

**JOINT LEGISLATIVE FISCAL COMMITTEE**

Legislative Office Building, Rooms 210-211

Concord, NH

Thursday, July 25, 2019

**MEMBERS PRESENT:**

Rep. Mary Jane Wallner, Chair

Rep. Ken Weyler

Rep. Sharon Nordgren (Alt.)

Rep. Lynne Ober

Rep. Peter Leishman

Rep. Erin Hennessey (Alt.)

Sen. President Donna Soucy

Sen. Dan Feltes

Sen. Cindy Rosenwald

Sen. Regina Birdsell (Alt.)

Sen. Jay Kahn (Alt.)

(The meeting convened at 10:01 a.m.)

MARY JANE WALLNER, State Representative, Merrimack County District #10: I'm going to open and recess for 15 minutes. They're not all here yet. So I'm going to wait until they get here. So we'll be in recess for 15 minutes.

(Recess at 10:02 a.m.)

(Reconvened at 10:18 a.m.)

CHAIRWOMAN WALLNER: I'm going to call the Fiscal Committee to order, and today's meeting is a little -- a little different than our usual -- our usual Fiscal Committee meetings in that this is the first meeting that we're having since the budget was vetoed, and we're now in a Continuing Resolution. So we spent some time yesterday with the LBA to talk about the items that we have before us today. And, actually, I would like to ask Mr. Kane if he would come up and talk to us a little bit about the items and why some of them -- why some of the categories are a

little different than before and he's -- he's outlined for us what -- what the items, what kind of -- what the items fall into, what categories they fall into so he's going to -- he's going to outline that for us. Does everyone on the Committee have that document that you put together last night?

MICHAEL KANE, Legislative Budget Assistant, Office of Legislative Budget Assistant: I'll actually read through the summary. Is this on? I don't know if this is on. Can you hear that? Okay. Sure. Probably five categories. I'll just explain each one --

CHAIRWOMAN WALLNER: Yes.

MR. KANE: -- very carefully.

CHAIRWOMAN WALLNER: That would be great. Thank you.

MR. KANE: We have plenty of paper, I think.

CHAIRWOMAN WALLNER: I can't find anything the way it is already.

MR. KANE: Good morning, Madam Chair, Members of the Committee. For the record, my name's Michael Kane, the Legislative Budget Assistant. And as Representative Wallner had stated the first Fiscal Committee meeting of this Fiscal Year is a little bit different because of the budget veto and Continuing Resolution. Different from the last few years, although there was a similar situation in 2003 and 2015. So in the event of a budget veto or Continuing Resolution, there are usually additional Fiscal Committee items that aren't typically the Committee would not see because they would have been addressed in the budget itself.

So as far as so-called categories, we do have some standard items. You have your items requesting transfers, reallocation of funds or establishment of classes. These are items Fiscal Committee would typically see in your monthly meeting, aren't

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necessarily the result of the budget veto. Some of them may have been addressed in the budget putting them to the proper classes, but I would consider transfers kind of a standard Fiscal Committee item.

Then you have the additional funds and positions that are not included in the vetoed budget. This is something that typically Fiscal, again, Fiscal Committee would see on a monthly basis. These are additional grant funds that are maybe historically never put in the budget because they are discretionary. They could be additional funds above and beyond what the budget even anticipated receiving. So it's something that Fiscal would see anyway, as well as positions related to those funds.

Then you have your statutory required approvals. There is one in your Fiscal Committee agenda today and those are specific statutes requiring Fiscal action on various things, such as today you'll see one to employ experts. Sometimes the filing of a plan is necessary to Fiscal accept the rules in some instances. So these would happen regardless of the vetoed budget or if the budget had passed.

And then you have two other categories which are specifically related to the Continuing Resolution or the budget not passing. Items that we've seen in 2003 and 2015 and those two are -- one is the funds and positions that were included in the vetoed budget. Typically, if a fund is in a budget the agency would not come to Fiscal Committee to request that because the Legislature had previously approved that when the budget was passed.

In -- because the budget was vetoed, there are some areas where Fiscal may have approved the acceptance of a grant. The agency, because it was ongoing, put it into the '20 and '21 budget. But after the veto they received no funds because initially it did come in through Fiscal Committee so wasn't in the '19 budget which was the base the Continuing Resolution. So you're going to see some of those.

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You sometimes see some new positions or new funds that are included in the vetoed budgets that are brand new that Fiscal didn't approve before or G & C approve before. I don't recall any of those on this agenda, but that's something you may see coming forward. And then the last one the emergency request to exceed the CR funding levels.

Just for the record, the Continuing Resolution provided 3/12<sup>th</sup>'s of the Fiscal Year 2019 enacted budget, plus any adjustments that were included in basically the Agency Budget request under Adjusted Authorized. So what that captures is your '19 budget appropriation, plus the -- the pay raise warrant for that -- for that year, as well as only the activity that Fiscal may have taken up in July, August, and September of 2018. But anything that Fiscal did after that point would not be reflected in the base for '19. So that's why you're going to see some items under this agenda that are going to come forward.

So 3/12<sup>th</sup>'s is what each agency gets of the '19 budget. If the -- if the Continuing Resolution states that in the event of an emergency, as defined by the Committee, the Governor, the Executive Councilors, who all need to approve this, in the event of an emergency an agency could exceed the 3/12<sup>th</sup> allocation. You're going to see several items at the end of your agenda that do make this request and they vary. A lot has to do with seasonality. State Parks is a great example. A lot of that activity occurs in July, August, and September. They spend almost half their budget in the first three months of the Fiscal Year and since they received a quarter of it that's why you're seeing them.

A lot of activity in Transportation, relative to paving of roads. Again, seasonal activity. And then some other areas you'll see some requests as a result of maybe events that occurred after the '19 budget passed and now requires an agency to request emergency funding to provide that same level of service for the first three months of '20. So of the 35 action items, including the late item, 13 of those items were standard

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items that Fiscal Committee would have seen regardless of the status of the budget. Twenty-two of those action items that are a direct result of the Continuing Resolution and the vetoed budget. So just the size of the current agenda for Fiscal Committee is a little larger than it would have been if the budget wasn't vetoed and that is consistent with the size of Fiscal Committee agendas back in 2003 and 2015. So any questions, I'll be pleased to answer.

CHAIRWOMAN WALLNER: So I have a question about Adjusted Authorized. So what you have just said is that the only Adjusted Authorized that was in the Continuing Resolution is what we accepted in Fiscal in July, August, and September of 2018.

MR. KANE: '18, yeah.

CHAIRWOMAN WALLNER: So anything we've done since then was not in the Adjusted Authorized appropriation.

MR. KANE: That's correct. So any additional grant funds, any additional General Fund support provided to those agencies that can't ask for General Funds support, Justice being one example, that they requested after those dates would -- they would not receive a quarter of those expenditures. So that's why you're going to see some requests coming forward relative to that, yes.

CHAIRWOMAN WALLNER: Thank you. Any other questions? I think that was clear. As we go through, though, I'm going to ask you if you will be sure and help us if we come to an item that we seem to be unclear about which category it falls into.

MR. KANE: Sure.

CHAIRWOMAN WALLNER: Thank you.

MR. KANE: You're welcome.

(1) **Acceptance of Minutes of the June 14, 2019 meeting.**

CHAIRWOMAN WALLNER: So let's turn to the agenda. The first thing on agenda today is the acceptance of the minutes of the June Fiscal Committee meeting.

**\*\*** DONNA SOUCY, State Senator and Senate President, Senate District #18: So move.

JAY KAHN, State Senator, Senate District #10: Second.

CHAIRWOMAN WALLNER: Senator Soucy moves and --

SEN. KAHN: Second.

CHAIRWOMAN WALLNER: -- Senator Kahn seconds. Any discussion of the minutes? Any issue with the minutes? All in favor? Any opposed? Minutes are accepted.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: I must apologize because we do have some substitutes with us today. And yes.

REGINA BIRDSELL, State Senator, Senate District #19: I'll just abstain because I wasn't here last time.

CHAIRWOMAN WALLNER: Okay. Thank you, Senator Birdsell. So welcome, Senator Birdsell and Senator Kahn, and Representative Nordgren, who are substituting today for members that are not with us today.

**(2) Old Business:**

CHAIRWOMAN WALLNER: For Old Business under Tab 2. We have an item from the Business Finance Authority. Anyone want to take that up at this point? I think we'll just leave it then on Old Business.

### CONSENT CALENDAR

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(3) **RSA 9:16-a, Transfers Authorized:**

CHAIRWOMAN WALLNER: And our first item is item under Tab 3, it is Item 178.

**\*\*** LYNNE OBER, State Representative, Hillsborough County, District #37: Move to approve.

CHAIRWOMAN WALLNER: The Department of Administrative Services. Representative Ober moves to approve the item.

PETER LEISHMAN, State Representative, Hillsborough County, District #24: Second, Madam Chair.

CHAIRWOMAN WALLNER: And Representative Leishman seconds. Discussion of the item? Seeing none. I would like to ask Administrative Services if they would come up for just a minute. I have a couple of questions about before we vote on this one.

CHARLES ARLINGHAUS, Commissioner, Department of Administrative Services: Hi, I'm Charlie Arlinghaus, the Commissioner of Administrative Services and you are.

JOSEPH BOUCHARD, Assistant Commissioner, Department of Administrative Services: Joe Bouchard, Assistant Commissioner.

CHAIRWOMAN WALLNER: Thank you for coming up. This doesn't really pertain so much to this item as does pertain to a number of other items in the -- in the docket today, and that is around the veto, the vetoed budget and lay-offs. There are a number of items in here where there are positions that are involved in asking for some of these items to pass. Could you tell us about the -- what happens about laying off personnel who are in the 18-19 budget but not in the 20-21 budget, the vetoed budget at this point?

MR. ARLINGHAUS: There are very specific procedures in the personnel rules regarding lay-offs, and they're mirrored in the Collective Bargaining Agreement. If you look at, for example,

the SEA Collective Bargaining Agreement on personnel rules it literally says in the agreement these are identical and we agree that we'll only grieve or appeal them one place instead of two. So there's widespread agreement on that.

Essentially that for if you were to lay-off, there are a series of reasons under which lay-offs are permissible in the personnel rules. I think there are six. One of them is inadequate funding. For full-time employees you are required to give 14 days' notice. After the 14-day notice is given by the appointing authority to both the employee and the Director of Personnel, after that the person may be laid off. For part-time employees no notice is required, and there are a couple of other small categories of employees where notice would not be required. Technical categories like temporary fill-ins. Excuse me.

None of those actions have been taken. It is almost certainly true that there are people today whose employment, not very many, but a number whose employment needs to be regularized you might say. The paycheck that was issued on July the 19<sup>th</sup> included -- we pay -- we pay significantly after the fact, but it includes -- it's for pay period that ended on July the 4<sup>th</sup>. So there are probably some people for whom we've paid them for four days that if you take an action -- if you don't take a specific action today, they probably should not have been paid for those days and they should have been laid off. Those actions have not been taken and, in part, that's because historically in the -- there aren't that many Continuing Resolution situations and literally have nobody still working except actually two guys in Graphic Services who were there in 1977, a handful in '03, quite a few of them were there four years ago, but there was a general understanding on the part of both parties to the impasse, so to speak, that nobody is intended to be laid off. That's our impression from -- of various people's intention and one of the reasons that nobody panicked because the Fiscal Committee meeting was happening now instead of three weeks ago or whatever. So that's where we are.

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If people are laid off, though, we are required to give 14 days' notice and our understanding would be that it is only after the 14 days' notice that would happen that we could stop paying them, 'cause you must pay people if they work.

REP. OBER: Madam Chair.

MR. ARLINGHAUS: Does that help?

CHAIRWOMAN WALLNER: Yes, that was helpful. Thank you. Yes, Representative Ober.

REP. OBER: Could I ask a follow-up on that?

CHAIRWOMAN WALLNER: Yes, of course.

REP. OBER: Charlie, thank you. You talked about full-time employees and, of course, we have a number of Class 10 and Class 11; but we also have Class 59, temporary full-time employees. When you say full-time, do you include that class as well?

MR. ARLINGHAUS: That's a great question. We actually discussed this yesterday, and I think that if you look at personnel rule 1101, I think it's Section three, I might not have it here, but it's not clear. I think the only reasonable interpretation of the rule though is that anybody who's a full-time employee, whether they're a 10 or a 59, or unclassified, which is a little different kettle of fish, but anybody who's a full-time employee would need 14 days' notice, even if they're in 59.

REP. OBER: I just wanted to have that verified. Thank you.

CHAIRWOMAN WALLNER: Further question. Thank you. That was helpful. And I hope that as we go through this if we come to an item that there's a position involved and we're not handling it so that we make sure that we're not doing any lay-offs, would you please flag me?

MR. ARLINGHAUS: Yes.

CHAIRWOMAN WALLNER: I'll see you back there. Okay. Because I think that -- I hope that Fiscal Committee would agree with me that we don't -- we at this point do not want to see people laid off.

MR. ARLINGHAUS: It's very --

CHAIRWOMAN WALLNER: I want to be very cautious as we go through.

MR. ARLINGHAUS: It's very useful for us to have that direction. And one of the things we can do, in addition to like standing up and giving you a high sign today, is that in the future if anything comes up that's the way of an emergency we can immediately reach out to everybody and let you know something's happening.

CHAIRWOMAN WALLNER: Okay. Great. Thank you very much. I appreciate it. And I'll be watching that there in case we're doing something.

MR. ARLINGHAUS: Try to behave ourselves.

CHAIRWOMAN WALLNER: Okay. I see the back row right now.

REP. OBER: That's because he doesn't behave.

CHAIRWOMAN WALLNER: I think we do have a motion on the floor --

REP. OBER: We do.

CHAIRWOMAN WALLNER: -- of ought to pass on Item 178, Department of Administrative Services. It's moved by Representative Ober and seconded by Representative Leishman. All in favor? Any opposed? Motion passes.

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\*\*\* {MOTION ADOPTED}

(4) RSA 14:30-a, VI Fiscal Committee Approval Required for Acceptance and Expenditure of Funds Over \$100,000 from Any Non-State Source:

CHAIRWOMAN WALLNER: Moving on to Tab 4. I also -- now we hit -- we come to a Consent Calendar. And what I would like to do today, because I do think that we have a lot of -- a lot of items. We have -- I know we have a lot of questions. I've had a lot of the Fiscal Committee Members pose a lot of questions over the last 24 hours or 48 hours. So I would like to take these one at a time, rather than as a block, if that meets with everyone's approval. Any objection to that?

Okay. So we will move through these one at a time, even though it is Consent Calendar. Okay. Our first item under -- in this group is 146, and this is Health and Human Service item. It's an item concerning Infectious Disease Control, to retroactively accept and expend Federal funds. And do I have a motion on this item? Seeing no motion, we would like to have the Department come up and answer some questions. Okay. Then maybe we'll have a motion after that.

JEFFREY MEYERS, Commissioner, Department of Health and Human Services: Good morning, Chairman Wallner. For the record, Jeff Meyers, Commissioner of Health and Human Services, and with me is our Chief Financial Officer, Kerrin Rounds. Good morning to Members of the Committee.

CHAIRWOMAN WALLNER: So yes, Senator Feltes.

DAN FELTES, State Senator, Senate District #15: Thank you very much, Madam Chair. Thank you, Commissioner. The 3.7 million requested in change, does that comprise of the total amount or is that prorated through the end of September?

MR. MEYERS: That's the total amount. These are monies that were received as a grant from CD -- from the Centers For Disease Control last year and they fall into the bucket that Mr. Kane

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described as money that had been previously approved by Fiscal when it first came in. But because it wasn't in the base of the '19 budget, we have to come back and seek a second approval.

These monies were given to -- if I may, Senator, very briefly? These monies were given to the State to help collect and report and document, if you will, the response to the opioid crisis in New Hampshire including, you know, monitoring how, you know, the Federal funds that came in through SAMHSA through the SOR Grant Program were being used. A permissible use of these monies and about 2.2 million has been awarded already under a contract to Deloitte as a result of a competitor procurement to build a statewide Dashboard, not only to report opioid data but all substance misuse data in the state. So this -- this new system is going to sit over a variety of other systems in the Department.

Of the total amount, Senator, about 2.6 has already been encumbered. We're required under the terms of this grant to not only encumber everything, every dollar by, I believe it's November 30<sup>th</sup>, right?

MS. ROUNDS: Hm-hum, yes.

MR. MEYERS: But it all has to be spent. It physically has to be invoiced and spent within 90 days of that date. So we've already run the Deloitte contract through the Governor and Council. It's been awarded and there are other contracts that are coming.

SEN. FELTES: Follow-up, if I may?

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: Thank you, Madam Chair. How is it that the Department encumbered 2.6 million without first going to Fiscal?

MR. MEYERS: We did. Before.

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SEN. FELTES: Before?

MR. MEYERS: Yeah. This is the second time we're appearing because it was in that bucket Mr. Kane described. We got the grant approved by Fiscal previously, but that wasn't in the base of the '19 budget. And so that's why we're back here again today. We had approval of Fiscal Committee to accept and expend the dollars. After that approval was given, we entered into a contract with -- this contract that I'm describing with Deloitte and then we have to come back here now again because of the wrinkle within the Continuing Resolution.

SEN. FELTES: Follow-up.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: So if it's two point -- 2.6 million has already encumbered based on --

MR. MEYERS: Yeah.

SEN. FELTES: -- the prior authorization from the Fiscal Committee.

MR. MEYERS: Yes.

SEN. FELTES: I'm trying to understand why is the request not 3.7 million in change minus 2.6?

MS. ROUNDS: So it's not encumbered. This is Fiscal Year 20 portion of that needs to be encumbered. That's how it should have been said. So it's not encumbered yet the 2.6 million.

REP. OBER: Is it encumbered or isn't encumbered?

MS. ROUNDS: It is not encumbered. These funds will be encumbered immediately. If you approve this item, 2.6 million will be encumbered immediately. That's --

SEN. FELTES: Follow-up.

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CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: How much money is -- first of all, what's the definition of encumbered for the Department purview?

MR. MEYERS: There's already been an action taken with respect to this money, and I think just look at it a little differently.

REP. OBER: Use the microphone, please.

SEN. FELTES: What exactly is the action taken right now, regardless of whose definition of encumbered is what? There seems to be a little bit of confusion already on that. But what -- what action has been taken with respect to this money? What has the Department done before coming here today?

MR. MEYERS: We went to the Governor and Council. I'd have to check the meeting. It was two or three meetings ago -- was several meetings ago and we let a contract. We got approval of a contract for approximately 2.2 -- \$2.2 million with Deloitte Consulting utilizing 2.2 of this -- of these funds.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes, Representative Ober.

REP. OBER: Thank you. If I could follow on my colleague's question. I'm a little confused.

MR. MEYERS: Hm-hum.

