

FISCAL COMMITTEE OF THE GENERAL COURT
MINUTES

December 3, 2009

The Fiscal Committee of the General Court met on Thursday, December 3, 2009 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 Daniel Eaton, Alternate
Representative Douglas Scamman
Representative Robert Foose
Senator Lou D'Allesandro
Senator Sylvia Larsen
Senator Kathleen Sgambati
Senator John Gallus
Senator Peter Bragdon

Chairman Smith opened the meeting at 9:37 a.m.

ACCEPTANCE OF MINUTES:

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the minutes of the October 20, 2009 meeting be accepted as written. MOTION ADOPTED.

OLD BUSINESS:

Linda Hodgdon, Commissioner, Department of Administrative Services, introduced the new State Comptroller, Edgar Carter, to the Committee.

NEW BUSINESS:

RSA 9:16-a. TRANSFERS AUTHORIZED:

CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 09-364 Department of Transportation – transfer \$5,447,241 in FY 2010 and \$5,562,184 in FY 2011, FIS 09-370 Department of Environmental Services – transfer \$200,000, and FIS 09-382 Department of Transportation – transfer \$1,618,000]

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

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 09-365 Department of Environmental Services – accept and expend \$99,166, FIS 09-372 Department of Environmental Services – accept and expend \$662,114, FIS 09-383 Department of Agriculture – accept and expend \$104,561.11, FIS 09-386 Department of Justice – retroactively amend the grant award termination date from June 30, 2009 to December 31, 2010, with no increase in funding (approved FIS 08-338, November 21, 2008), and FIS 09-387 Department of Justice – accept and expend \$173,000]

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

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the requests on the agenda under this section as submitted. MOTION ADOPTED. [FIS 09-371 Department of Transportation – accept and expend \$310,070 in federal ARRA funds through August 27, 2010 and FIS 09-384 Office of Energy and Planning – accept and expend \$1,262,000 in federal ARRA funds through February 17, 2012]

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

ARRA FUNDS CONSENT CALENDAR

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request on the agenda under this section as submitted. MOTION ADOPTED. [FIS 09-394 Department of Health and Human Services – authorization to amend the existing allocation of \$2,398,294 in federal ARRA funds by increasing the amount in SFY 2010 from \$700,700 to \$1,701,700 and decreasing the amount in SFY 2011 from \$1,697,594 to \$696,594 effective December 3, 2009 through September 30, 2011 (approved FIS 09-326, September 29, 2009)]

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 09-389 Public Utilities Commission – On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Public Utilities Commission to accept and expend \$783,538 in federal ARRA funds through December 31, 2012 and establish three (3) full-time temporary Utility Analyst IV positions through December 31, 2012. 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:

FIS 09-373 Office of The Adjutant General – On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Office of The Adjutant General to accept and expend \$67,532 in additional federal funds through June 30, 2011 and establish three (3) full-time seasonal Equipment Operator positions through June 30, 2011. MOTION ADOPTED.

FIS 09-388 Department of Justice – On a motion by Senator D'Allesandro, seconded by Representative Eaton, that the Committee approve the request of the Department of Justice to accept and expend \$342,402 in federal grant funds through June 30, 2011 and establish one (1) part-time temporary Program Specialist II position through June 30, 2011. MOTION ADOPTED.

RSA 604-A:1-b ADDITIONAL FUNDING:

FIS 09-374 Judicial Council – Nina Gardner, Executive Director, Judicial Council presented the request and 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 Judicial Council to receive \$480,000 in additional General Funds from funds not otherwise appropriated through June 30, 2011. MOTION ADOPTED.

CHAPTER 42:1, LAWS OF 2006, AS AMENDED BY CHAPTER 87:1, LAWS OF 2008, AS AMENDED BY CHAPTER 144:259, LAWS OF 2009, DISASTER RELIEF PAYMENTS TO LOCAL COMMUNITIES; OCTOBER 2005 DISASTER ASSISTANCE AND 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 09-375 Department of Safety – On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Department of Safety to expend \$656,111.78 in State Matching Funds for Federal Emergency Management Agency Public Assistance Grants for the amounts of: \$293,064.45 for the October 2005 Floods; \$139,245.79 for the May 2006 Floods; \$68,596.17 for the April 2007 Floods; \$20,614.66 for the July 2008 Tornado; \$47,183.46 for the July-August 2008 Floods; \$85,579.31 for the September 2008 Flood and \$1,827.94 for the September 2008 Flood. MOTION ADOPTED.

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

FIS 09-366 Department of Health and Human Services – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$499,042. MOTION ADOPTED.

FIS 09-390 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$91,700 in Supplemental Nutrition Assistance Program (SNAP) high performance bonus funds and \$83,384 in federal matching funds through June 30, 2010. MOTION ADOPTED.

