

FISCAL COMMITTEE OF THE GENERAL COURT

MINUTES

January 8, 2010

The Fiscal Committee of the General Court met on Friday, January 8, 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 Fran Wendelboe, Alternate
Senate President Sylvia Larsen
Senator Harold Janeway, Alternate
Senator Kathleen Sgambati
Senator John Gallus
Senator Peter Bragdon

Chairman Smith opened the meeting at 9:20 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Scamman, seconded by Senator Larsen, that the minutes of the December 3, 2009 meeting be accepted as written. MOTION ADOPTED.

LATE ITEM:

FIS 10-023 Department of Administrative Services – Linda Hodgdon, Commissioner, and Edgar Carter, State Comptroller, Department of Administrative Services, and Catherine Provencher, State Treasurer, Treasury Department, presented the request and responded to questions of the Committee.

On a motion by Representative Scamman, seconded by Representative Foose, that the Committee approve the request of the Department of Administrative Services to transfer \$79,733,929 from the Revenue Stabilization Reserve Account to the General Fund Surplus for the fiscal year ended June 30, 2009 to eliminate the General Fund operating deficit. MOTION FAILED. (5-Yes, 5-No)

On a motion by Senator Larsen, seconded by Senator Bragdon, that the Committee schedule to a date certain for consideration the request of the Department of Administrative Services to transfer \$79,733,929 from the Revenue Stabilization Reserve Account to the General Fund Surplus for the fiscal year ended June 30, 2009 to eliminate the General Fund operating deficit on January 22, 2010 at a time to be named by the Chair. MOTION ADOPTED. (6-Yes, 4-No)

NEW BUSINESS:

RSA 9:16-a, TRANSFERS AUTHORIZED:

CONSENT CALENDAR

On a motion by Senator Larsen, seconded by Representative Nordgren, that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-013 Department of Safety – transfer \$270,572]

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

At the request of Representative Kurk, FIS 10-001 Department of Education was removed from the Consent Calendar for discussion.

On a motion by Representative Foose, seconded by Senator Sgambati, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-012 Postsecondary Education Commission – accept and expend \$120,760, FIS 10-016 Department of Safety – accept and expend \$77,045, FIS 10-017 Department of Safety – accept and expend \$53,625, FIS 10-019 Department of Agriculture – accept and expend \$229,319.98, FIS 10-020 Department of Resources and Economic Development – retroactively amend the grant award effective date from October 7, 2009 to October 1, 2009 through June 30, 2010, with no increase in funding (approved FIS 09-307, September 29, 2009), FIS 10-021 Department of Resources and Economic Development – accept and expend \$209,536.48]

FIS 10-001 Department of Education – Kathleen Murphy, Director, Division of Instruction, and Michael Bieniek, Administrator, Office of Business Management, Department of Education presented the request and 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 Education to accept and expend \$330,833.34. 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

At the request of the Chair, FIS 10-010 Treasury Department was removed from the Consent Calendar for discussion.

On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-003 Department of Administrative Services – accept and expend \$67,766 in federal ARRA funds through September 30, 2010]

FIS 10-010 Treasury Department – Catherine Provencher, State Treasurer, presented the request and responded to questions of the Committee.

On a motion by Representative Foose, seconded by Senator Janeway, that the Committee approve the request of the Treasury Department to accept and expend \$400,000 in FY 2010 and \$1,600,000 in FY 2011 in federal ARRA bonds interest subsidy funds through June 30, 2011. 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 AND RSA 124:15 POSITIONS RESTRICTED:

ARRA FUNDS

FIS 10-004 Department of Education – Kathleen Murphy, Director, Division of Instruction, and Michael Bieniek, Administrator, Department of Education 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 Education to accept and expend \$3,209,375 in federal ARRA funds through December 31, 2011 and establish one (1) full-time temporary Program Specialist III position and one (1) part-time temporary intern position through December 31, 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 10-002 Department of Education – On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request of the Department of Education to accept and expend \$50,645 in other funds through July 30, 2010 and establish one (1) part-time temporary Program Specialist I position through June 30, 2010. MOTION ADOPTED.