REP. OBER: You said we've encumbered 2.6 and now we've used 2.2. When we approve this, we would only have, because that's all Fiscal can do, have approved that portion of the grant for the previous Fiscal Year. So remind me how much that portion was? We couldn't approve the 3.729 million because that's

beyond our purview. We can only approve through the end of the biennium and that ended on June 30<sup>th</sup>.

MS. ROUNDS: Correct.

REP. OBER: So of the total grant, how much did we actually approve last biennium of this amount?

MS. ROUNDS: I don't know the amount. I don't know. If I have the microphone. I don't know that amount offhand. What I can tell you is this 3.7 is what was budgeted in Fiscal Year 20 so the contract that the Commissioner speaks of would have been encumbered -- would need to be encumbered with Fiscal Year 20 funds, which we currently do not have because this happened as we spoke about earlier post the budget.

REP. OBER: Thank you. Chair, may I follow-up with a couple of questions?

CHAIRWOMAN WALLNER: Yes, follow-up.

REP. OBER: Commissioner, you said that we had a date of November 3<sup>rd</sup>, and then you followed that statement and I just want to clarify this.

MR. MEYERS: Right.

REP. OBER: That you had to spend the money within 90 days of that date.

MR. MEYERS: Correct.

REP. OBER: Does that mean 90 days after November 30<sup>th</sup>?

MR. MEYERS: November 30<sup>th</sup>. November 30<sup>th</sup> is the date we have to have it all encumbered by the purpose of the federal grant, then we have to spend it all within 90 days of that date.

REP. OBER: My last question, if I might, Madam Chairman?

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CHAIRWOMAN WALLNER: Yes.

REP. OBER: What would the impact be on this project if it got tabled till the August meeting?

MS. ROUNDS: So just for clarification. One of the reasons that the item is for the entire amount is this grant -- when we submitted this item this grant was scheduled to expire on August 30<sup>th</sup>, and we did receive an extension through November. So that's why we're speaking about the November date now. But when the item was submitted, it would have been before the September 30<sup>th</sup> date. I don't have a -- I don't have an idea in this moment how much we would be impacted, but there would be an impact. We would not be able to pay some of our bills to Deloitte if there wasn't an approval of this item.

MR. MEYERS: Well, the other impact is that we have planned other contracts that are going to be submitted to G & C, assuming the approval today. So that we -- we'll be in a position to spend the money by the time that we are required to spend it, and we don't lose it.

REP. OBER: Can I ask my colleague, Senator Feltes, a question?

SEN. FELTES: Sure.

CHAIRWOMAN WALLNER: Sure.

REP. OBER: When I heard the word encumber, because I sat on School Board, that meant to us legally that we would vote in June to quote, unquote, encumber a set amount knowing that we weren't going to spend the money till the next Fiscal Year. Is that a correct definition or am I just so off base that's why I can't quite understand this?

SEN. FELTES: My view I think that's a correct definition.

REP. OBER: Thank you.

CHAIRWOMAN WALLNER: Representative Leishman.

REP. LEISHMAN: Thank you, Madam Chair. So I'm looking at past Fiscal action. And back in '18 there was a request that I think the Commissioner is referring to and it states specifically that grant funds awarded for the period after SY -- FY 2019 will be included in the Operating Budget for FY 20 and 21 with 100% Federal funds and this was approved by Fiscal in '18.

MR. MEYERS: Yes.

REP. LEISHMAN: But the budget was vetoed by the Governor. So I don't know how you could encumber the funds for this operating year when there is no budget.

MR. MEYERS: Well, the item -- so I now have the prior item in front of me. I apologize I didn't have it before. It's dated September 26, and Mr. Kane indicated by his signature it was approved by Fiscal and I believe the date is 10/19 of '18 if I'm reading this correct.

MR. KANE: That's correct.

MR. MEYERS: And that item was to accept and expend Federal funds in the total amount of \$3,535,326. That's in the first paragraph of the item. And on the basis of this approval, we completed a competitive procurement and went to the Governor and Council to award a contract for approximately 2.2 million of these funds and have plans to expend the rest of it by the date. And as Kerrin mentioned, the initial date was all this had to be spent by August. We got an extension because we were concerned about our ability to do that, and they granted that brief extension. So we acted upon the approval given by Fiscal on the 18<sup>th</sup> -- excuse me -- the 19<sup>th</sup> of October, and I have a copy of that if you don't.

CHAIRWOMAN WALLNER: Senator Rosenwald, did you have a question?

SEN. ROSENWALD: Not really. He's covered it.

REP. LEISHMAN: Madam Chair, if I could?

CHAIRWOMAN WALLNER: Yes.

REP. LEISHMAN: You made the statement I think we all agree with that we don't want to see any lay-offs. This particular program there is one State Employee that would be impacted if this wasn't approved according to the Commissioner's letter to us.

MR. MEYERS: That's correct. That's correct.

REP. LEISHMAN: Do you have the three-month figure of keeping that employee employed? Because you mentioned this request, if I could, Madam Chair, this is a full year request that the Commissioner is asking for this. Do you have the figures for a three-month extension so we don't have to lay-off that employee?

MS. ROUNDS: I don't have that in front of me.

MR. MEYERS: We have to run the number. I apologize, I don't have it in front of me.

REP. OBER: Madam Chairman, how long would that take?

CHAIRWOMAN WALLNER: How long would that take to figure what it would cost to keep the employee?

MS. ROUNDS: I don't feel comfortable committing to a time. I mean, I could try to do it before the end of the meeting. I presume -- sorry. I presume you're implying could I do it before the end of the meeting? I can try. I just don't know that I could commit to that.

CHAIRWOMAN WALLNER: I think I would like to ask you to try --

MS. ROUNDS: Yeah.

CHAIRWOMAN WALLNER: -- to do that for us so we have that piece of information. And we'll put this item, if there are no objections, we'll put this item to the end of the -- end of the day.

MS. ROUNDS: Okay. Thank you.

CHAIRWOMAN WALLNER: Item 146 is going to go to the end of the day.

Okay. Moving on to Department of Transportation item, it is 154, and I would like someone from the Department to come up if they could. I know we had questions on this one.

MARIE MULLEN, Director of Finance, Department of Transportation: Good morning. Marie Mullen, Director of Finance for DOT.

CHRISTOPHER WASZCZUK, Deputy Commissioner, Department of Transportation: Chris Waszczuk, Deputy Commissioner.

CHAIRWOMAN WALLNER: Thank you. Are there questions for the Department on this one? Representative Ober, did you have a question last night about this one?

REP. OBER: No. This is not the one I had questions about.

CHAIRWOMAN WALLNER: Okay. You want to just tell us about this particular item?

MS. MULLEN: Yes. This is related to the Aeronautics Toll Fund. So this is a restricted revenue fund that is collected from the Road Toll and it goes from aircraft who fill up in gas

in the state. So the FAA requires any of the revenues that come into the State to be used on Aeronautics -- for Aeronautics purposes. So this fund was established and it's restricted. The FY18 funds are what we are trying to accept and expend at this point. This account is non-lapsing, but it's not continuously appropriated. So we need to come back to the Fiscal Committee to appropriate the funds.

The Department has gone forward and put out a grant solicitation in January, and there's a list of approvals. They had about 1.5 million requested in grants, and we only had about 240,000 available in revenue from FY18. So we are looking to appropriate those funds so that we can issue the grant funds to these -- to the grant awardees who were awarded their projects.

CHAIRWOMAN WALLNER: Great. Thank you. Representative Weyler.

**\*\*** KEN WEYLER, State Representative, Rockingham County, District #13: Move to approve.

SEN. PRESIDENT SOUCY: Second.

REP. OBER: Just a little bit discussion, Madam Chairman. I think yesterday we asked what grants were in there and I believe Mr. Kane e-mailed us those last night. I think I read that this morning.

MR. KANE: Yes. There were a few grants I can share with the Committee as well that were provided by the Department of Transportation. And Miss Mullen has stated this is -- well, I can state. This is an item that would have come to Fiscal regardless of the budget status because it is a non-lapsing fund but not continuously appropriated, so.

CHAIRWOMAN WALLNER: Thank you. Representative Weyler moved and Senator Soucy second ought to pass. All in favor? Any opposed? Item passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Thank you.

MS. MULLEN: Thank you very much.

CHAIRWOMAN WALLNER: And thank you for sending that last night.

MS. MULLEN: You're welcome.

CHAIRWOMAN WALLNER: Next is the Department of Justice. This is Item 155.

**\*\*** REP. OBER: Move to approve.

SEN. FELTES: Second.

CHAIRWOMAN WALLNER: Representative Ober moves to approve. You might get off easy here. Representative Ober moves to approve and Senator Feltes seconds. Any discussion of this item? All in favor?

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Next we move on to Item 156.

**\*\*** REP. OBER: Move to approve.

SEN. FELTES: Second.

CHAIRWOMAN WALLNER: Representative Ober moves to approve. Senator Feltes seconds. Any discussion? All in favor? Any opposed? Item passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: And now Item 158, I believe, has been withdrawn; is that correct? Okay. So that one's withdrawn. You can sit back down now. Thank you. Excellent.

Department of Education item 159. Could we -- could the Department come up? I know we had some questions on this one.

FRANK EDELBLUT, Commissioner, Department of Education: Good morning. For the record, Frank Edelblut, Commissioner of Education.

TAMMY VAILLANCOURT, Chief Financial Officer, Department of Education: Tammy Vaillancourt, CFO for Education.

CHAIRWOMAN WALLNER: Thank you. Questions for the Department?

REP. OBER: I did have questions. However, they responded in writing and we've learned that this is a combination of a -- although the Department of Education kind of releases some money, I guess it's combination between DOE and DES as we learned. And you have -- oh, Tammy, I read my e-mail early this morning -- \$2,200 worth of grants ready to be paid but you can't pay; is that correct?

MS. VAILLANCOURT: Correct. That is correct.

\*\* REP. OBER: So I would move to approve this.

CHAIRWOMAN WALLNER: Representative Ober moves to approve. Senator Soucy.

SEN. PRESIDENT SOUCY: I just had a question. How many ongoing projects do you currently have? I understand you're going for payment, but I didn't have an opportunity to see the e-mail this morning. I do apologize.

MR. EDELBLUT: So I only know about the five before that have been approved and another one in the pipeline. It's

possible that there are additional projects that are ongoing with DES because essentially the schools -- this is the grant that we hope we never have to use, because we hope that there is not lead in any of our, you know, institutions. You know, but essentially, you know, the school does the testing. They provide those results to DES. DES approves the remediation plan. The school goes through the remediation plan and then we just process the payment for them in the back end. Hopefully, much of that work if there were problems would be done over the summer. So probably you'd see a lot of this taking place in the September time frame.

SEN. PRESIDENT SOUCY: Thank you.

CHAIRWOMAN WALLNER: Senator Feltes, did you have a question?

SEN. FELTES: I did. Thank you very much, Madam Chair. Thank you, Commissioner. This is a result of a bill that a lot of people around this table worked on to combat childhood lead and paint in water. And we know that a lot of schools have very old piping and fixture systems and have lead in their piping and in the fixtures. What has the Department done to make sure that all of our schools are aware of their ability to coordinate with you and your Department to start working on this?

MR. EDELBLUT: So it has been kind of a joint effort between ourselves and DES. We have had many communications directly to the school superintendents and to principals. We have presented at conferences where superintendents and principals are going to be present so that they're aware of those grant programs. We have really put a push on to try and encourage them to make sure that they get through that testing phase, because nobody wants -- like I said, this is a grant we never want to have to use.

I can tell you at this time 70% of our schools have already reported their testing results. We have not had any systemic problems. All of the results we've gotten so far has been, you

know, there's a particular bubbler in the school that has a problem or a particular faucet someplace, but nothing systemic at this point in time.

SEN. FELTES: Follow-up.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: So by systemic you mean a main line going into a building?

MR. EDELBLUT: Yes, an entire piping system has a problem. Correct.

SEN. FELTES: Fixtures?

MR. EDELBLUT: Yes.

SEN. FELTES: Last follow-up. Thank you, Madam Chair. How many -- so 70% have done the testing.

MR. EDELBLUT: Correct.

SEN. FELTES: So what -- what specifically are you going to do to reach out to the other 30%?

MR. EDELBLUT: So we continue to reach out to them regularly to make sure that they go through that process. The testing is not an optional test. It's actually something that is required to be done. So we will continue to encourage them to come through that process and make sure that they get it done. The fact that we have remediation dollars I think includes that incentive. And even when you see -- so the 70% that we have reported to us doesn't mean that a school hasn't done something. This is the kind of remediation that, you know, we all hope that the schools are doing on an ongoing basis. So they may have already been doing testing and been monitoring those processes all along and it's really more of a reporting function at this point in time.

CHAIRWOMAN WALLNER: Thank you. I have a motion. Representative Ober moved and Representative Weyler second. All in favor? Any opposed? Motion passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: The next item is another Department of Education item so maybe there will be questions about this one. This is Item No. 160. It's authorized to retroactively amend Fiscal 19, Item 002. And are there questions for the Department about this one? Yes, Representative Rosenwald. Senator Rosenwald.

CINDY ROSENWALD, State Senator, Senate District #13: Thank you. Thank you, Madam Chair, and good morning.

MR. EDELBLUT: Good morning.

SEN. ROSENWALD: On Page 5 of 6 of your narrative, you refer to seven -- I think it's seven positions. How many are existing? How many of them are filled currently?

MR. EDELBLUT: So, yeah. So these, actually, are -- so one, two, three, four, five are filled and one happens to be vacant right now. But these are not full-time positions. These are allocations of those grant funds. So these are individuals who are working on multiple grants so some of their time is spent on one grant, some is spent on another grant, so they are all active positions, one being vacant.

SEN. ROSENWALD: And five filled?

MR. EDELBLUT: Correct.

SEN. ROSENWALD: Follow-up.

CHAIRWOMAN WALLNER: Yes.

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MR. EDELBLUT: Oh, six. Sorry, I missed one.

SEN. ROSENWALD: So six are filled.

MR. EDELBLUT: Yes.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Further questions about this item?

\*\* REP. WEYLER: Move to approve.

CHAIRWOMAN WALLNER: Representative Weyler moves to approve the item. Is there a second?

SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: Senator Birdsell seconds. All in favor?

SEN. FELTES: I have a question.

CHAIRWOMAN WALLNER: Oh, I'm sorry. Senator Feltes has a question.

SEN. FELTES: Thank you very much, Madam Chair. I think at the outset we talked about and the Chair laid out that we're going to look at what buckets, what does this fall into, certain buckets as a result of the veto, is it not a result of the veto, is it new, et cetera? This is a question for LBA. Is this request a result of the veto?

MR. KANE: It is, and what had occurred is previously it wasn't included in the '19 budget, which was the base for the CR. So the Department had zero authorization there; but they did receive previous Fiscal Committee approval for this grant. And then because it was ongoing they did include it in the '20 and '21 Operating Budget. Since -- so absent -- if that budget had passed you wouldn't see them. Since that budget was vetoed there

was zero appropriated in the CR. They're coming before you to ask to approve three months of that federal grant.

REP. OBER: Question for Mr. Kane.

CHAIRWOMAN WALLNER: Yes, Representative Ober.

REP. OBER: We approved this in '18; yes?

MR. KANE: Let's see.

MR. EDELBLUT: I think December '18.

MR. KANE: Yeah, January of '19. Yep.

REP. OBER: And I know Adjusted Authorized didn't add, but it was added to Adjusted Authorized for their '19 budget, which still would make it zero for now. But they did get it added some way to their budget after we approved, didn't we?

MR. KANE: No.

REP. OBER: It won't show up in the CR.

MR. KANE: Correct, it doesn't show up in the CR. Fiscal did make a prior approval in January, this past Fiscal Year 19 to approve these funds so correct. But it doesn't show up in the CR because it happened -- that Fiscal approval happened after that.

REP. OBER: Right.

MR. KANE: Correct.

CHAIRWOMAN WALLNER: Representative Leishman.

REP. LEISHMAN: Thanks, Madam Chair. Thanks for appearing, Commissioner. So I'm a little confused because I'm looking at your request from '18 and the numbers are completely the same for your requests that we're looking at today. So have you

prepared a breakdown of the three-month impact of spending due to the veto or are you making the request? Because the numbers lineup with your initial request which was full funding; but, again, in the request you put forward to us today shows full funding.

MR. EDELBLUT: So what you'll see is actually the initial request that we made and the one that we are continuing forward which is really extending it. It was not for the full funding of the grant, because I think as was pointed out in a previous conversation this grant would have extended beyond June 30 of '19 and into the next Fiscal Year. So we would have needed an appropriation in that budget process to go forward. So this only included a portion, a fraction, of that initial grant.

No funds have been expended under this grant at this point in time. We basically while we -- we got Fiscal approval, then we put our plan together, we filed it with DOJ. That plan to use the grant funds was not approved until June. And so now we are really just starting the grant, you know, implementation at this point in time. So you're actually only approving a portion of that grant any ways.

If the Continuing Resolution goes beyond September, then we would have to be back to access the remaining parts of that grant.

REP. LEISHMAN: So further question.

CHAIRWOMAN WALLNER: Yes.

REP. LEISHMAN: So if I heard you correctly, you've spent nothing as far as this grant at this time?

MR. EDELBLUT: We have not accessed the grant at this point in time.

REP. OBER: I have a question.

CHAIRWOMAN WALLNER: Okay. Now everybody has a question. Okay. Hands up everywhere. Let's start with Representative Ober.

REP. OBER: I want to go back to Pages 5 and 6 and Senator Rosenwald's question, and your response was these positions, and there were six of them, are filled working on multiple – (cell phone rings) aw, now Ken owes the coffee fund – working on multiple grants; but these positions have not worked at all or all been paid from this grant to date; is that correct?

MR. EDELBLUT: That's correct.

REP. OBER: And so if this grant were tabled, these positions would continue to be paid from wherever they've been paid; is that correct?

MR. EDELBLUT: If those funds continue to be available, because they're winding down other grants, and then some grants are coming on-line, you have to manage that. So it may be that I have the ability to pay 80% of someone's compensation but not the other 20%, because I don't have a funding source for the remainder.

REP. OBER: Can you tell us how many of those the status of those funds for all of these people?

MR. EDELBLUT: So I would tell you that all of them are -- so probably not. I mean, I can speculate that probably what would happen is if we don't do some kind of action on this, then we will scramble to try and find other funding sources for those individuals. But that this is an approved funding source in a program that we hope to get off the ground.

REP. OBER: Thank you.

\*\* REP. LEISHMAN: Move to table.

CHAIRWOMAN WALLNER: We have a motion.

REP. LEISHMAN: Oh, there's another. I'm sorry.

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CHAIRWOMAN WALLNER: Is there further -- Senator Rosenwald, did you have a question?

SEN. ROSENWALD: I guess it was really the same question as Representative Ober just asked. I mean, first of all, I count eight positions, but it's hard to know because -- but -- but these people funding is not -- apparently hasn't been dependent on this grant.

MR. EDELBLUT: At this point we have not --

SEN. ROSENWALD: And you haven't started the program.