CHAPTER 144:39, II, LAWS OF 2009, DEPARTMENT OF HEALTH AND HUMAN SERVICES; PROGRAM ELIGIBILITY; ADDITIONAL REVENUES; TRANSFER AMONG ACCOUNTS 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 09-357 Department of Health and Human Services – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to accept and expend \$60,000 in federal funds through September 29, 2010 and further approved the request for the Department of Safety to accept \$59,940 in additional other funds through September 29, 2010. MOTION ADOPTED.

CHAPTER 568:11, LAWS OF 1981 USE OF STATE-OWNED PASSENGER AUTOMOBILES:

FIS 09-358 Department of Administrative Services – A replacement item was submitted by the Department of Administrative Services creating an Informational Item requiring no action of the Committee, regarding state owned passenger automobiles with FY 2009 reported mileage less than 12,000 miles.

LATE ITEMS:

FIS 09-395 Letter from Representative Anne-Marie Irwin, Chairman of the Legislative Performance Audit and Oversight Committee – On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the recommendation of the Legislative Performance Audit and Oversight Committee for the following performance audit topic; the Efficiency and Effectiveness of the State's Mental Health Services provided by the Department of

Health and Human Services through the Community Mental Health Centers. MOTION ADOPTED.

FIS 09-396 Department of Health and Human Services – Nicholas Toumpas, Commissioner, Department of Health and Human Services presented the request and responded to questions of the Committee.

On a motion by Senator D'Allesandro, seconded by Representative Foose, that the Committee approve the request of the Department of Health and Human Services to transfer \$670,800 in SFY 2010 and \$1,069,303 in SFY 2011 through June 30, 2011. MOTION ADOPTED (8-Yes, 2-No)

FIS 09-397 Department of Administrative Services – Linda Hodgdon, Commissioner, Department of Administrative Services, and Edgar Carter, State Comptroller, presented the request and responded to questions of the Committee. The Committee addressed the two components of the item separately.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve section two of the request of the Department of Administrative Services for an extension of the release of the State's audited Fiscal Year 2009 Comprehensive Annual Financial Report ("CAFR") from December 31, 2009 to such time as KPMG LLC has completed the CARF audit. MOTION ADOPTED.

Commissioner Hodgdon requested to withdraw section one of the item requesting authorization to transfer \$14,733,929 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. WITHDRAWN.

MISCELLANEOUS:

Jeffry Pattison, Legislative Budget Assistant, requested authority to distribute the FY 2009 State Comprehensive Annual Financial Report, the FY 2009 Turnpike System Comprehensive Annual Financial Report, the FY 2009 Annual Reports of the UNIQUE College Investing Plan, and The Fidelity Advisor 529 Plan as soon as they are available in December.

On a motion by Representative Eaton, seconded by Senator D'Allesandro, that the Committee approve the request of the Office of Legislative Budget Assistant to distribute the FY 2009 State Comprehensive Annual Financial Report, the FY 2009 Turnpike System Comprehensive Annual Financial Report, the FY 2009 Annual Reports of the UNIQUE College Investing Plan and The Fidelity Advisor 529 Plan as soon as they are available in December. MOTION ADOPTED.

AUDITS:

State of New Hampshire, Fuel Oil Discharge Cleanup Fund, Performance Audit Report, December 2009 – Richard Mahoney, Director of Audits, and Vilay Diccio, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Thomas Burack, Commissioner, and Tim Dennison, Fund Management Section Supervisor, Oil Remediation Compliance Bureau, Department of Environmental Services, were also present to respond to questions of the Committee.

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

State of New Hampshire, State Board for the Licensing and Regulation of Plumbers, Performance Audit Report, December 2009 – Richard Mahoney, Director of Audits, and John Clinch, Senior Audit Manager, Audit Division, Office of Legislative Budget Assistant, presented the report and responded to questions of the Committee. Tedd Evans, Chairman, State Board for the Licensing and Regulation of Plumbers, was also present to respond to questions of the Committee.

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

INFORMATIONAL MATERIALS:

Linda Hodgdon, Commissioner, and Kevin Connor, Administrator, Financial Data Management, Department of Administrative Services, presented a handout and responded to questions of the Committee regarding replacement item FIS 09-358 Department of Administrative Services – regarding the repeal of Chapter 568:11, Laws of 1981, which required that state agencies obtain permission from the fiscal committee to retain vehicles which traveled less than 12,000 miles during the prior Fiscal Year.

The informational items were accepted and placed on file.

ADJOURNMENT:

The next regular meeting of the Fiscal Committee was set for Friday, January 8, 2010 at 9:00 a.m. (Whereupon the meeting adjourned)

Representative Neal Kurk, Clerk