. Michael Pillsbury, Deputy Commissioner, Department of Transportation was also available to respond to questions of the Committee.

RSA 21-I:19-h, VIII, DISPOSAL OF STATE-OWNED VEHICLES BASED ON NONBUSINESS USE:

FIS 11-335 Department of Administrative Services – On a motion by Senator Morse, seconded by Representative Stepanek, that the Committee remove the request from the table. MOTION ADOPTED.

On a motion by Senator Larsen, seconded by Senator Bragdon, that the Committee approve the request of the Department of Administrative Services to increase the Non-Business Use percentage from 15% to 20%. MOTION ADOPTED.

INFORMATIONAL MATERIALS CONTINUED:

FIS 11-356 Department of Health and Human Services – Chapter 224:314, Laws of 2011 and Chapter 224:353, Laws of 2011 – Nicholas Toumpas, Commissioner, Department of Health and Human Services responded to questions of the Committee regarding the Medicaid Managed Care and Children’s Health Insurance Program update, dated November 22, 2011.

The informational items were accepted and placed on file.

AUDITS:

State of New Hampshire, department of Administrative Services, Office of Cost Containment, Internal Control Over Revenue, December 2011– Richard Mahoney, 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. Also present to respond to questions of the Committee were Linda Hodgdon, Commissioner, and Kathy Gallagher, Administrator, Office of Cost Containment, Department of Administrative Services.

On a motion by Representative Rodeschin, seconded by Senator Bragdon, 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 set for Friday, January 20, 2012 at 10:00 a.m. (Whereupon the meeting adjourned at 11:13 a.m.)

Representative Beverly Rodeschin, Clerk