MR. EDELBLUT: We haven't been able to start. We had hoped. We filed our grant application with the Department of Justice, which is who this grant is through, with the intention and hope to start that work. The DOJ has been slow to approve grants and so that was not approved until about three weeks ago So now we're ready to get going.

CHAIRWOMAN WALLNER: We do have a motion on the floor. Representative Weyler moved and Senator Birdsell, I believe, seconded. And I would just call for a vote. All in favor?

REP. WEYLER: Aye.

SEN. BIRDSELL: Aye.

CHAIRWOMAN WALLNER: Any opposed? One, two, three, four, five -- eight opposed, two in favor.

**\*\*\* {MOTION FAILED}**

CHAIRWOMAN WALLNER: Do I hear another -- an additional motion?

**\*\*** SEN. ROSENWALD: I would move to table.

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CHAIRWOMAN WALLNER: Senator Rosenwald moves to table this item.

SHARON NORDGREN, State Representative, Grafton County, District #12: Second.

CHAIRWOMAN WALLNER: Representative -- is that Representative --

REP. OBER: Nordgren.

CHAIRWOMAN WALLNER: -- Nordgren? Sorry about that.

REP. NORDGREN: How soon she forgets.

CHAIRWOMAN WALLNER: All in favor? Opposed?

REP. WEYLER: No.

SEN. BIRDSELL: No.

CHAIRWOMAN WALLNER: We had, I believe, if my ears were correct, eight in favor and two opposed. So the motion is granted.

**\*\*\* {MOTION TO TABLE ADOPTED}**

MR. EDELBLUT: So may I ask a clarifying question? Is it the intention of this do we want to send these funds back down to the DOJ? We should not move forward with this program?

CHAIRWOMAN WALLNER: You should not move forward with this program at this point. If you want to bring the item -- I think the item will be on the table here. So in the August meeting we could take it up again at that point.

MR. EDELBLUT: Okay.

CHAIRWOMAN WALLNER: Okay. We will carry it on the table.

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MR. EDELBLUT: Right. We'll just notify the School Districts of the postponement.

CHAIRWOMAN WALLNER: Yes, That seems reasonable.

Moving on to Item 161, the Division of Economic and Housing Stability. This is a Department of Health and Human Services item and could the Department come up? I think we might have some questions on this one.

MR. MEYERS: Yep. Again, Jeff Meyers and Kerrin Rounds for the Department. Thank you.

CHAIRWOMAN WALLNER: Thank you. Thank you. Do we have some questions on this one? Yes, Representative Rosenwald.

SEN. ROSENWALD: I have a number of questions, if I could, Madam Chair?

CHAIRWOMAN WALLNER: Yes.

SEN. ROSENWALD: Thank you. First, is this request a result of the veto? I didn't see that in the narrative.

MS. ROUNDS: Yes.

SEN. ROSENWALD: Could I continue, Madam Chair?

CHAIRWOMAN WALLNER: Yes, yes, please do.

SEN. ROSENWALD: Thank you. I'm curious why the three months' rate is not enough? Is TANF so seasonal?

MS. ROUNDS: So there's a couple of things that I think will help understand this item. One, the TANF budget, the federal budget, was less than what was needed in Fiscal Year 19. We came to Fiscal and I want to say in February, or January, with an item to increase the federal TANF funds within the budget. The

second piece is the Federal Fiscal Year is through September 30<sup>th</sup>. That's their final quarter of their Fiscal Year, and that is typically when we meet our MOE. So we spend more General Funds in the first quarter of our Fiscal Year, the last quarter of the fed Fiscal Year and less federal dollars. So the 2.5 is less than what you might see in a quarter, in our fourth quarter of the Fiscal Year for that reason. So that's why it's 2.5 million.

MR. MEYERS: 2.6.

MS. ROUNDS: 2.6 million, I'm sorry. 2.6 million.

SEN. ROSENWALD: One more question.

CHAIRWOMAN WALLNER: Yes.

SEN. ROSENWALD: Thank you. As I recall, the budget came to the House in February with something like a \$17 million deficit in the TANF budget.

MS. ROUNDS: Yes.

SEN. ROSENWALD: That I think the House did incredible work on at the end and when it came to the Senate I believe it was more like around \$6 million deficit, and we were able to get it to zero by the time.

MS. ROUNDS: Hm-hum.

SEN. ROSENWALD: So is this because it had a \$17 million deficit as introduced, is that why we are looking at this deficit?

MS. ROUNDS: No.

SEN. ROSENWALD: Or is that a totally separate, unrelated problem for the TANF program?

MS. ROUNDS: Totally separate and unrelated. This is because the Fiscal Year 19 budget and 3/12<sup>th</sup>'s of that is lower than what is budgeted in '20. So this amount does not increase the amount in this account in TANF more than what's budgeted in '20. But this is not spend more in TANF than what was -- what is currently in the vetoed HB 1.

SEN. ROSENWALD: Just one more.

CHAIRWOMAN WALLNER: Yes.

SEN. ROSENWALD: Thank you. What is the current amount of surplus TANF funds that we have?

MS. ROUNDS: We, I believe, closed the year 6/30. We haven't filed our final report. I think it's this week that we file. But it was somewhere right around \$40 million.

SEN. ROSENWALD: Forty. So it went down about 20 million over the --

MS. ROUNDS: In the final quarter I believe that's correct. I would want to verify that, but I think it's about that.

CHAIRWOMAN WALLNER: Senator Feltes.

SEN. FELTES: Thank you, Madam Chairman. The TANF funds have been sent to Employment Security, my understanding, to help with the Granite Workforce or whatever it's called, Granite Advantage.

MR. MEYERS: The Granite Workforce is part of Granite Advantage community engagement. Is that what you're referring to, Senator?

SEN. FELTES: Correct.

MR. MEYERS: They were.

SEN. FELTES: I knew it had Granite in its name. Anyway, there was money sent to Employment Security --

MR. MEYERS: Correct.

SEN. FELTES: -- I think as part of that.

MR. MEYERS: Correct.

SEN. FELTES: They haven't used it.

MR. MEYERS: They used some but a very small amount of money, and the authority to spend that expired on June 30<sup>th</sup>. Yeah.

SEN. FELTES: Correct. So authority to expend that expired on June 30<sup>th</sup>.

MR. MEYERS: Right.

SEN. FELTES: Is that money still over at Employment Security?

MS. ROUND: No, no. No. The way the TANF works is when we talk about the TANF balance that's based on actual expenditures, not the budget. So that -- if it doesn't get spent, it never got drawn from the TANF fund itself.

MR. MEYERS: It was never -- it wasn't physically moved over to an account in Employment Security. It was drawn against. I think it's subject to the final reconciliation. Maybe \$50,000 roughly was spent and the balance is still sitting in the TANF reserve.

SEN. FELTES: Follow-up.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: So how much of the balance is still sitting in the TANF reserve that would have otherwise gone to job training for people subject to the work requirement that are TANF eligible? How much is left?

MR. MEYERS: I don't have the exact figure necessarily, but I think it was approximately 50,000 spent in varied reduction services over that three-month or so period leading up to the end of the Fiscal Year. So the balance would still be -- so three million minus about \$50,000.

SEN. FELTES: Okay. Got it.

CHAIRWOMAN WALLNER: Further questions? Representative Ober.

REP. OBER: Kerrin, you could probably help me with this kind of a simple math question. I have a simple mind. How much have you actually expended of the CR amount in July to date?

MR. MEYERS: For this program, Representative?

REP. OBER: Yes, because we're looking to Item 161.

MR. MEYERS: Okay.

MS. ROUNDS: Yes.

REP. OBER: Compartmentalize, Commissioner.

MS. ROUNDS: In June we spent about 2.5 million and July expenses are anticipated to be about the same based on our current three-month average.

SEN. PRESIDENT SOUCY: I'm sorry, can you repeat?

MS. ROUNDS: About 2.5 million.

REP. OBER: You spent 2.5 in June. You're expecting that to be the same in July?

MS. ROUNDS: Yes.

REP. OBER: You got 6 million in Continuing Resolution.

MS. ROUNDS: No, 3.5. We're asking for another 2.6 to bring it to six.

REP. OBER: How much for the 90 days in Continuing Resolution?

MS. ROUNDS: We're predicting that it will be down \$6 million in Federal funds.

REP. OBER: So for the Continuing Resolution -- Continuing Resolution you have 6 million potentially available for this, which is supposed to last you 90 days. I got that.

MS. ROUNDS: If this item is approved, yes.

REP. OBER: No, that's what's in the Continuing Resolution. That's what I'm asking.

MS. ROUNDS: No, in the Continuing Resolution I believe if you look at the current authorized budget it's -- oh, 6 million total, but the Federal funds that we're accepting more payments to providers that's lower.

REP. OBER: So TANF got \$6 million. I'm trying to reconcile what I read in the newspaper yesterday morning.

MS. ROUNDS: Okay.

REP. OBER: Which was a quote from the Commissioner that at the time I wondered if it was relative to a parable about the little boy crying wolf. But the Manchester Leader quote him yesterday morning as saying if Fiscal didn't act today, our most

vulnerable citizens were not going to get this aid. And I was like are we really at the bottom pit? So I'm trying to reconciling those finances in my head and I realize newspaper quotes are not always 100% accurate, but it still was a concern. So I'm trying to figure out where we are financially.

MS. ROUNDS: Hm-hum.

REP. OBER: So you got 6 million. You spent about 2.5 million. Is that a fair statement? That 6 million is supposed to last you 90 days. I got that. You can't spend it all in one month. Is that where we are?

MS. ROUNDS: So I think the 2.5 that I was referring to is only Federal funds. So if you look at that revenue line 000, we've -- we've spent 2.5 of the Federal funds in this Accounting Unit. I apologize. I see what you mean about the 6 million. You were looking at the total budget. I was just looking at the Federal funds.

REP. OBER: Yep.

MS. ROUNDS: So the 3.5 is what was part of the CR in Federal funds and we need an additional 2.6 million of Federal funds.

REP. OBER: Thank you for helping me clarify that. Because, as I said, maybe I shouldn't read the newspaper in the morning but I had. So I'm trying to figure this out. I appreciate that. Thank you, Madam Chairman.

CHAIRWOMAN WALLNER: Further questions? Senator Feltes.

SEN. FELTES: Thank you, Madam Chair. So my understanding of this request is we're -- the request of the Department is pull this out of reserve; is that right?

MS. ROUNDS: So it's not pulled out of the reserve until it's actually spent. So we're asking for it to be appropriated because we think we will spend it.

SEN. FELTES: Follow-up.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: So if it is approved and actually spent, then it's pulled out of reserve.

MR. MEYERS: It will come out of reserve.

SEN. FELTES: Technically, by coming out of the reserve you're asking us to approve deficit spending.

MS. ROUNDS: No, because this amount is not greater than what was budgeted in 2020 in the Committee of Conference budget.

SEN. FELTES: Follow-up.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: But as compared to the Continuing Resolution, because there is a vetoed budget --

MS. ROUNDS: Yes.

SEN. FELTES: -- this is deficit spending.

MS. ROUNDS: It is not because as I said to Senator Rosenwald there's a \$40 million reserve approximately at the end of the year, at the end of the Fiscal Year.

SEN. FELTES: Follow-up. So if we -- the analogy would be taking money from the Rainy Day Fund, because if you're pulling money out of the reserve you're pulling money out of the reserve.

MS. ROUNDS: Hm-hum.

SEN. FELTES: You're not pulling it out of the Operating Budget. So we have, you know, we have major concerns with the Governor proposed budget that led to a \$17 million deficit, period. No one would object to that characterization referring to TANF at the end of the biennium. Here we have a Continuing Resolution, and we are drawing down from the reserve. That's the request, assuming it's approved.

MS. ROUNDS: Yes.

SEN. FELTES: How is that not deficit spending?

MS. ROUNDS: So in addition to the \$40 million balance, we also have an annual grant award that's 35 million -- 38 million, I'm sorry.

MR. MEYERS: 38 million.

MS. ROUNDS: \$38 million so we would receive a quarter of that in the quarter. I don't remember off the top of my head if we're anticipating spending more than -- more than that allotment in this first quarter. Some of the additional TANF spending is TANF spending that was added to the 20-21 budget that did not exist in the '19 budget. What I would say that's really important is that we -- we cannot not pay these claims. So we -- we have to have this appropriation to pay these TANF claims we can't not pay TANF clients. So if this item is not approved, I will be back in August to ask again because we have to pay clients. There's no way to pend the claim. I cannot stop the payment from going.

CHAIRWOMAN WALLNER: That -- I have a question. With what you have in the Continuing Resolution, how long will you have funds to pay the client? How long will the money that you have in the Continuing Resolution last you?

MS. ROUNDS: So based on what we're predicting right now, that July anticipated spending is 2.5 million. If August is

similar, not that all of 501 but it's Federal funds. I would hesitate to say that we could make it to the end of August. It would be close. And, I mean, I literally cannot pend the claims for even a day. So if we made it to August 20<sup>th</sup>, even though you're next Fiscal meeting is only six, seven days away, it would become a major problem for us.

CHAIRWOMAN WALLNER: Oh, Representative Leishman.

REP. LEISHMAN: Thank you, Madam Chair. First of all, I guess I'm concerned because you state very clearly in your request that you can't survive on the 3/12<sup>th</sup>'s of what the Continuing Resolution authorized us to do. So you're really looking for the Fiscal Committee to rewrite the budget or the authorization that we were given for the Continuing Resolution, which I've always had a problem, as many of the members know, this group has so much power. You're asking us to go beyond the legislative intent of the Continuing Resolution by your request.

I'm further concerned, Commissioner, if Representative Ober's statement was correct that you said if Fiscal doesn't act today it creates a problem. What's creating the problem is the veto.

REP. OBER: That's what the newspaper printed.

REP. LEISHMAN: The veto created the problem we are in today, not the Legislature. It concerns me that apparently, I mean, you certainly can correct, you know, Representative Ober what she read in the newspaper, but to blame this Committee for the ongoing crisis appears to me -- go ahead, I guess.

MR. MEYERS: First of all, I do not recall the quote that Representative Ober has referred to. I -- I've been -- there have been several kind of releases the last couple days on different issues. I'd want to go back and look at it. I generally do not recall -- I'm not blaming the Legislature for anything. I want to be very clear about that. I'm not blaming any party for anything. What I'm trying to do is just manage the

Department in a time period with this Continuing Resolution. That's all we're trying to do. So I'm not assigning blame, and I don't believe I ever suggested publicly anybody is to blame for any of this. I certainly have no intent to do that, and I would not do that. So I'd want to go back and see this article again.

But I think, as I just said, what we're trying to do is anticipate what we're going to spend and make sure that we don't default and that we manage through whatever time period we have to manage through. That's all we're trying to do.

CHAIRWOMAN WALLNER: Senator Feltes has a question.

SEN. FELTES: Thank you, Madam Chair. It's a follow-up to Representative Leishman's question and observation. In 2015, the first Fiscal Committee meeting following the budget veto virtually everything was tabled, as you may recall. And Senator Little, good friend, now Commissioner said, and I quote, this is Page 15 of the transcript, I have to look at this, unfortunately, as an effort to side- step the Governor's veto to create a side door of things to come through. The Governor has decided to veto the budget. This is one of the consequences of the Governor's veto. Unquote.

How do you make the argument that you're not side- stepping the Governor's veto by coming to the Fiscal Committee for approval of something that was in the budget?

MR. MEYERS: As I just said, we are here with our items simply to manage what we're required to manage. I'm not taking any sides on any debate about the veto. I need to manage the Department. I need to manage it in a way that's responsible and that allows us to pay our bills. That's why I'm here.

CHAIRWOMAN WALLNER: I'd like to call for a break for just a minute.

MR. MEYERS: Sure.

(Recess taken at 11:24 a.m.)

(Reconvened at 11:25 a.m.)

CHAIRWOMAN WALLNER: I'll call the Fiscal Committee back to order. Thank you. I have a question of Miss Rounds.

MR. MEYERS: Of course.

CHAIRWOMAN WALLNER: I would like to know if a million dollars would get you through August?

MS. ROUNDS: I would be comfortable with that getting us through August and coming back in August.

CHAIRWOMAN WALLNER: Thank you. And I know Representative Rosenwald has a question.

SEN. ROSENWALD: Thank you. So as I understand TANF, which is pretty small, we have to spend \$32 million a year of State funds and the most we get back from the Federal Government is 38 million. So we are basically capped at \$70 million per year. Anything we spend in excess of that comes out of this now \$40 million surplus.

MS. ROUNDS: Or General Funds, yes.

MR. MEYERS: Yeah.

SEN. ROSENWALD: Right, or General Funds. So if in three months you're expecting to overspend two and a half million dollars, does that mean that over the course of Fiscal Year 20 we're going to have to spend down 10 million from this surplus --

MR. MEYERS: Right, right.

SEN. ROSENWALD: -- or General Funds and end up with approximately \$30 million of the surplus halfway through the next biennium? In rough terms.

MS. ROUNDS: Yeah, and I think that's a hard question to answer because I can't compare -- we can't compare what I'm doing here to the '20 budget and what the '20 and '21 budget do to the TANF balance. Because this is basing it off of the Fiscal Year 19, you know, what was in the CR, and adjusting it to what I actually need to spend. And '20 is what I actually need to spend. So I don't think what I'm doing here changes anything, any of the assumptions that were made during the budget process about TANF.

CHAIRWOMAN WALLNER: We have a few members still out, so.

MR. MEYERS: May I?

CHAIRWOMAN WALLNER: I'm going to wait until we get all our members back.

MR. MEYERS: May I just take one moment to respond to -- maybe I should wait for Representative Ober. I did not give an interview or quote specifically to the --

CHAIRWOMAN WALLNER: Like to wait till Representative Ober gets back.

MR. MEYERS: I understand the origin of the statement now and I just want to point out on the record. That's all.

CHAIRWOMAN WALLNER: Someone's gone to look for them, I think.

MR. MEYERS: That's fine.

CHAIRWOMAN WALLNER: While were waiting maybe I'll ask Miss Rounds another question. So if, in fact, the million dollars would get you through August, when you came back in August can

you come prepared to tell us how much the draw down was in July and maybe the first couple of weeks of August so we'll know?

MS. ROUNDS: We typically close -- we typically close on a monthly basis. So I can come with an estimate, but we don't do the final reporting and draw down. We do that on a quarter basis, a quarterly basis.

CHAIRWOMAN WALLNER: You would be able to give us a July figure though.

MS. ROUNDS: Yes.

CHAIRWOMAN WALLNER: Okay. Thank you. That will be helpful. So I guess we'll take -- we'll take a -- okay. So we are going to take another small break while we are waiting for a couple of our members. Oh, they're back.

REP. OBER: We were still on break. We were on caucus. I thought you called a break.