RSA 206:33-b TRANSFERS FROM FISH AND GAME FUND AND RSA 124:15 POSITIONS RESTRICTED:

FIS 10-022 New Hampshire Fish and Game Department – Glenn Normandeau, Director, and Kathy LaBonte, Business Manager, New Hampshire Fish and Game Department presented the request and responded to questions of the Committee.

On a motion by Representative Foose, seconded by Representative Scamman, that the Committee deny the request of the New Hampshire Fish and Game Department to transfer \$325,600 and establish one (1) part-time Stock Clerk III position through June 30, 2011. MOTION ADOPTED. (6-Yes, 4-No)

RSA 228:69, I (b) APPROPRIATION AND USE OF SPECIAL RAILROAD FUND:

FIS 10-011 Department of Transportation – Jeff Brillhart, Assistant Commissioner, presented the request and 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 Transportation to expend an amount not to exceed \$88,031 for railroad repair work in Laconia. MOTION ADOPTED.

RSA 604-A:1-b ADDITIONAL FUNDING:

FIS 09-374 Judicial Council – On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the request of the Judicial Council to receive \$160,000 in additional General Funds from funds not otherwise appropriated 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:

On a motion by Senator Larsen, seconded by Representative Foose, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 10-005 Department of Health and Human Services – accept and expend \$61,321, FIS 10-014 Department of Health and Human Services – accept and expend \$225,225 retroactive to January 4, 2010 through June 30, 2011]

LATE ITEM:

FIS 10-024 Letter from Representative Anne-Marie Irwin, Chairman of the Legislative Performance Audit and Oversight Committee – On a motion by Representative Scamman, seconded by Senator Bragdon, that the Committee approve the recommendation of the Legislative Performance Audit and Oversight Committee for the following two new performance audit topics: 1) the Efficiency and Effectiveness of the Department of Safety, Division of State Police, Field Operations Bureau; and 2) the Efficiency and Effectiveness of the Department of Safety, Division of State Police, Forensic Laboratory. MOTION ADOPTED.

INFORMATIONAL MATERIALS:

The informational items were accepted and placed on file.

AUDITS:

State of New Hampshire, Department of Transportation, Turnpike System, Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2009 and KPMG Independent Auditors' Report Dated December 23, 2009 – Compliance with "Covenants," of the New Hampshire Turnpike System's General Bond Resolution – Richard Mahoney, Director of Audits, Audit Division, Office of Legislative Budget Assistant, Brock Romano, KPMG Partner, and Karen Farrell, KPMG Senior Manager, presented the report and responded to questions of the Committee. Also present to respond to questions of the Committee were Jeff Brillhart, Assistant Commissioner, and Leonard Russell, Financial Administrator, Department of Transportation. Christopher Waszczuk, Administrator, Bureau of Turnpikes, Marc Biron, Financial Analyst, and Marie Mullen, Financial Analyst, Department of Transportation were also present.

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

The Unique College Investing Plan, Annual Report, September 30, 2009 and The Fidelity Advisor 529 Plan, Annual Report, September 30, 2009 – Catherine Provencher, State Treasurer, and Timothy O'Brien, Manager representing PricewaterhouseCoopers, presented the report and responded to questions of the Committee.

This report was accepted, placed on file and released at the December 3, 2009 meeting of the Fiscal Committee.

New Hampshire Lottery Commission, Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2009 – Richard Mahoney, Director of Audits, and Kimberly Seamans, 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 Georges Roy, Administrator, and Kassie Strong, Chief Accountant, Lottery Commission.

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:

A special meeting was scheduled for Friday, January 22, 2010 at 9:00 a.m. and the next regular meeting of the Fiscal Committee was set for Friday, February 5, 2010 at 9:00 a.m. (Whereupon the meeting adjourned)