CHAIRWOMAN WALLNER: Okay. We are back. Commissioner, I think you --

MR. MEYERS: Thank you. I think before you proceed, Madam Chairman, I just want to point out and Representative Ober to your point because when you mentioned that I was quoted in the newspaper, I did not recollect providing a quote with respect to this issue to the newspaper directly. And it comes from, and the reporter who's in the room pointed it out to me, which I appreciate, but in the request that's in front of you now on Page 3 of 3 there's a question asked, number seven, what would be the effect should this program be discontinued or not initiated as a result of this request being denied? And I did sign a letter that said should the Fiscal Committee and Governor and Executive Council not authorize this request, we will be able to provide citizen -- we will be unable to provide client cash assistance to New Hampshire's most vulnerable citizens.

That's language we put in a request like this and I did sign that letter and I stand by it but that's the origin of it.

REP. OBER: Thank you, Commissioner. 'Cause I, as I said, you never know when the press reports something.

MR. MEYERS: Yep.

REP. OBER: Madam Chairman, if I might? I don't know. Did you start without us or have we --

CHAIRWOMAN WALLNER: No, I'm sorry. I just asked. I did ask Miss Rounds a couple of questions.

REP. NORDGREN: Maybe you should tell her your offer.

REP. OBER: Might I?

CHAIRWOMAN WALLNER: Yes, please.

REP. OBER: I don't know what she asked you; but, you know, I went through the numbers with you trying to figure out in my head where we were. Our entire goal, which the Chairman said before, we don't want to lay-off people. We want to make sure our citizens get services. I think we are united in that. What if you got as much as a million dollars here but came back in August with more data? You know, I'm trying to find a compromise.

SEN. ROSENWALD: Really.

MS. ROUNDS: I think the laughing and the smiling is because that question did get asked and my response to Representative Wallner, I believe, that I could be comfortable with that to get me through August and I would be back in August.

REP. OBER: I think we're all on the same page here. We don't want vulnerable citizens hurt.

MR. MEYERS: Yep, yep.

REP. OBER: Staff, legislators, Governor, everybody.

MS. ROUNDS: Yes.

REP. OBER: Thank you, Madam Chairman.

CHAIRWOMAN WALLNER: So I'm looking for a motion that would --

**\*\*** REP. OBER: Madam Chair, I would move to authorize a million dollars of this request with the understanding they would come back in August with further data and we'd know where we were.

SEN. FELTES: Second.

MR. MEYERS: Yes, of course.

CHAIRWOMAN WALLNER: Representative Ober moves and Senator Feltes seconds a motion to provide a million dollars and with the Department coming back in August with an update of how the spend down is. Any further discussion of this? All in favor? Any opposed? Motion passes.

**\*\*\*** **{MOTION ADOPTED}**

MS. ROUNDS: Thank you.

MR. MEYERS: Thank you.

CHAIRWOMAN WALLNER: We move on to Item 163. This is the Department of Safety. People have questions about this item?

**\*\*** REP. LEISHMAN: So move, Madam Chair.

REP. OBER: Second.

SEN. SOUCY: Second.

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CHAIRWOMAN WALLNER: Representative Leishman moved the item. Representative Ober seconds.

REP. OBER: I would like to have just a little bit of discussion.

CHAIRWOMAN WALLNER: Okay, a discussion.

REP. OBER: I'm in favor of this item. But every time we have items like this and what this basically does for people who are looking is extends overtime and money for Safety, specifically our Troopers, to help fight opioids. Every time we make additional arrests there's a negative impact on the State Budget, because most of these people ask to have an attorney to represent them in court. So we have two agencies involved, and yet we continue to fund this overtime.

I know we've asked Safety a number of times if they would write their grant so that if they made arrests there would be maybe 10% of the grant to give to the attorneys who then protect the most -- the people who can't afford an attorney. And I know one of my colleagues worked for Legal Aid so he's aware of that; but also in the criminal area we do provide attorneys. So I'm supporting this, but I hope ongoing we give some thought to the impact in that other agency and get money for those attorneys. Thank you, Madam Chairman.

CHAIRWOMAN WALLNER: Thank you. Thank you. Representative Weyler.

REP. WEYLER: Additionally, we cause additional costs for the Counties that have to prosecute and put them in jail. Again, if we're looking at total cost that should be included.

REP. OBER: Yes, we have a motion.

REP. WEYLER: Yes, Leishman and Ober.

CHAIRWOMAN WALLNER: Representative Leishman moves and Representative Ober seconds to approve the item. Any further discussion? All in favor? Opposed? Seeing none. Item passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Next is item from the Adjutant General, and it is number 180.

**\*\*** REP. OBER: Move to approve.

SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: Representative Ober moves to approve. Senator Birdsell seconds. And is there any discussion of this item? Seeing none. All in favor? Opposed? Item passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Next is an item, another item for the Department of Education. This is 181. Would people like the Department of Education to come up to answer any questions on this one? Yes, Senator Feltes would, so. Thank you, Commissioner.

SEN. FELTES: Thank you, Madam Chair. Thank you, Commissioner.

MR. EDELBLUT: For the record, Frank Edelblut, Commissioner of Education.

MS. VAILLANCOURT: Tammy Vaillancourt.

SEN. FELTES: Thank you very much. Looking at Page 3 of your request, question five, does this program in total or in part, included in the vetoed FY 20-21 Operating Budget proposal, currently pending for your Department or was it requested and denied? And your answer to me anyway was a little confusing. Some of the other answers on some of the requests pretty

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straightforward. So your answer says yes. This program was included in the budget request. However, these funds were not budgeted for these specific purposes. If the FY 20-21 proposed budget had been approved, the Department would have needed to go to the Fiscal Committee to request allocation of Federal funds. So can you just try to clarify, is this request a result of the veto or not?

MR. EDELBLUT: So it is not a request of the veto. This is a program have to do with the Perkins Grant, Perkins Workforce Development Grant from WIOA that we get and this is the funding that we would normally go through the process of spending and so we're here before you today. We have a state set aside grant. Most of those funds go through a process and we do grants out to the schools. We had some remainder funds after those grants were made. And so we're investing in some programs that we can then distribute out to the schools as a Department. Those Federal funds will expire in September so we are here to basically be able to access those to be able to use them.

CHAIRWOMAN WALLNER: Represent -- Senator Rosenwald.

SEN. ROSENWALD: Thank you. So if this program was included in the 18-19 budget, wouldn't we have expected it to be proposed in your 20-21 budget? My question is why didn't you include it in your budget if it's an ongoing program?

MS. VAILLANCOURT: I'm a little -- sorry, I'm a little confused on what you're asking exactly.

SEN. ROSENWALD: My question is since this was an ongoing program --

MS. VAILLANCOURT: Hm-hum.

SEN. ROSENWALD: -- that was in the budget that is now over, why didn't you request the funding be in these class lines in the budget that was vetoed?

MR. EDELBLUT: Okay, got it. That's really what we are doing. We're just changing the class line. Because the program, the direction that we're going in terms of the use of the funds were just in classes that we hadn't anticipated that we would be using. So we're moving them from one class line to another. Most of that funding is associated with remote classroom that we're setting up for the students and we hadn't anticipated three years ago when that budget was set that we might use funds in that class line. So we are moving them out of one class line into another.

SEN. ROSENWALD: If I could?

REP. OBER: Madam Chairman.

SEN. ROSENWALD: So is this something you just came up with since the veto or why -- why wasn't it something that you came to either the House or the Senate with during the process?

MR. EDELBLUT: We did. In other words, this is our Perkins Grant. And, you know, so three years ago when we put the FY19 budget together, we try to anticipate the various programs that we will implement and how we will support those, you know, and we've gone through that process. In the spring we have our State Allocation Funds and we're allowed to use those on a variety of different types of educational programs for students. The program that this is anticipating was not one that was included in the FY19 budget in terms of a class lines. So we're taking funds out of one class line and moving it to another just to be able to implement that.

So we hadn't anticipated, for example, this includes fire equipment for -- yeah, so for our female CTE students who want to get into firefighting and that was not something that we anticipated when the original budget was put together so we didn't have funds in the equipment line.

CHAIRWOMAN WALLNER: Further question.

MR. EDELBLUT: So with or without the CR we would have to be here on this item.

CHAIRWOMAN WALLNER: Representative Ober.

REP. OBER: Frank, I'm trying to reconcile two pages of what you submitted to us. Page one, second line, you talk about expend additional grant funds which makes it sound like this is new and not anticipated at the time the budget was put together. And then Page 3 of 3 under question seven, and I just want to verify I heard you correctly and this says that. If we don't accept this, then these funds are returned to the Federal Government as of September 30<sup>th</sup>, 2019, and we have no way of getting them back; is that correct?

MR. EDELBLUT: That would be correct.

REP. OBER: Is it additional funding above what you expected?

MR. EDELBLUT: It is the Perkins Grant that we receive. So it would be returned on September 19<sup>th</sup> if we don't use it.

CHAIRWOMAN WALLNER: Representative Leishman.

\*\* REP. LEISHMAN: I'll move to table, Madam Chair.

CHAIRWOMAN WALLNER: Representative Leishman moves to table. Is there a second? Seeing no second. Do we have --

\*\* REP. OBER: Move to approve.

SEN. BIRDSELL: Second.

MR. EDELBLUT: So we won't be back on this item because we won't have time to, you know, contract and expend these funds towards these education programs before September 30<sup>th</sup> when they would be required to be sent back. So these are Perkins funds that will go back to the Federal Government.

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CHAIRWOMAN WALLNER: Representative Ober moves to approve, Senator Birdsell seconds. All in favor? Opposed?

REP. LEISHMAN: Opposed.

CHAIRWOMAN WALLNER: Motion passes with one opposed.

REP. WEYLER: Two.

CHAIRWOMAN WALLNER: Two opposed.

\*\*\* {MOTION ADOPTED}

- (5) 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 9:16-a, Transfers Authorized:

CHAIRWOMAN WALLNER: Let's move on to Tab 5. Thank you. Tab 5. I'm going to actually under Tab 5 take an item, the late item that I think all of you received, which is Item 184. We'll take that up after we've taken up 152, but we'll take these two items up under Tab 5 together. I think there's information that is needed on both of these items. These are Health and Human Service items. I'm just going to invite the Commissioner and --

MR. MEYERS: Sure.

CHAIRWOMAN WALLNER: -- Miss Rounds up because I know there are questions on this.

MR. MEYERS: Sure.

CHAIRWOMAN WALLNER: The first one is Item 152. We have questions or do we like to -- yes, Senator Feltes.

SEN. FELTES: Thank you very much, Madam Chair. As I understand 152, this is using the CHIP money, Children's Health Insurance Program money; is that correct?

MS. ROUNDS: So it's accepting federal CHIP money and then the General Funds that are essentially freed up by accepting that federal money into the Medicaid Budget is moving those General Funds.

SEN. FELTES: I have a series of question, if I may, Madam Chair?

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: Is it accepting new CHIP money or is it the CHIP money that was not spent?

MS. ROUNDS: No, this is new CHIP money. So the Fiscal Year 19 budget budgeted earn of federal CHIP at 50%. And the actual earn for Fiscal Year 20 varies, but it's between 70 and 80%. That information is in the item if you wanted to know the exact percentages. So in the Fiscal Year 20 budget we budgeted CHIP appropriately at the actual earn. So this is the difference between that, the '19 budgeted at 50% and the '20 budget and actual earn.

SEN. FELTES: So the 20 plus million in the so-called Excess Appropriation Account that was created in Senate Bill 592 --

MS. ROUNDS: Yes.

SEN. FELTES: -- what happened to that money?

MS. ROUNDS: It lapses.

SEN. FELTES: It lapses to the General Fund.

MS. ROUNDS: Yes.

SEN. FELTES: This request before the Fiscal Committee today has nothing to do with the 20 plus million that was lapsed. It has everything to do with the new CHIP money coming in.

MS. ROUNDS: Yes.

MR. MEYERS: Right.

SEN. FELTES: Under Senate Bill 592, we use CHIP money for a variety of purposes, including some of the child protection purposes. And Page 7 of 10 of your request.

MS. ROUNDS: Yes.

SEN. FELTES: Community-based services as an example, one of the highly -- one of the foundational recommendations for the DCYF audit in 2016 funding for that is funded here in your requested change. Why wasn't this proposal before us, how come voluntary services, which is a key child protection recommendation, and, in fact, I assume the Child Advocate concluded the failure to fund voluntary services at one point may have led to the death --

MR. MEYERS: Yep.

SEN. FELTES: -- of a child, I believe, down in Derry.

MR. MEYERS: Yep.

SEN. FELTES: With the burning down of a manufactured home by the father.

MR. MEYERS: Yes.

SEN. FELTES: The son being inside.

MR. MEYERS: Yeah.

SEN. FELTES: He had reached out a number of times to the Department for help and could have gotten help potentially had voluntary services been in place. So we're looking at this. What's the decision to fund community-based services, which were also funded in the budget that was vetoed but not funding voluntary services which were in the budget that was vetoed by Governor Sununu? Why make a decision to do this and not the other one and why not do both? I mean, why -- what was the thinking behind that for the administration?

MS. ROUNDS: So I think one of the difficult things with budgeting is it doesn't perfectly reflect policy decisions. And I think in this case this is one of those scenarios where we are looking to pay our bills for the first quarter of the Fiscal Year. And so I believe that the money that is in Fiscal Year 19 CR, plus whatever we carried forward from '19 that was already encumbered, is enough to pay our bills for voluntary services. And this line item that you mention, community-based services it wasn't. So there was no policy decision behind transferring these funds, as it was so much to make sure that we can pay our bills that are due during the quarter.

SEN. FELTES: Under Senate Bill 592 there was appropriation for voluntary services. It was a one-time, wasn't a programmatic level appropriation.

MR. MEYERS: Right.

SEN. FELTES: The budget would have changed that. So is the Department suggesting that it has leftover voluntary services program money to continue voluntary services program at the level that was appropriated for one year?

MS. ROUNDS: I can't speak to that for sure. I just can tell you that I know whatever we do have it's to pay the bills that are still outstanding that need to be paid.

SEN. FELTES: So it could be that because the Voluntary Services Program under Senate Bill 592 was a one-year one-time

appropriation that you don't have any bills to pay Voluntary Services because Voluntary Services no longer exists.

MS. ROUNDS: I don't remember were there -- I don't remember if there were Voluntary Services funding prior to that appropriation. If there was a base before that additional appropriation.

SEN. FELTES: There wasn't.

MS. ROUNDS: So then it wouldn't include it.

SEN. FELTES: So Voluntary Services currently does not exist in the State of New Hampshire.

MR. MEYERS: I'm not -- I'm not certain if there's a balance left in the account. So I can't answer the question at this moment.

SEN. FELTES: Hum -- if I may, Madam Chair?

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: Senate Bill 6, we had some communication --

MR. MEYERS: Yes.

SEN. FELTES: -- about Senate Bill 6. Senate Bill 6, if you may recall, was a bill that was not vetoed and provided for case workers, 27 child protection case workers in this year.

MR. MEYERS: Right.

SEN. FELTES: And nine child protection supervisors. That went through the full process. It was obvious that was going to pass. How many of the 27 child protection case workers has the Department hired and how many of the nine supervisors?

MR. MEYERS: So we have a report that's part of our Dashboard and I can pull that out. I've given you a breakdown of all of our efforts to date as the time of the filing of the Dashboard to the Committee and the LBA in terms of what we've done. So I can pull that out and go over it now if you want me to.

SEN. FELTES: Is it okay or do you want to wait?

CHAIRWOMAN WALLNER: Why don't we wait.

SEN. FELTES: We'll wait until we get to the Dashboard. Thank you, Madam Chair.

MR. MEYERS: Yep.

SEN. FELTES: The reason why I'm asking about the child protection part of this request is because the CHIP money in the past has been used for the child protection programming. And I guess I'm just confused why the Department has not come in for Voluntary Services or Parental Assistance money by using this CHIP money because I think a lot of folks, regardless of party affiliation, would think child protection crisis is an emergency. And so why isn't the Department treating it, for lack of a better word, like an emergency? You're here today with a request to fund those programs, in addition to just the Community Support Program.

MR. MEYERS: Well, I would -- I would differ with the statement that we don't treat child welfare issues with a sense of urgency. I think there's numerous examples of how we are doing that. As to the specific issue of Voluntary Services, we are not, as a general matter, we have not asked for, you know, emergency appropriations. The DD appropriation is a little bit different, and when we get to that I can describe why it's different and another type of emergency appropriation. But we have not decided to do that at this point in time.

As Karen said, that the items before you today are to allow the Department to essentially continue to operate and pay its bills that are coming up in this three-month period.

CHAIRWOMAN WALLNER: Commissioner, can you just --

MR. MEYERS: I apologize. Yes, of course. Sorry.

SEN. FELTES: As a follow-up, why is -- this is part of a package of proposal. The Chair has combined them together. Why is the DD situation an emergency and the child protection crisis not an emergency?

MR. MEYERS: In House Bill 2, the Legislature adopted language that -- adopted language that would allow the Department to carry over into Fiscal Year 20 money that would have lapsed in the DD and APD and Home Support clients. And Department's late item today is simply to take the money that otherwise would have lapsed and the Legislature assumed it was going to be part of the budget, and the Governor as well, be part of the budget for Fiscal Year 20. So -- so it's -- it's -- we are not asking for money above and beyond what was contemplated to be carried over from the '19 budget into the '20 budget by the language that the Legislature adopted in House Bill 2.

SEN. FELTES: But you're not asking for any of the child protection money even though that's an emergency other than the Community Support Services. Why not?

MR. MEYERS: We are not asking -- the only request for emergency appropriation, because that's what it is entitled, was money that was planned to be lapsed over into the new Fiscal Year.

SEN. FELTES: The reason I'm asking these questions, Commissioner, and Madam Chair, is because the Continuing Resolution allows for agencies to come in and us to appropriate beyond the 3/12<sup>th</sup>'s if it's a quote, unquote, emergency. The

administration has concluded the DD situation is an emergency. It's -- but apparently there are no emergency requests on child protection, even though that's funded in the budget, too. We have a whole host of issues that a lot of people would consider --

MR. MEYERS: Right.

SEN. FELTES: -- consider emergencies.

MR. MEYERS: I agree, the opioid crisis among them.

SEN. FELTES: Suicide is going up, too. Suicide prevention was in the budget. Why is the Department not requesting for teen suicide prevention funding as part of this, too? That could be a part of this valued CHIP money?

MR. MEYERS: You can argue everything we do really on some level presents an emergency which is why the Department obviously wants to do whatever it can do to have a budget in place in the state. But I -- I think I'll distinguish the DD situation.

That was money that otherwise would have lapsed and the Legislature had intended to be carried over to the new Fiscal Year. So we had to call it an emergency appropriation because that's what we were told to call it, but we are asking for funds that would -- that were contemplated to be brought into the Fiscal 20 budget and just asking that to be advanced now.

SEN. FELTES: One final follow-up, Madam Chair.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: Under that rationale, money that would have otherwise lapsed.

MR. MEYERS: Yeah.

SEN. FELTES: The Senate as approved by the Committee of Conference, took the excess division taking and did take the excess appropriation account money which was otherwise, you know, but for child protection services, among other things --

MR. MEYERS: Yeah.

SEN. FELTES: -- that lapsed on July 1. We devoted that to additional child protection measures, including Voluntary Services, Parental Assistance, Family Resource Centers, other programs.

MR. MEYERS: Yes.

SEN. FELTES: Under that same rationale, I just don't understand why the Department is not here today to, if it's the same rationale, lapse funds for a specific purpose that I think everybody thinks is an emergency? Why has the administration chosen not to address it?

MR. MEYERS: We have not at this time. I think that's all I can say.

CHAIRWOMAN WALLNER: Commissioner, the provisions that you're talking about are in House Bill 2.

MR. MEYERS: Yes. Yes, Madam Chair. Yes.

CHAIRWOMAN WALLNER: And House Bill 2 is also vetoed.

MR. MEYERS: Yes, I know.

CHAIRWOMAN WALLNER: Okay. Just wanted to be absolutely clear that we're talking about -- we don't know what the outcome of all of this will be.

MR. MEYERS: Right, it could change. Yes, I understand. Yeah.

CHAIRWOMAN WALLNER: So House Bill 2 is in a veto state, also?

MR. MEYERS: Yes.

CHAIRWOMAN WALLNER: Everything is -- everything is really up in the air about how it will -- how it will end up.

MR. MEYERS: Yes, I do understand.

CHAIRWOMAN WALLNER: Okay. Further questions? Oh, I'm sorry. Representative Hennessey.

ERIN HENNESSEY, State Representative, Grafton County, District #01: Thank you, Madam Chair. My first question is for the LBA. Mr. Kane, how would that affect the Department's Adjusted budget if this approved and a new budget is also approved?

MR. KANE: So I think have the Department answer. I don't think there'd be an impact on Medicaid Care Management as Kerrin did state they did budget CHIP level at the higher level that's allowed for these ones coming forward. I guess the question of the Department would be by adding the funds to State phase down, CFI, or the General Funds freed up from the accepted CHIP monies, does this request increase the proposed FY 20 amount over what would --

MR. MEYERS: Yeah, that's the question.

MS. ROUNDS: It does not. None of these transfers increase the budgeted amount that's currently in the vetoed HB 1.

REP. HENNESSEY: Thank you. Follow-up. On Page 4 of 10 at the bottom in the Division of Developmental Services, the 3.1 million of General Funds, what will that do to the new waitlist?

MS. ROUNDS: Just one second. So the amounts that is in the 152 for DD is the amount to pay for continued services. So it's not waitlist services. It's people we are currently serving.

CHAIRWOMAN WALLNER: Follow-up.

REP. HENNESSEY: Does that include any additional services needed by the people who you're currently servicing or is it just everything that they're getting in '19 is what they're getting in '20?

MS. ROUNDS: So it's what they're currently receiving.

REP. HENNESSEY: And if someone is moving -- is turning 21 and they had child services, now they would like adult services, are those services included?

MR. MEYERS: Not in this item. That would be included in the late item. Excuse me. That would be -- those services are included in the late item that we've just been talking -- we recently spoke about with Senator Feltes.

REP. HENNESSEY: Thank you.

MR. MEYERS: Yeah.

CHAIRWOMAN WALLNER: Senator Rosenwald.

SEN. ROSENWALD: Thank you. I have a few questions, but I guess I'm -- last week you and I spoke on the phone and I asked you how many people were waiting in emergency rooms that day for psychiatric bed and you told me 20. Why is that not an emergency? The Department has brought forth an emergency funding request where someone is in an acute crisis, suicidal, homicidal, why is the Department not categorizing that as a real emergency?

MR. MEYERS: I think that, as I just said to Senator Feltes, I think I can make an argument that everything has equal

importance. How can you prioritize one crisis over another crisis or one population over another population. So we could come and basically to Representative -- to the Chairman's point, there's not a budget in place now. House Bill 2 is not in place. House Bill 1 is not in place and we could come here and present every single request of our Budget if you'd like us to do that. I suppose we can do that the next meeting. But I'm hopeful, obviously, that a budget is in place as soon as possible and that we can go forward. So we are here today, as I've said, to ensure that we have money to pay the bills in this initial 90-day period.

SEN. ROSENWALD: Can I continue?

CHAIRWOMAN WALLNER: Yes.

SEN. ROSENWALD: Thank you. There are three different sets of numbers needed to fulfill the DD System funding gaps. There's Item 152, which proposes 7.2 million. 3.1 million --

MR. MEYERS: 3.1 million, yes.

SEN. ROSENWALD: -- for the DD System.

MR. MEYERS: Yes.

SEN. ROSENWALD: There's the late item which proposes almost 16 million.

MR. MEYERS: That's total funds.

SEN. ROSENWALD: Total funds.

MR. MEYERS: For waitlist.

SEN. ROSENWALD: And there's the Dashboard where your narrative says the funding gap is 7.9 million of total funds.

MR. MEYERS: So there's a typo. 7.9 is General Funds. It's matched to almost 16. The amount needed --

SEN. ROSENWALD: So the Dashboard has got a mistake?

MR. MEYERS: It's a typo. The General Fund amount is 7.9 plus million dollars. The total fund is approximately 16 million. That is to take 129 people who would potentially be on a waiting list during the three-month period of Continuing Resolution and fund all their services.

SEN. ROSENWALD: So --

CHAIRWOMAN WALLNER: Continue.

SEN. ROSENWALD: So this first item just funds the 517 people --

MR. MEYERS: Correct.

SEN. ROSENWALD: -- who because the budget was vetoed, are at risk of losing services or have you --

MR. MEYERS: They would continue to fund services for people who were funded last year and who are now on a waiver.

SEN. ROSENWALD: So nobody would lose funding --

MR. MEYERS: Correct, nobody would lose funding.

SEN. ROSENWALD: -- if this item is not approved.

MR. MEYERS: Correct.

SEN. ROSENWALD: And the \$7.9 million of late item General Funds --

MR. MEYERS: Yes.

SEN. ROSENWALD: -- is it solely to take the new people who are created on a new waiting list by September because there's no budget and give them services or does that also include the 517 people?

MR. MEYERS: What it does -- what it does is fill the gap between the amount of money brought into the program last year that now needs to be annualized to ensure that there's no Waitlist going forward.

SEN. ROSENWALD: Is 129?

MR. MEYERS: That's the 129 figure and that includes some who are turning 21, it includes others who are new to the system, if you will, may have been eligible before but they're older than 21. And that amount would also, I believe, cover -- I think so. I think it covers additional services that are anticipated for that -- for that population.

SEN. ROSENWALD: So it's a full -- if I may, Madam Chair?

CHAIRWOMAN WALLNER: Yes.

SEN. ROSENWALD: It's a full year's worth of funding. It's not just through September?

MR. MEYERS: No, it's through September.

SEN. ROSENWALD: So it's \$16 million every quarter to serve the 129 people who are now starting to build up a waiting list that we don't have a budget.

MR. MEYERS: Total funds.

SEN. ROSENWALD: In total funds.

MR. MEYERS: In total funds, depending on whether that population continues to request or require those services, I think the answer to your question is yes.

SEN. ROSENWALD: And -- and do any of these requests include rate increases? The reason I ask is what I've heard from --

MR. MEYERS: Yeah.

SEN. ROSENWALD: -- my Area Agency is that families are really struggling to find direct service providers. So you're proposing that we add more people into this system without giving the rate increases that will make it easier for them to hire people. My concern is --

MR. MEYERS: Yeah.

SEN. ROSENWALD: -- that it looks like maybe we're fully funding the program but people will not be able to --

MR. MEYERS: Right.

SEN. ROSENWALD: -- find the providers to do the work so we are going to end up lapsing all this money; is that correct?

MR. MEYERS: I wouldn't agree we are going to lapse all this money, because the workforce challenges in the system vary from, you know, area to area of the state. And each Area Agency has different challenges in that regard. So I wouldn't agree that we are going to lapse any amount of money at this point in time for the Fiscal Year.

SEN. ROSENWALD: But there were no increases to your items.

MR. MEYERS: Yes, that's the point. These items do not include the 3.1 increase that was otherwise authorized in the budget.

SEN. ROSENWALD: Or the 2.5% that the Governor put in his budget.

MR. MEYERS: Well, that's subsumed within the 3.1, that's not in addition.

SEN. ROSENWALD: But that's not in here either.

MR. MEYERS: It's not, no.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Representative Ober has been patiently waiting.

REP. OBER: No problem waiting. The questions were interesting and I appreciate the Senator asking them. Two things have been said that I want to ask about. The first one, Kerrin, is yours. You made it very clear that Item 19-152 does not exceed the vetoed budget. But one of the reasons the vetoed budget was because our Ways and Means Committee and other people did not come up with all that revenue that was in the budget. So what happens if we approve this and you only get 98% of what you expect in the vetoed budget. You're now 2% over what's going to happen long-term. I mean, that to me is a concern.

MS. ROUNDS: Yes.

REP. OBER: And I know you don't have a crystal ball so I'm not really sure you're going to answer that so it's probably not fair of me to ask you that; but I would like your opinion.

MS. ROUNDS: No, that's understandable. So I think what I would say the item -- the areas that we are transferring these funds to, which include DCYF, Division of Economic and Housing Stability for cash assistance programs, the General Funds that typically match TANF, the long-term supports and services costs and the Medicaid costs, the State phase down, these are all items that we have to pay. So if the budget is passed with some lesser amount, I'll be back here to transfer money into those accounting units so I can pay my bills. So I did not -- none of these are accounts that I can not pay.

REP. OBER: Okay. My second question, if I might. She's not there so I'm going to ask. The Commissioner said and – if I paraphrase this wrong, Commissioner, let me know – but the purpose here is you're trying to pay your bills for the first 90 days.

MS. ROUNDS: Yes.

REP. OBER: I understand that. So we're not even through the first month of the Continuing Resolution. What happens if we tabled this for one month or table this now? I mean, Commissioner, like the rest of us, we hope there's going to be a budget. But what's the impact of that because paying your bills is an important thing?

MS. ROUNDS: So I would have similar concerns about the cash assistance programs that we had on the prior item that I spoke to. So I won't repeat myself just to save you hearing more words. But the DCYF I'm not -- I'm not as certain on. For example, if you look at on Page 5 of 10, Line 637, the current authorized is \$6,000 and our requested change is \$98,000. So I certainly don't have enough funds in that class line. Same thing on Line 644, it's 273,000 was the current authorized budget and we asked for 580,000 in General Funds.

REP. OBER: Do you have enough money for July, not the total. I understand this is 90 days.

MS. ROUNDS: Yes.

REP. OBER: Do you have money in July?

MS. ROUNDS: I do not believe that I would have enough money to make it to the August Fiscal meeting.

REP. OBER: Thank you for the answer.

CHAIRWOMAN WALLNER: Thank you. Senator Feltes.

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SEN. FELTES: Thank you, Madam Chair. On item -- on request 152, taking the new CHIP money for this request, what is the impact? Are we able to hold harmless the Children's Health Insurance Program if, in fact, this CHIP money, new CHIP money was diverted to these purposes?

MS. ROUNDS: A hold harmless, you mean still be able to pay the bills for CHIP?

SEN. FELTES: For CHIP.

MS. ROUNDS: Yes, absolutely. Yes. I did not underfund that.

SEN. FELTES: Follow-up.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: 152 in response to Senator Rosenwald, 517 folks that are referenced on the Dashboard.

MR. MEYERS: Yeah.

SEN. FELTES: Your comments are that they would -- if this was denied they would still continue to receive services; correct?

MS. ROUNDS: So which item? 152?

SEN. FELTES: 152.

MR. MEYERS: The three --

MS. ROUNDS: So it's actually 6 million total funds.

MR. MEYERS: Right. So your question, Senator, is if that \$6 million was not approved --

SEN. FELTES: Correct.

MR. MEYERS: -- would people lose services?

SEN. FELTES: Correct.

MR. MEYERS: Yes. I think the answer is potentially yes.

SEN. FELTES: Follow-up, Madam Chair.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: I wanted to double back because earlier you said no in response to Senator Rosenwald's question.

MR. MEYERS: I may have misunderstood something. I apologize. This is needed to maintain services that people that were brought on last year with the additional appropriation that was made in '19.

CHAIRWOMAN WALLNER: I have had a request from a member for us to take a break. I'm going to take a 15-minute break at this point and we'll come back. I can tell at this point that we are going to be going into the afternoon. So we'll come back, see how we're doing, and then if we are not moving too much faster I'll let people have a little break for lunch. We could eat right now yes, but then we'll continue on. So I'm going to take a little break now for 15 minutes and we'll be back at 12:30.

(Recess at 12:13 p.m.)

(Reconvened at 12:38 p.m.)

CHAIRWOMAN WALLNER: I'll call the Fiscal Committee back to order. Thank you for letting us take that break. And I think we are still on Fiscal Item 152. And I'd like to know if there are further questions. Yes, Senator Birdsell.

SEN. BIRDSELL: Thank you, Madam Chair. I just want to reiterate. If this is not -- this 152 is not approved, people will lose their services.

MS. ROUNDS: That's correct, and statutorily we are required to serve them.

SEN. BIRDSELL: Thank you.

REP. OBER: I guess I have a question. Oh, I'm sorry, Erin.

CHAIRWOMAN WALLNER: Representative Ober.

REP. OBER: A thought occurred to me on break. Dangerous giving me a break. I get to think. The last time we did a Continuing Resolution when Governor Hassan was Governor, I know you -- I believe you were with DRA and not with HHS.

MS. ROUNDS: That's correct.

REP. OBER: The Continuing Resolution last time was for six months and agencies could move money back and forth as opposed to a shorter three-month, 90-day window which you got now. If we had gone six months, Kerrin, would that have kind of eased some of these problems you're having month to month because you would have had more money to move as we worked on -- working on the budget?

MS. ROUNDS: We probably wouldn't be coming to the first Fiscal meeting of the CR, but I would say that we probably --

REP. OBER: You would come eventually.

MS. ROUNDS: Yes.

REP. OBER: Okay. Thank you. I'm just trying to learn from what we've done, what we've might do in the future. Thank you.

MS. ROUNDS: Me, too, so I appreciate that. Thank you.

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CHAIRWOMAN WALLNER: Thank you. Further comments on this? Kerrin, I was wondering, can you kind outline for us which one of these items will you be out of money before the end of August? Sort of like what you did around the TANF. Tell me where you anticipate being not being able to pay your bills.

MS. ROUNDS: I'm not as prepared to do that on this item as I was with the TANF item. I believe as stated in the information so if we're on Page 2, I'll just do the General Fund section, rather than duplicating it with the federal fund. So on Page 2 the second chart there which is the State phase down in the explanation we explain that we need to make this payment in September. So presumably for now we are okay.

CHAIRWOMAN WALLNER: Okay.

MS. ROUNDS: For CFI, I really don't know. I mean, just looking at the numbers themselves maybe. I could say that we would be okay through, you know, the next Fiscal meeting, but I can't confirm that for sure. I don't know exactly when we make our CFI payments.

The TANF program we would -- we need that to be approved, that \$48,000 transfer. The -- on Page 4, the Old Age Assistance, we might be okay; but, again, I am nervous to say that for certain.

The next Accounting Unit I would say we would not be. And then the next one is Developmental Services, which I think we talked about extensively. And then DD, it really varies. I'm sorry, DCYF, it really varies by class line. I don't know if that's enough of an explanation or if you wanted more detail.

CHAIRWOMAN WALLNER: Yes, Senator Kahn.

SEN. KAHN: Madam Chair, just to clarify. When you got down to Developmental Services that was a yes?

MS. ROUNDS: Yes. Yes, we do need that. Yes.

CHAIRWOMAN WALLNER: So you will run out -- you'll run out of money before the end of August; is that right?

MS. ROUNDS: In Developmental Services.

CHAIRWOMAN WALLNER: In this particular class line.

MS. ROUNDS: I really don't know enough to say that for sure. Like I said, I didn't analyze it on a monthly basis with this item.

CHAIRWOMAN WALLNER: Further questions?

\*\* SEN. BIRDSELL: I move to approve.

CHAIRWOMAN WALLNER: I'll recognize Senator Feltes.

\*\* SEN. FELTES: Thank you very much, Madam Chair. I make a motion to approve 152 on a pro rata one-month basis till the end of August. So that on each service line, and I know, Kerrin, you're not prepared today, but each service line that you need funding for the next month it is approved for one month through the end of August pro rata, and you would come back in August to document what you spent money on. The rest of the request would be tabled till the end of August.

On top of that, instruct the Department to come to the August meeting with emergency funding for child protection services, emergency funding for mental health and emergency room boarding, emergency funding for our opioid epidemic, and emergency backfill funding for Title X Women's Health Services that were cut off by virtue of the Trump Administration gag rule and were vetoed in the budget. Those four items the Department create a proposal for the Fiscal Committee for August meeting to consider, in addition to this proposal, because we're asked to consider a emergency proposal on one emergency and those four

things are emergencies, too, so we need to consider them together.

MS. ROUNDS: May I ask a clarifying question?

CHAIRWOMAN WALLNER: Yes.

MS. ROUNDS: So the first part that you were talking about when you said through the end of August, so August 31<sup>st</sup>, you said one month but it's actually two months of the CR, because it would be July and August.

SEN. FELTES: My apologies, yes.

MS. ROUNDS: Okay. Thank you. I just wanted to clarify that.

REP. LEISHMAN: I'll second that, Madam Chair.

CHAIRWOMAN WALLNER: Senator Feltes moves.

SEN. BIRDSELL: Madam Chair, can we have a recess?

CHAIRWOMAN WALLNER: Yes, we can have a recess.

(Recess taken at 12:45 p.m.)

(Reconvened at 12:51 p.m.)

CHAIRWOMAN WALLNER: I'm going to call the Fiscal Committee back in order, and we had a motion on the floor. I would like to ask Senator Feltes to restate his motion.

**\*\*** SEN. FELTES: Thank you very much, Madam Chair. I would move to approve Item 152 to the end of August to maintain services through the end of August provided the Department document how much they've spent at the next Fiscal meeting, table the balance of the request, contingent upon the Department coming back with the emergency funding request to deal with child protection

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crisis, to deal with mental health, including the E.R. boarding crisis, to deal with the opioid epidemic and to backfill Title X funding.

REP. LEISHMAN: And I'll second that motion.

SEN. BIRDSELL: For discussion.

CHAIRWOMAN WALLNER: Discussion, yes, Senator Birdsell.

SEN. BIRDSELL: I have to say I'm totally against this. I think this is -- we're starting to play games with the disabled community. And to -- I'm not even sure that it's legal to mandate and be told whether or not to mandate to a Department what they can -- what they are to bring forth. So I think we're just playing games with this particular -- with 152. I think we need to amend it to go back to the original. I think we're getting a little too far off base here, and it's getting way too political as far as I'm concerned. Thank you, Madam Chair.

CHAIRWOMAN WALLNER: Thank you. Representative Ober.

REP. OBER: Madam Chairman, I think we need a legal opinion whether this Committee, Fiscal, has the right to mandate agencies bringing items. We've never done that before so I'm not sure we have that. And I respectfully request that you get that legal opinion before we vote on something illegal or not illegal.

And, secondly, just for the record, if you look up the definition of the simple word epidemic, you will see that it is defined as being caused by a disease that is infectious. And while we certainly have an epidemic problem, if you choose to take drugs and I stand next to you, I will not get infected.

I do not believe we should use epidemic when we talk about that. We have a serious enough problem. We do not need to belittle it by making it look like it's something that you catch from somebody. We've been talking all along about not only

recovery services but how we help mentally, how we get the whole picture and so to belittle people who are addicted by saying, oh, you have an epidemic, no, we just can't do that.

I'm not voting for an Amendment for any motion that uses the word epidemic coupled with opioids, it is a different crisis, with respect to my colleague. Thank you, Madam Chairman. And I do request that we have that legal opinion on whether Fiscal may compel an agency to bring an item forward. I would recommend we vote I think the first part of the motion, or voting on approving the item is certainly appropriate here, and I think we need to take some step in that direction. Thank you.

CHAIRWOMAN WALLNER: Representative Leishman.

REP. LEISHMAN: Thank you, Madam Chair. For the record, I will second Senator Feltes' motion. I don't often agree with my colleague from -- or disagree with my colleague from Hudson, but I believe it's a fair motion. It allows, in my opinion, for the Department to, if you will, get things together, gives them a month window. It addresses the concerns that you raised as far as getting through the month, the rest of this month and into August, and also allows the Department to address all the other divisions and services that they provide so this Committee will have a full picture of what we are looking at moving forward. Thanks, Madam Chair.

CHAIRWOMAN WALLNER: Thank you. Representative Ober.

REP. OBER: This Committee tabled an item from Education that was to stop school violence. I don't know how we can condone tabling an item that was specifically aimed at stopping any violence or bullying in schools and, yet, only look at a few small things. Thank you.

CHAIRWOMAN WALLNER: Senator Feltes.

SEN. FELTES: Thank you, Madam Chair. I respect and appreciate the commentary here. Let me just go back to 2015 for

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a second. Page 132 of the transcript of the first Fiscal Committee meeting following a budget veto, then Senate President Morse, after leaving on the table a bunch of items said, in my opinion, again, we're talking about defining emergency today. Defining emergency. You know, we didn't vote to veto this budget. So I think the emergency is passing the budget, unquote.

We're looking today at what we're looking at as an emergency. I would agree with then Senate President Morse that the emergency is passing the budget. But to come to Fiscal with one mini budget on albeit what I would agree is an emergency and not consider the other emergencies facing our state right now that are dealt with in the budget that Governor Sununu vetoed would be irresponsible. And, by the way, to my good friend Representative Ober, asked for my legal opinion earlier, my legal opinion is we can request and mandate the agency come back and deal with emergencies.

REP. OBER: Please cite that RSA for me. I'll be happy to look it up.

SEN. FELTES: I think it's well within the scope and authority in part under 14:30-a and, also, under the Continuing Resolution without a doubt. So our responsibility to act as a committee on emergencies should not be really that one-off with respect to one emergency. That's the purpose of the motion, Madam Chair. Let's get the key emergency before us.

I think people losing health care as a result of Title X and failure to backfill because the budget was vetoed is an emergency. I think the child protection crisis is an emergency. I think our opioid public health crisis is an emergency. And I think 20 plus people sitting in hallways of emergency rooms in our hospitals in non-therapeutic setting is an emergency. So that's not politics, that's practicality of what we're facing as a state. And so I hope we can all get on board with this motion. I think it is practical, and it deals with the emergencies facing our state right now. Thank you, Madam Chair.

CHAIRWOMAN WALLNER: Thank you. So as I hear Senator Feltes speak I think that what he's saying is that he wants the Department to come back and tell us what other emergencies we are facing. And I'm sure there are more and may not -- there may be more than are even in the list that he went through.

I am not a lawyer, but I think that Fiscal does have that ability to ask Departments to tell us where we stand, what's -- what's happening, what is happening out there since we've had this veto. I hate to put him on the spot, but I am going to ask, he probably doesn't want me to ask him, but I am going to ask Michael Kane, the LBA, if he thinks we do have the authority to ask the Department to come back and tell us what emergency -- what other emergencies there are.

MR. KANE: Well, I definitely can't give you a legal opinion and I wouldn't anyway, at least. You know, Fiscal -- as far as Fiscal asking for information from an agency, they've done it. They've made motions contingent upon that. Fiscal has asked, you know, possibly has asked an agency to come back with an item. The question is have they mandated it and that's something I can't answer right now, whether or not Fiscal has mandated an agency to bring something forward. And if the agency goes back if that motion were made my guess is they'll consult with the Executive Branch counsel to see if they would have to comply. That's just my guess. It is a new area; but that's my -- not my opinion but just kind of my thoughts on the matter.

CHAIRWOMAN WALLNER: Hearing that from the LBA, what I'm going to do is I'm going to take a vote on the issue and I am going to do just what Michael Kane suggested and have the Department check with their legal department as to whether or not they can bring those -- they can bring that information back to us at the August meeting. So further discussion?

REP. OBER: Madam Chairman, I believe you said in your comments that Fiscal has a right to ask Departments, plural. I didn't hear this motion as looking at inquiring of other Departments. I heard it as one member chose three items that he

wants to include. One of those items was child protection, which boggles my mind because violence in schools is -- and bullying in schools is one of the biggest protection areas going on in many of our Districts. And yet we, as I said, we tabled that item and we're clearly not interested in that. So are we asking all Departments to do this? Is that motion -- were you amending the motion to clarify? Your comments need, I think, a little clarity.

CHAIRWOMAN WALLNER: No, we're not amending the motion at this time; but I would agree with you that there are emergencies in other areas of State Government at this point because of the veto. So I would agree with you on that, that there are probably other areas that are facing some emergencies. And I think that it will be very important for us to get that information. And as we move forward let's try to -- try to ask Departments what other emergencies we might be facing.

So I'll take the vote. All in favor? I think maybe we need a roll call on this one. Okay. Representative Weyler's over there. Can you call the roll?

REP. WEYLER: I'm ready.

CHAIRWOMAN WALLNER: Okay. So Representative Weyler will call the roll.

REP. WEYLER: The motion is ought to pass with another hundred words. I'm not going to read them all. Representative Wallner.

CHAIRWOMAN WALLNER: Yes.

REP. WEYLER: Representative Leishman.

REP. LEISHMAN: Yes.

REP. WEYLER: Representative Ober.

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REP. OBER: No.

REP. WEYLER: Representative Hennessey.

REP. HENNESSEY: No.

REP. WEYLER: Representative Kahn.

SEN. KAHN: Yes.

REP. WEYLER: Represent -- Senator -- Senator Soucy.

SEN. PRESIDENT SOUCY: Yes.

REP. WEYLER: Senator Feltes.

SEN. FELTES: Yes.

REP. WEYLER: Senator Rosenwald.

SEN. ROSENWALD: Yes.

REP. WEYLER: Senator Birdsell.

SEN. BIRDSELL: No.

REP. OBER: Nordgren.

REP. LEISHMAN: Nordgren.

REP. WEYLER: No, it's not on here. Representative Nordgren.

REP. NORDGREN: Yes.

REP. WEYLER: Madam Chair, the vote is seven to three.

CHAIRWOMAN WALLNER: Thank you. The vote is seven to three.  
The item passes.

\*\*\* {MOTION ADOPTED}

CHAIRWOMAN WALLNER: Let's move on at this point to Item 184. And I know that people have a number of questions concerning this item, also. Yes, Senator Kahn.

SEN. KAHN: Thank you, Madam Chair. I wonder if Miss Rounds could clarify for us the requested changes here involved, both federal and state matching funds, and the Developmental Services component of this adds up to \$14 million. The number that you shared with us of additional clients can be served by this, new cases, was 129. So I just want to -- in just trying to be -- get in the weeds a little bit, 14 million for 129 clients for three months, I'm having a hard time doing the math.

MS. ROUNDS: Understood. So this item was based on the amount that has lapsed, because we have now ended Fiscal Year 19, from the three accounting units for ABD, IHS, and DD. So this item is based on that amount which has, I think the Commissioner spoke to HB 2, had an intent starting with the Governor's Office to -- with the Governor's Budget to have those monies roll over to become non-lapsing accounts. So this total funding here, this \$7.7 million of General Funds was intended through all phases to not lapse. So this item is solely to ask for these funds to be added into the DD budget.

With regards to the cost of those 129, this item will pay for that cost of the 129. Will there be additional funds left in the account after those are paid for? Potentially yes. This item, the dollars were based on what was lapsed from Fiscal Year 19.

CHAIRWOMAN WALLNER: Yes, Representative Hennessey.

REP. HENNESSEY: Thank you, Madam Chair. The 129 that you're speaking of, is that people that are currently vetted through the process and are not receiving any services? Can you just break that 129 down more?

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MS. ROUNDS: I'm just looking to see if I have that broken down into the three categories. I don't think I have that in front of me and I apologize, but I don't know the programmatic enough to speak to it; but I do know the funding would pay for those 129.

CHAIRWOMAN WALLNER: Yes, Senator Kahn.

SEN. KAHN: Thank you, Madam Chair. Thanks for taking a follow-up question. Part of the Developmental Services monies 2.2 million general, part of the add for Developmental Services is General Funds; right?

MS. ROUNDS: Yes.

SEN. KAHN: Part -- is part of the add also Federal funds?

MS. ROUNDS: Yes. So the Federal funds are on page -- starting on Page 3. So that's the number two of the request. So we first have the number one which is General Funds and number two is federal.

SEN. KAHN: So if I put the two together, it's 15.5 --

MS. ROUNDS: Yes.

SEN. KAHN: -- million dollars?

MS. ROUNDS: Yes.

SEN. KAHN: And this is for three months?

MS. ROUNDS: No, this item was -- the numbers in this item were based on the amount that was lapsed out of Fiscal Year 19.

SEN. KAHN: So these are dollars that would be expended over all of Fiscal 20?

MS. ROUNDS: Potentially or a shorter period of time than that. If this account is non-lapsing, then these funds could be the first funds out the door. They could be the last funds. I mean, they just become part of the total funds.

SEN. KAHN: If I may? May I?

CHAIRWOMAN WALLNER: Yes, please.

SEN. KAHN: What is it that makes this item an emergency?

MS. ROUNDS: I believe that that -- that's really spelled out in the item itself. The intent is really more about the fact that these dollars lapsed and the intent was that they shouldn't have.

CHAIRWOMAN WALLNER: Representative Nordgren.

REP. NORDGREN: Thank you, Madam Chair. I'm looking at Page 5 of 6.

MS. ROUNDS: Yes.

REP. NORDGREN: The answers to the questions. I'm a little confused about the -- question four. Can you read that and explain it to me? It says yes, funding for this program is included in the 18-19 enacted budget. The question was is it?

REP. OBER: Denied.

REP. NORDGREN: Yeah. So it was in the budget that we are dealing in now, right?

MS. ROUNDS: Right. So I think that question was answered from a strictly financial point of view. So those funds, yes, were technically in the 18-19 budget. But were those services being provided that these funds will now be paid for in the 18-19 budget? No, because these are new people coming to the waiver.

REP. NORDGREN: Okay. The other thing I just wanted to point out, I think one of the criteria we were using is covered in number six in this list where it says it does not include positions or consultants. So is that --

MS. ROUNDS: So it does not include Department positions or Department consultants. That's true, but it certainly includes people providing services to service contractors.

REP. NORDGREN: Pardon me?

MS. ROUNDS: It includes services through our contractors but no Department employees.

REP. NORDGREN: Thank you.

CHAIRWOMAN WALLNER: Senator Birdsell, and I apologize for not calling on you by order.

SEN. BIRDSELL: That's okay. I just have a couple of questions. The first one is if this had been rather than a three-month, six-month resolution, would this have been affected?

MS. ROUNDS: So I think that we still would have brought this item forward because it was about the intent of the item, not so much the --

SEN. BIRDSELL: The later.

MS. ROUNDS: Right. Yes, yes, so we still would have brought it forward.

SEN. BIRDSELL: My second question is -- actually, I think I might have three.

MS. ROUNDS: Okay.

SEN. BIRDSELL: With 152 -- 152 and this -- this piece, are they connected and by amending 152 would that have affect this item at all?

MS. ROUNDS: So they're connected in the sense that they both relate to DD. Does accepting that only the -- how 152 was approved affect this item? No, because I would plan on coming back to the August Fiscal meeting to deal with September of the items that were in 152.

CHAIRWOMAN WALLNER: Further questions. Yes, Senator Rosenwald.

SEN. ROSENWALD: Thank you. I'm also looking at the Dashboard narrative, which talks about the 517 people who came off the Waitlist during the last Fiscal Year, but we just approved two-thirds of the requested funding to give them services. So two-thirds of 3.1 or \$2 million. Two-thirds of that request was enough for two months for 517 people.

The lapse is discussed in the Dashboard as being related to the 517 people not lapsing because all of a sudden we're going to be building a new Waitlist of 129 people because the budget was vetoed. That should be a much lower cost than providing services for 517 people. That's what caused this lapse that you're trying to restore. So I think we are getting some confusing information as to what this late item is going to fund. Because the way I look at it, if we're looking to fund new people so that we don't build the waitlist as a result of the budget veto, it should not be the same amount of money as lapsed because 517 people's funding was at risk. So perhaps I'm the only person here who's confused. But these numbers just can't, I don't understand the math. It seems too coincidental that the 517 person lapse is exactly the amount we need to prevent a new waitlist of 20 or 30% of those people.

MS. ROUNDS: No, I think I understand what you're asking. So with -- with Item 184, that -- that dollar value is not -- was not calculated saying there are 129 people. What is the cost of

those 129 people for three months? So you are correct that they are not correlated in that way. This item was -- we lapsed this much money and it -- you know, all parties seem to agree that the intent was to carry that forward. So we're going to bring an item forward asking for that to be carried into this budget or into the CR rather.

SEN. ROSENWALD: But the emergency, if there's an agreement that there's an emergency to prevent 129 people from going on a waitlist up through September 30<sup>th</sup>, some of them might go on the waitlist on September 29<sup>th</sup>. What is that three-month cost --

MS. ROUNDS: Hm-hum.

SEN. ROSENWALD: -- to actually prevent that from happening? It's not 7.9 million or \$7.7 million of General Funds. It goes way beyond the emergency. The Department is actually asking for what was funded in the budget rather than what's the scope of the emergency. And I don't think we have that information before us to understand what it would cost us to prevent this new waitlist caused by the budget veto.

MS. ROUNDS: So I do think it would be something less than the 15 million total funds of this item. But, again, this item was not about that calculated amount. It was about the amount that we -- that has lapsed.

SEN. ROSENWALD: So what would be the amount for the emergency, I guess, is what I think we would need in order to act?

MS. ROUNDS: Okay.

CHAIRWOMAN WALLNER: I guess I would ask that you calculate that and be at least prepared, and we don't have a motion yet, but at least prepared to have that for us in August.

MS. ROUNDS: Okay.

CHAIRWOMAN WALLNER: Okay. Yes, Senator Soucy.

SEN. PRESIDENT SOUCY: I just wanted to try to figure out another way. Is the amount not predicated on specific services but is the amount predicated on the balance of the account not lapsing?

MS. ROUNDS: Correct.

SEN. PRESIDENT SOUCY: And moving -- just moving all of that forward. So we're not looking -- we're not looking to provide specific people with specific services. We'll do that eventually, but it wasn't a calculation done. The amount is merely what was the balance of the line that inadvertently lapsed that we need to correct.

MS. ROUNDS: That's correct.

SEN. PRESIDENT SOUCY: Okay.

SEN. ROSENWALD: Could I ask one more question?

CHAIRWOMAN WALLNER: Yes.

SEN. ROSENWALD: Does this include any rate increases to help people hire the personal care workers that they would need or -- or does this just fund program services but not rate increases?

MS. ROUNDS: I don't think that there has been a discussion about rate increases being included in these dollars.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Further -- further question. We have no more questions. Do we have a motion?

**\*\*** SEN. BIRDSELL: Move to approve.

CHAIRWOMAN WALLNER: Senator Birdsell -- do we have a motion on the floor?

REP. LEISHMAN: Senator Birdsell.

CHAIRWOMAN WALLNER: Senator Birdsell moves to approve this item. Is there a second?

REP. HENNESSEY: Second.

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: Representative Hennessey seconds. All in favor? Opposed? One, two, three, four, five, six opposed; four in favor. Motion fails.

**\*\*\* {MOTION FAILS}**

CHAIRWOMAN WALLNER: Do I hear another motion?

**\*\*** SEN. ROSENWALD: Move to table.

REP. LEISHMAN: Second.

CHAIRWOMAN WALLNER: Senator Rosenwald moves to table this item and Representative Leishman seconds. All in favor?

REP. NORDGREN: May I make a comment?

CHAIRWOMAN WALLNER: Yes, please do.

REP. NORDGREN: I just wanted to make a comment on the tabling before we voted on that.

CHAIRWOMAN WALLNER: No discussion on tabling. Sorry. No, I shouldn't have allowed that. So all in favor of tabling? All opposed? Seven in favor of tabling and three opposed.

**\*\*\* {MOTION TO TABLE ADOPTED}**

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CHAIRWOMAN WALLNER: Yes, and Representative Nordgren has been waiting to make this statement.

REP. NORDGREN: I just want to make a comment. And in the past few minutes we have been talking about emergencies. And I guess I think we should be expanding that definition. We have a budget now that's in limbo. We have education funding that's an emergency. We have School Districts who don't know how to budget their next year's funding. We have a University System that's losing 300,000 a month. We also have property taxpayers who aren't getting municipal aid so they'll be coming up with their tax rates.

I also think this whole scenario we've been playing out for quite a while today really puts the Fiscal Committee in a difficult position. We are -- the budget does not reside with the Fiscal Committee. We need some guidance from the Governor. So far, I think we have not had guidance from the Governor. Who knows if we had another budget brought forward to the House and Senate that these items, if we were having them proceed along and not tabling them would be not covered in the budget we would approve in October or September, whatever.

So I think that's sort of where we are now. I think we need some guidance from the Governor. I think we have emergencies that are arising all around the state. So I look forward to more items on the budget come August and September if we don't get this resolved. So I would urge everyone to try to work toward that end. Thank you.

CHAIRWOMAN WALLNER: Senator Rosenwald.

SEN. ROSENWALD: Thank you. I just want to, you know, reinforce the fact that tabling this item does not cause anybody to lose services at all. These are people who are not currently on a waiting list. So the previous item people would have lost services. This one's different. But I'd also like to ask the Department to come back at the August meeting with the projected

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specific cost to take the 129 people who are becoming eligible during this three-month CR people off the waiting list what that cost to September 30<sup>th</sup> would be so that we could consider the actual emergency appropriation. Thank you.

CHAIRWOMAN WALLNER: Yes, Representative Hennessey.

REP. HENNESSEY: Thank you, Madam Chair. Just to clarify, and Miss Rounds, maybe you can help me with this, I thought the Commissioner said that in 152 it would not cover the people who were turning 21 and aging out of the school system piece of DD, and that those people would go on a waitlist. I think I heard the number nine at some point, which these funds would have covered; is that correct?

MS. ROUNDS: I do believe that's what he had said.

REP. HENNESSEY: Thank you.

CHAIRWOMAN WALLNER: Since this seems like a place where be good to break, I'm going to put us in recess so the Committee can have some lunch, and I think 20 minutes will be enough time. So be back in at quarter of two.

(Recess at 1:24 p.m.)

(Reconvened at 2:04 p.m.)

**(6) 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 Authorized:**

CHAIRWOMAN WALLNER: Call the Fiscal Committee back to order, and we're on Tab 6, still have a ways to go. Tab 6 is also Consent Calendar, I believe. And -- hum -- I'd like to do the same as we did before and take them one at a time if that meets with everyone's approval. Does anyone object?

Okay. So we'll go one by one through Tab 6. And the first one on Tab 6 is number 147, and this is also a Health and Human Services item. I believe this one might be one of the ones we first come to that has personnel in it. And I would ask Miss Rounds to come up and answer some questions. Want to tell us about this item and --

MS. ROUNDS: Sure. This is the Community Collaborations Grant. We came to Fiscal during Fiscal Year 19 to accept this grant. It is a grant that is being managed jointly through Public Health and DCYF. There are positions associated with this grant that are currently filled. There was also a question that came up that was sent to me about the out-of-state travel. This grant does have required travel where we are required to go to certain meetings and visit certain other states and that required travel is scheduled to happen in August.

CHAIRWOMAN WALLNER: I had a question. I was wondering if on Page 3 the question is on number six. It asks, "Does the program include positions or consultants.?" And the answer didn't quite -- I couldn't quite decide which way I thought this was. It said, "The grant provides funds for the creation of a filled position." So is it a position that's filled or are we creating a position that we will fill?

MS. ROUNDS: So it has already been created. So there was a "D" missing on there and is currently filled. So the position was previously created, previously approved by this Committee, and is currently filled.

CHAIRWOMAN WALLNER: It is currently filled. Okay.

MS. ROUNDS: Yes.

CHAIRWOMAN WALLNER: Thank you. Do we have a motion on this item?

**\*\*** SEN. PRESIDENT SOUCY: So move.

SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: Senator Soucy moves the item and Senator Birdsell seconds.

REP. LEISHMAN: Just one question, Madam Chair.

CHAIRWOMAN WALLNER: Yes, discussion.

REP. LEISHMAN: Thanks, Madam Chair. Is this for the three months or is this for the entire year?

MS. ROUNDS: This is for the three months.

REP. LEISHMAN: Thank you.

CHAIRWOMAN WALLNER: We have a motion. Any further questions? All in favor? Any opposed? Seeing none opposed, the item passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Off to a really good start here. Now we go to number 148, and this also is a Health and Human Services item. And, Miss Rounds, want to tell us a little bit about this one? I think this one also have personnel in it? I believe it does.

MS. ROUNDS: It does. This does have a position and it is currently filled. This is a federal grant for pediatric mental health care. It is 100% general -- Federal funds, I'm sorry. And there was a question about the match being part of SLRP, and we do have that match in SLRP.

CHAIRWOMAN WALLNER: Any further questions? Yes, Senator Feltes.

SEN. FELTES: Thank you very much, Madam Chair. Thank you, Miss Rounds. In terms of SLRP right now, where are we in

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maintaining, meeting our obligations in our programming? Heard there might be some concern about that. Can you give us an update on that?

MS. ROUNDS: Sure. I can give you an update to the extent that I do know, and Trish Tilley is here if you need more information. My understanding, well, one, we are working from the Fiscal Year 19 budget, of course, 3/12<sup>th</sup>'s of that. So we are working to try to stay within that budget. There are some concerns. We are not sure how to meet those concerns just yet. We are evaluating throughout this month and may have an issue come up at the August meeting. We're not sure yet. But it -- we're keeping it at Fiscal Year 19 levels right now.

CHAIRWOMAN WALLNER: Follow-up.

SEN. FELTES: Follow-up. So it sounds like at this point investigating what may be needed to be requested at the August meeting to make sure that we keep that program, State Loan Program intact and meeting its obligations. Right now we are meeting our obligations or not? I just want to make that clear.

MS. ROUNDS: Yeah, as of right now we are meeting our obligations.

SEN. FELTES: All right. Thank you.

CHAIRWOMAN WALLNER: Senator Soucy.

SEN. PRESIDENT SOUCY: Could I just ask on Page 3, item number seven, it says, "What would be the effect if the program were to discontinued or not initiated? The response says, "If the program should be discontinued or not initiated." Is there an existing program or is it just that it would be discontinued."

MS. ROUNDS: That's correct.

SEN. PRESIDENT SOUCY: Okay. Thank you.

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\*\* REP. LEISHMAN: Move to approve.

CHAIRWOMAN WALLNER: Representative Leishman moves to approve.

SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: Senator Birdsell seconds. Further -- yes, Representative Ober.

REP. OBER: Again, item seven. Would not be provided resources. This doesn't talk about the staff member would have to be laid out -- I'm sorry, laid off. They shouldn't have let me had lunch.

REP. NORDGREN: What were you drinking?

REP. OBER: Water. Can you talk to us about resources and, I mean, what would happen to that staff member? I would assume that person would be laid off; but this asks about the effects and it doesn't mention that person.

MS. ROUNDS: You are correct. And we probably should have included that there, but there is one staff member that position is currently filled and that would be at- risk.

REP. OBER: And the resources provided. It says New Hampshire pediatric primary care providers would not be provided resources.

MS. ROUNDS: So I think resources meaning funding for the programming.

CHAIRWOMAN WALLNER: Further question?

REP. OBER: No, it's clear as mud but I can drop it.

CHAIRWOMAN WALLNER: We do have a motion. The motion is ought to pass.

REP. WEYLER: Move to approve.

CHAIRWOMAN WALLNER: Or to approve and made by Representative Leishman and Senator Birdsell. Any further discussion? Seeing none. All in favor? Any opposed?

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Item passes. Next we move to Item 150.

**\*\*** REP. OBER: Move to approve.

CHAIRWOMAN WALLNER: Representative Ober moves to approve.

SEN. BIRDSELL: Second.

SEN. FELTES: Second.

CHAIRWOMAN WALLNER: And --

REP. OBER: We got detailed answers from Miss Carlson.

CHAIRWOMAN WALLNER: -- Senator Feltes seconds. And discussion about this one? I think you're right. We had a lot of information. All in favor? Any opposed? Okay. Item passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Now we go into Item 151, the Attorney General, Department of Justice.

**\*\*** REP. LEISHMAN: Move to approve.

SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: Senator Leishman moves to approve and Senator Birdsell seconds. Any discussion on this one? All in favor? Item passes. Any opposed?

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: 162. This is Division of Behavioral Health, Health and Human Services.

REP. OBER: I have a couple of questions.

SEN. PRESIDENT SOUCY: We have lots of questions.

CHAIRWOMAN WALLNER: We have questions about this one. And, Miss Rounds, you have other people who are joining you?

MS. ROUNDS: Yes.

REP. OBER: First paragraph. The amount is \$35,267,411. Is that for 90 days or is that the whole amount?

MS. ROUNDS: So the way we presented this item was similar to how it was approved at the last Fiscal meeting. So if you remember this was an item that we brought during the June Fiscal meeting for SOR because it's such an important funding source; and that was approved at that meeting with the understanding that it would be pro rata meaning whatever we needed to contract during that period, because this is such an important program. So what we did is we brought the item forward the same way that was approved, which is to continue to have it approved on a pro rata basis, meaning whatever we need to contract to keep this program moving forward.

REP. OBER: Thank you.

CHAIRWOMAN WALLNER: Further questions?

SEN. PRESIDENT SOUCY: You can go first.

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SEN. ROSENWALD: Um --

CHAIRWOMAN WALLNER: Senator Rosenwald.

SEN. ROSENWALD: Thank you. I know that in Nashua Safe Stations is still really the primary point of contact rather than the hub, and last month when we looked at the number of new clients there were, I think, through May, 55 contacting through the hub and 300 -- almost 400, I believe, during the same period walking into a Safe Station, one of the fire stations. And I just -- we're not really seeing what I would hope to in Nashua from this program. And I know that Manchester has even a more difficult situation with Granite Pathways versus Safe Stations. The number of -- outside of Manchester are referrals from the hubs is -- from other hubs is at least 50%. And Manchester is feeling overwhelmed.

I learned actually yesterday that some of the flex funding has been spent on hotel rooms for individuals who are in a substance use crisis, and that concerns me a bit as not offering any treatment at all. It's worse even than boarding someone in an emergency room. Putting someone in a hotel who wants to seek help for their drug problem is offensive, and I don't see where this is going. I just don't have the confidence I want to have.

KATJA FOX, Director, Division for Behavioral Health, Department of Health and Human Services: So, for the record, Madam Chair and Members of the Committee, my name is Katja Fox. I am the Director for the Division for Behavioral Health and the State Opioid Response Program falls into my Division. Hum -- and so I'm not sure I heard an actual question. I heard a concern. So, with your permission, I'll address that concern to the extent that I can.

So we know, we have the statistics. We have been working very closely with AMR, the American Medical Response, which compiles all of the data for both Nashua and Manchester. And so what we have been able to do is to see, in addition to the information that we're capturing through the Doorways of where

people are going, where they're migrating, and what they're staying in their community. And so we know from statistics that we just received from AMR this week that there are two problem areas, which we would consider problem areas, based on the percentage of individuals who are going from one community that has a Doorway to Manchester or to Nashua. And those communities are Dover and Laconia, those catchment areas. They are, I believe, 10% and 12%.

There are people from the northern part of the state who are going to Safe Station and still showing up in statistics, but they're at the 1%, 0%, 5%. There also is cross-pollination between Nashua and Manchester where people are seeking services from both Safe Stations. So 10% of Manchester's numbers are from Nashua and vice-versa.

So we are looking at that data. We are working very closely with our Doorways, and we believe that the Doorways are not the ones, although there were some early rough starts making those actual referrals. The referrals are coming from outside of that State Opioid Response Funding and from other types of providers.

When we saw those statistics, we are now making an effort on the ground in both of those catchment areas for those Doorways, so that we inform not just those that are SOR funded but that those -- all of the community service providers, anyone who would make such a referral. We also receive -- so all the same information. It's great because you heard the same thing we have heard and what's been reported to us about the housing vouchers.

One of the key components of the recovery process and the seeking services is housing. We know about the homeless situation in Manchester; very concerned about that. We want to put SOR dollars on the ground in Manchester for workers to help with that population. We know that housing is one reason why people don't stay in their communities. And we with our supplemental funding, which is the \$12 million that we received

in addition to the 45.8, we are targeting specifically those services that are barriers for people not only to seek treatment in their community, but to stay in their community.

And the report that you had we did follow-up on that, and there were three people who were housed without housing vouchers at hotels. And those are for various reasons. It may be a treatment bed has not immediately opened but will be opened. And there are -- there are other reasons why that may happen.

We are in the process of being very careful in what we allow those vouchers to be used for. So that we don't have people who are at pretty much the whole point of a Doorway is to connect people in and stay with people and do care coordination that we don't have people ending up in hotel rooms and then just taking off and having some issue. So we are establishing a policy and pending approval here, we have contracts that are going forward that include the dollars for those housing services, and for transportation, child care, and so on with those flex funds.

So we are well aware of the issues that have arisen. We aren't going to sugarcoat them or pretend they're not happening. We are going to take them head-on and we have been doing that. We have been working with the City of Manchester. We have been working with the City of Nashua. We have frequent meetings. We meet any time there's a request. We respond any time we hear of a one-off where someone does end up in a cab being sent to Manchester, and so -- so we're working on it.

One thing I do want to make sure you're aware of, hopefully, you are aware of it, and that you've heard some of the marketing that we've been doing that just launched. It launched right after the 4<sup>th</sup> of July. And so that following Monday we now have and, you know, you can nitpick about whether this is going to reach this population, but we're going all out with ads on MUR and Comcast, Digital ads on Facebook, Comcast Hearst and YouTube. We've done the radio ads, depending on what you listen to you should hear those. We tried to target a bunch

of different areas. And then our print ads as well. And one of the things that we worked with our marketing partner on was to make sure that the -- we put a heavy emphasis outside of Nashua and Manchester so that those in Wilton know that they have services in Wilton and that there's an access point and care coordination happening in that community so they don't go to Manchester and Nashua.

We also -- um -- Manchester, Nashua, and the Seacoast are the bus services are also going to be having the advertising around the Doorway. So, again, it's something that we struggle with. We know what the issues are. We know that Safe Station is a nationally recognized model and that it has a three-year head start as far as marketing, so to speak. So we really want to continue to work on this, and we don't believe that we had enough time to get ahead of it. And we believe that with funding provided we're going to be able to continue to make that progress and have people get the right care at the right time and the right place.

CHAIRWOMAN WALLNER: Senator Soucy.

SEN. PRESIDENT SOUCY: So I have a couple. Regarding the who's referring people to Manchester, because it seems like since the program began the statistics I have indicate that there are more Safe Stations visits of individuals from outside of Manchester than there had been before. So what was supposed to be a situation to help relieve pressure on these two cities have actually, at least for the last six months, been the reverse. The pressure has been added because more people are being referred.

In speaking with our Fire Chief yesterday, my understanding is he's had two people this week who said they were referred from Laconia. So he called the Laconia Hub and was told, yeah, we sent them. We're sorry, but we don't have the resources that you have there. So my question to you is what are we doing in terms of getting the Hubs to actually do what they were set up to do without still referring them to Manchester and if you

could clarify. My understanding is there are only so many beds available. They have the same access that Manchester has. So somehow the Hubs themselves don't understand their level of responsibility, and I wonder if you could help clarify that.

MS. FOX: Number one, I'll immediately go back and talk to the Laconia Hub. So that will be number one. That's news to me. I hadn't heard that.

SEN. PRESIDENT SOUCY: That was this week.

MS. FOX: Yep, yep. And, number two, what we have not been able to do is expand treatment beds. We are shoring up treatment beds. We are actually looking -- we had treatment facility recently become Medicaid enrolled. Because of the money that's afforded through this grant, we have been able to enhance payments for room and board. It's a non-Medicaid billable service where we're requiring that they take Medicaid and that it be for individuals who receive Medicaid. And so they're getting, and I think you heard about it and you heard about it through different processes, \$100 per day above and beyond their Medicaid per diem. So that we can look at least to expand the number of treatment beds that are available through them accepting Medicaid. And so that has attracted interest and we are moving forward with contracts within that arena. But this grant did not expand. It did not allow us to put any money into building facilities. And so it's very difficult for a treatment provider, even to consider adding space and we know that certain providers are just limited by their footprint.

When we have a two-year funding source and it restricts that the only option for construction is \$75,000 in renovation. And so that is something that we're messaging in Washington. We will continue to message through the Governor and the Congressional delegation that we need more flexibility in these funds because that is one area that we know that there aren't enough residential beds.

As far as the other services, we are seeing, you know we are able to invest in Medicaid-assisted treatment, outpatient services, specialty services. And so reaching that population is intended and to expand those programs. But Manchester, Nashua, Concord, they're cities. They have services. They are known to have services. I think that's just something that we had to face and so we can't duplicate everything that is in the city environment. And we have to work with what we have and hear from you and respond and be able to stand up services to the extent that we have willing partners in other parts of the state.

SEN. PRESIDENT SOUCY: Further question, if I may? Regarding the expenses for TV and Facebook and radio or we're going to talk a little later about the Medicaid Work Program. We actually have people knocking on doors. It would seem to me that people who are in crisis, who have co-morbidities, mental health and probably are not attentive to their Facebook page or television as they would be to outreach workers, individuals reaching out. Are there any plans by the Department to reach out to people in those vulnerable communities to try to --

MS. FOX: So there are other efforts besides the ones that we all traditionally think of, want to hear about a form or want to hear about something. So that's what I had referenced. But there are other efforts to work at the individual level with town welfare, departments where people would seek services where -- so door-to-door, no, there are no plans for that. But it just made me think, you know, that door-to-door effort should have also and could have included a flyer and could have -- that flyer could have been left at that household. So that's a good take-away from that. But there are at the providers, you know, after we see all the distribution of the materials is an expectation and will be happening, and I believe has started happening.

And to your point about more people coming to Manchester, I think it's probably people are becoming more aware that there are services. And so, you know, we have to redirect them and get them to stay in their communities. But I think that people

coming forward is really good and we are reducing the stigma and that we have people coming forward. They just need -- we now need to do a little more steering and have that side where we can address -- address the concerns of all cities that are dealing with this disproportionate share.

CHAIRWOMAN WALLNER: Further question. Senator Rosenwald.

SEN. ROSENWALD: Yesterday I also heard from Manchester that they have empty spots and outpatient treatment because the pattern has been to refer people through inpatient treatment because there isn't housing, but that not everybody needs inpatient treatment and all these outpatient treatment programs have capacity that's available. What are you guys doing to try to rebalance the treatment?

MS. FOX: So recovery housing is a big part of this, and one of the steps that the Legislature took was to require the Department to establish a Registry as a first step towards certification for recovery housing so that people have a place where they can continue in their treatment services on an outpatient basis. And I believe there's money in the vetoed budget that was to address some of the concerns about raising and talking about life safety codes. That's a requirement we have.

We do have funding here, like I said, for housing. And so one of the policy decisions that we need to look at is only instead of a hotel people would be able to use the housing at recovery housing that is in that voluntary registration and would have requirements about life safety codes and about the national standards.

So, again, the housing money is here, and I think we know about workforce housing. We know about the efforts there. The Governor's effort around the recovery-friendly workplace and really looking at resources there as well. So -- so we're hoping to address it. It's not going to solve it all, but we're hoping to address it by allowing people to receive outpatient services stay within their community with housing and secure housing.

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And, Senator Rosenwald, I just wanted to get back to the question that you had asked about Nashua and Safe Station versus Granite Pathways. As you may know, Granite Pathways' office location Doorway location is in the Harbor Homes facility. So they work very closely together. So if someone comes in under a Safe Station from the fire station, they go to the same location where they're co-located. And so they are able to access the Doorway services.

SEN. ROSENWALD: If I could just make a comment about that. The last time or the only time I went to visit Granite Pathways located at Harbor Homes somebody had come into their emergency program by 9 o'clock the previous night and by 11 o'clock the next morning when I was there that person had not been referred the 50 yards away to the program. So I think there's still a real disconnect.

MS. FOX: Thank you.

CHAIRWOMAN WALLNER: Representative Ober.

REP. OBER: Thank you, Madam Chairman. I'd like to make a comment as well. I not only read the newspaper, but I listen to my two colleagues from the city and I live in a little town. But one of the things these programs do not address, and I'm not sure how we address them, is lack of transportation. So you read in Manchester or you read about in Nashua people going to use the Safe Stations, going to use the facility, and they probably are, and they're probably staying there, because they literally don't have any way to get back and forth to their home community, if you will. We ever get cars that drive themselves it would be a boon because you could have buses that drive themselves. And I don't know how the agency would solve that, but I think it's something when you listen to comments such as we heard from these two lovely ladies, I think it's something to think about because people are in a way migrating to where they can get those services.

MS. ROUNDS: I would just mention during budget presentations we did talk a lot about transportation. And I believe that there was some transportation coordination activities within Division of Economic and Housing Stability that are being worked on.

**\*\*** REP. OBER: Madam Chair, I would move to approve this on a pro rata basis for the period of the Continuing Resolution. I'm not sure they need to come back every month.

CHAIRWOMAN WALLNER: So Representative Ober is moving that we approve the item until the end of September.

REP. OBER: Yes, ma'am.

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: And Representative Weyler seconds. Further discussion on the item?

SEN. ROSENWALD: Could you clarify?

CHAIRWOMAN WALLNER: Representative Ober, you want to restate that motion?

REP. OBER: Maybe I should just clarify for the Senator, because I think that was valid. My very first question that I asked when we started this was about the \$35 million and was that for the period, and the answer was it was the same thing they expected to have it pro rata as we did before. So that's what I'm proposing is that they be allowed to spend on a pro rata basis for the period of -- that ends September 30<sup>th</sup> which is when the Continuing Resolution ends.

CHAIRWOMAN WALLNER: Yes, Representative Rosenwald -- Senator Rosenwald.

SEN. ROSENWALD: I don't think I could support that. I could -- I could bring them back in another month; but

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personally, I'm -- I just haven't seen the results and there's been a continuing burden on the cities. To let it go for two months, I'm just personally just not comfortable.

REP. OBER: If you care to -- Madam Chair, if you wish to amend, I already recognize that the two major cities get the burden of this. I live in a small town, they do not. I would go for a one month amendment if you wanted to make that motion, Senator.

CHAIRWOMAN WALLNER: Would you like to amend Representative Ober's amendment?

SEN. ROSENWALD: I would amend it.

REP. OBER: And I'd consider that a friendly amendment.

CHAIRWOMAN WALLNER: Representative Ober has accepted that and does the person who seconded?

REP. WEYLER: Yes.

CHAIRWOMAN WALLNER: Representative Weyler agrees. So now we have a motion which would extend this for one month. And Senator Kahn has a question.

SEN. KAHN: No. I'll vote on the Amendment, but I do have a statement.

CHAIRWOMAN WALLNER: Okay. The Amendment -- is the motion with the Amendment clear? All in favor? Any opposed? Seeing none opposed, the Amendment -- the amended motion passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: And Senator Kahn.

SEN. KAHN: Thank you, Madam Chair, and I want to address folks from HHS and fellow Committee Members that from a

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perspective of Monadnock Region where non-medical based walk in-services are in very -- I mean, don't exist, I will compliment that the Doorway Project is something that has been of benefit. It's given access to people to seek services and to locate them, and I'm grateful that we have got the program up and going. There are certainly out- resources. How do you resource people out to other services? That's -- that's the second problem. But getting people in the door I think was our primary goal and it is working in areas that it had no walk-in service at all beforehand. So thank you for your efforts. I look forward to being able to incorporate this into the budget when we get that opportunity.

MS. FOX: Thank you.

MS. ROUNDS: Madam Chair.

CHAIRWOMAN WALLNER: Yes.

MS. ROUNDS: I also wanted to just let you know the Item 19-146 you tabled till the end of the meeting, I will have information for you when you address at the end of the meeting.

CHAIRWOMAN WALLNER: Are you able to stay until the end?

MS. ROUNDS: Yes.

CHAIRWOMAN WALLNER: Okay. Thank you.

REP. OBER: Could I ask Miss Rounds a question before we start the next item?

CHAIRWOMAN WALLNER: Sure.

REP. OBER: Kerrin, the next item is actually 166, and it transfers from other agencies and it's a transfer from HHS to DOC. So before DOC comes to the table, you do have the money to make that transfer?

MS. ROUNDS: Yes. I believe that item is actually related to the SOR item that you just passed.

REP. OBER: Thank you. Thank you, Madam Chairman.

CHAIRWOMAN WALLNER: Yes, thank you. So the next item we have before us is 166. It is Department of Corrections item. Is there someone here from Department of Corrections?

BENJAMIN JEAN, Assistant Commissioner, Department of Corrections: Good afternoon. Good afternoon, Madam Chair, and Committee. Benjamin Jean. I'm the Assistant Commissioner for Department of Corrections and this is Robin Maddaus. She's the Director of Administration.

CHAIRWOMAN WALLNER: Thank you for coming up. I know there are a couple of questions on this one. Representative Ober, do you have questions?

REP. OBER: I wanted to know, Madam Chairman, thank you, how much of this money was going to be used to provide Narcan with taxpayer dollars?

MR. JEAN: So, specifically, this money here we've already purchased Narcan using the STR Grant which was the first piece of this that merged together last year that Fiscal approved where SOR and kind of STR blended together. So we've already purchased an allotment of Narcan for this program. So the money they're asking for here for this three-month bridging period is being used not to buy Narcan but to continue the medically-assisted treatment drugs involved with the position. But the whole program incorporates the use of Narcan as part of that harm reduction model.

CHAIRWOMAN WALLNER: I'm sorry. There are positions in this request, is that right?

MR. JEAN: That is correct. There's three positions that are in this request. They're full-time temporary positions. They're

Re-Entry Care Coordinators that were established as part of this project. So there are three positions that are included.

CHAIRWOMAN WALLNER: Further questions.

REP. OBER: If we could just clarify. On your Page 5, your Question 3, your position is that the Narcan mentioned there has already been paid for?

MR. JEAN: Page 5, relationship to existing agency programs?

REP. OBER: Question three. Hm-hum.

MR. JEAN: Yes. So we have already bought a good size allotment of Narcan for the Re-Entry Coordinators to utilize in this program. So for this period of the three months I don't foresee needing to buy more Narcan. There's sufficient Narcan already in inventory.

Now, as this whole thing -- this was put in -- was in the budget. As the whole thing moves forward, there may be a circumstance in which Narcan may be needed going forward, but I don't really foresee that. Because the way this is budgeted, the money is in the prescription drug line which is specific to the medically-assisted treatment drugs.

REP. OBER: But that budget was vetoed.

MR. JEAN: Correct.

REP. OBER: Okay. Want to be sure we both thought there was no budget.

MR. JEAN: Yeah.

REP. OBER: Thank you.

CHAIRWOMAN WALLNER: Further question. Do I hear a motion?

\*\* SEN. BIRDSELL: Move to approve. Motion to approve.

REP. WEYLER: Second.

SEN. KAHN: Second.

CHAIRWOMAN WALLNER: Senator Birdsell moved to approve. Representative Weyler second. Any discussion on this item? Yes.

SEN. FELTES: Thank you, Madam Chair. I guess it's a question for folks up here, if I may? We just approved the prior item pro rata for one month. This is connected. So I guess the question is, is we approve this through the end of August, not through the end of September. Is there any adverse consequences as a result of just approving it till the end of August, not all the way till the end of September?

MR. JEAN: I would say if you're approving through the end of August and providing sufficient dollars to carry it through the end of August then the answer to that would be no, right? Because we would continue the program and then I guess come back along with the previous item to see if it's going to go beyond that. We would just need to make sure we were allocated sufficient money to cover that period.

CHAIRWOMAN WALLNER: Yes, Senator Feltes.

SEN. FELTES: Thank you, Madam Chair. With that explanation, I'm wondering if we could amend the motion to do what we did on the last one, approve till the end of August, give them sufficient funds. They'll come back. We can re-review all of it together.

CHAIRWOMAN WALLNER: Would the maker of the motion agree to that?

SEN. BIRDSELL: I'm not really crazy about it. I'm not really crazy about it.

REP. OBER: That's okay, she's entitled to that.

CHAIRWOMAN WALLNER: This has been an unusual day.

REP. WEYLER: I don't like it either.

CHAIRWOMAN WALLNER: Okay. So the motion is to approve the item. And I'll take a vote at this point unless there's other comment about it. All in favor? Any opposed? Item passes.

**\*\*\* {MOTION ADOPTED}**

MR. JEAN: Thank you very much.

REP. WEYLER: Going to have a two-day meeting in August.

CHAIRWOMAN WALLNER: A marathon meeting for August.

REP. OBER: We're having a marathon meeting today.

CHAIRWOMAN WALLNER: I know. Let's go to 167. This is Department of Education. And I know that the Commissioner had to leave, but is there anyone from the Department? Thank you.

MS. VAILLANCOURT: Tammy Vaillancourt, CFO for the Department of Education.

REP. WEYLER: Thank you.

CHAIRWOMAN WALLNER: Does the Committee have questions about this one? I think it has some positions in it, but are they filled or unfilled, those positions?

MS. VAILLANCOURT: They are vacant.

CHAIRWOMAN WALLNER: They are vacant. All of the positions are vacant?

MS. VAILLANCOURT: Correct.

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CHAIRWOMAN WALLNER: You want to tell us a little bit about this -- about this particular grant?

MS. VAILLANCOURT: So this grant we received in FY19. We came before the Committee to accept in the funds. None of -- as with our other ones, none of the money has been spent. There is a reason for that. The -- once we receive the award we had to provide a detailed budget back to the Department of Justice. When they reviewed that they found some items that they were not willing to fund so they denied some of our expense codes. In order to fund those expenses, we worked with DHHS and entered into a Memorandum of Understanding for that. That Memorandum of Understanding was approved by Governor and Council on June 19<sup>th</sup>. We did not spend any of the funds until we received that Memorandum of Understanding. And so now we are able to spend the money, and that's why it's been delayed.

CHAIRWOMAN WALLNER: Anyone have any further questions on this one?

REP. OBER: I have a question.

CHAIRWOMAN WALLNER: Yes, Representative Ober.

REP. OBER: What would be the impact of delaying this until budget passed or delaying it a month?

MS. VAILLANCOURT: Delaying it a month? We do have cost allocation for some filled positions in here, like the other grant that was tabled earlier. If we delayed it a month we just would not be servicing the schools. Right now this program covers seven -- well, this is a continuation of a program that we already have that covers seven regions up in the north area of the state. This program is to add in three additional regions down in the south of the state. And so it's just delaying getting services to those south -- southern regions.

CHAIRWOMAN WALLNER: But it would -- it's services to public school, is that correct?

MS. VAILLANCOURT: That is correct.

CHAIRWOMAN WALLNER: So they are not even in session until September. So delaying by a month --

SEN. BIRDSELL: August.

MS. VAILLANCOURT: August.

CHAIRWOMAN WALLNER: Late August. Yeah. Okay. Do we have a motion on this one?

\*\* REP. LEISHMAN: Move to table, Madam Chair.

SEN. ROSENWALD: Second.

REP. NORDGREN: Second.

CHAIRWOMAN WALLNER: Representative Leishman moves to table and Representative -- Senator Rosenwald seconds. Are there anymore -- no debate. All in favor? Any opposed?

SEN. BIRDSELL: No.

REP. WEYLER: No.

REP. OBER: I'm opposed.

REP. WEYLER: Seven to three.

CHAIRWOMAN WALLNER: The motion passes three to seven.

\*\*\* {MOTION TO TABLE ADOPTED}

SEN. KAHN: Madam Chair.

CHAIRWOMAN WALLNER: Yes, Senator Kahn.

**\*\*** SEN. KAHN: Maybe before the representative from DOE leaves, I would like to ask that remove for reconsideration of Item 160 on our agenda.

CHAIRWOMAN WALLNER: Representative Senator Kahn moves for reconsideration of Item one -- is it 160?

SEN. KAHN: Yes.

CHAIRWOMAN WALLNER: Item 160, which was Tab 4 of the --

SEN. FELTES: Second.

CHAIRWOMAN WALLNER: Okay. Representative Kahn moved reconsideration and Representative -- Senator Feltes second. All in favor of reconsideration? Any opposed?

**\*\*\* {MOTION FOR RECONSIDERATION ADOPTED}**

CHAIRWOMAN WALLNER: Reconsideration of Item 160 within Tab 4. This is also Department of Education. We had voted to table this item. Would you like to speak to your --

SEN. KAHN: I would, Madam Chair. I think that this does -- we acted with reason that this is an item included in the Fiscal 20 budget, and as such it may fit the criteria we commonly applied here. On the other hand, this is an item that does involve grants out to schools, and we need to get going. And I think that we do a service to our school safety programs by moving this one along.

REP. OBER: Madam Chair.

CHAIRWOMAN WALLNER: Yes.

**\*\*** SEN. FELTES: Move to approve.

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SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: Senator Feltes moves to approve.  
Senator Birdsell seconds. Yes.

REP. OBER: Thank you, Madam Chairman. I know I spoke before that we had tabled this which is against violence in schools, but we were saying that the kids were our top priority. For people watching, if you look on Page 3, this money is going to go for increased training for school staff to recognize behavioral warning signs and indicators that there's going to be violence. This is the kind of thing that really needs to go on in the summer. The teachers come back, the staff, a lot of staff is there, but teachers come back early in August. Youth mental health awareness, which is something that is a concern in our schools, I fully support moving forward with this. I know we were concerned about the staff, and we said that, you know, what would happen, and I believe that conversations with the Commissioner afterwards that he said there was approximately \$46,000 in this grant that was going to fund these already existing and filled staff positions. So if we are consistent, we want to keep our kids safe, we are consistent with not wanting to lay off people or cut their hours, then we definitely should approve this.

REP. WEYLER: Could I ask who seconded the reconsideration?

REP. OBER: I did.

SEN. PRESIDENT SOUCY: Re-consideration Senator Feltes.

SEN. KAHN: No.

SEN. FELTES: Reconsider was Kahn. The motion was Feltes/Birdsell.

REP. WEYLER: Got it. Thank you.

CHAIRWOMAN WALLNER: The motion is to approve the item.

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REP. WEYLER: Approve.

CHAIRWOMAN WALLNER: There any further discussion? Seeing none. All in favor? Any opposed? Item passes.

**\*\*\* {MOTION ADOPTED}**

MS. VAILLANCOURT: Thank you.

CHAIRWOMAN WALLNER: Back to Tab 6. Now we are on Item number 175, and this is Department of Administrative Services.

**\*\*** REP. LEISHMAN: Move to approve, Madam Chair.

REP. WEYLER: Second.

SEN. FELTES: Second.

CHAIRWOMAN WALLNER: We have a motion to approve from Representative Leishman, and seconded by Senator Feltes. Any discussion of this item? Seeing none. All in favor? Any opposed? Item passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Moving on to Item 182 which is an item from the Insurance Department. And I think maybe we need someone to come forward.

ALEX FELDVEBEL, Deputy Commissioner, Department of Insurance: Thank you, Madam Chairman. My name is Alex Feldvebel. I'm the Deputy Commissioner at the Insurance Department.

CHAIRWOMAN WALLNER: Thank you for being here. You used to be on this side of the table years and years ago. So do people have questions on this item?

MR. FELDVEBEL: We did send in some information.

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REP. LEISHMAN: Senator Kahn threw my system way off course.

REP. OBER: I know.

SEN. KAHN: My apologies, Representative.

CHAIRWOMAN WALLNER: One question that came up yesterday while we were talking about some of these items was the question did come up is why wasn't this included in the next budget?

MR. FELDVEBEL: Yeah.

CHAIRWOMAN WALLNER: Not much to do with today but why wasn't it included?

MR. FELDVEBEL: I'm not sure. It was -- it came in and got approved last October. And my understanding the way it was supposed to work is that because it didn't become part of the Adjusted Authorized for 18-19, then it couldn't be put in the budget for 20-21. That's --

MR. KANE: So it's not included in the CR, correct. I think the question is why the Department didn't ask for it to be included in the '20 and '21 vetoed budget since they did before. I think that's the question.

CHAIRWOMAN WALLNER: Yes, that is the question.

MR. FELDVEBEL: Right. I don't know. I believe that we were instructed to bring it to Fiscal and not include it in our budget.

CHAIRWOMAN WALLNER: Okay. That was one of the questions we had. Representative Leishman, do you have any further questions?

REP. LEISHMAN: Yeah. I don't know. Representative Ober and I recalled that anyone in Finance directed you to come to Fiscal, I think we would have said it should be in the budget.

MR. FELDVEBEL: That's correct.

MR. LEISHMAN: I'm curious where you got that information.

MR. FELDVEBEL: I'm not sure at what point, whether it was from the Governor's portion of the budget. I believe it was.

CHAIRWOMAN WALLNER: Okay. Further questions about the item?

REP. OBER: Mac is shaking his head no. Could we ask the Governor's Budget Director. He's shaking his head no.

CHAIRWOMAN WALLNER: Mr. Zelle, would you like to speak to this?

MAC ZELLEM, Budget Director, Office of the Governor: Hello. Mac Zelle for the record. The direction not to include it in the budget did not come from the Governor's Office in the Governor's phase. I am unsure why this wasn't included in the budget. It's an item that I don't -- there weren't any controversy. So my guess is it's just this was something that, unfortunately, didn't get in during any phase, but it certainly wasn't intentional. There was no directive.

CHAIRWOMAN WALLNER: Thank you for coming up and --

MR. FELDVEBEL: Thanks.

CHAIRWOMAN WALLNER: -- clarifying that with us. We have really tried over the last -- during this last year over the working on the budget to try to be sure that everything is included in the budget.

MR. FELDVEBEL: Right.

CHAIRWOMAN WALLNER: And having things offline don't give us a true picture what the State Budget is itself.

MR. FELDVEBEL: Exactly.

CHAIRWOMAN WALLNER: That's why when we see someone say that it wasn't included in the budget we get curious as to why it wasn't.

MR. FELDVEBEL: Right.

CHAIRWOMAN WALLNER: Further questions? Is there any on this item?

**\*\*** REP. WEYLER: Move to approve.

SEN. KAHN: Second.

CHAIRWOMAN WALLNER: Representative Weyler moves to approve. Senator Kahn seconds. Any further discussion? All in favor?

REP. LEISHMAN: I'll vote no, Madam Chair.

CHAIRWOMAN WALLNER: The vote is nine to one. Representative Leishman voting no.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Now we move on to -- I'm -- I'm sorry. On that last vote I did announce it incorrectly. Senator Birdsell was out of the room so it was eight to one. Thank you.

Moving on to Item number 183, and this is the Office of Professional Licensure and this actually is -- does have positions in it. Do I have a motion -- do we have a motion on this?

REP. OBER: I have a couple of questions.

CHAIRWOMAN WALLNER: You have a couple questions?

REP. OBER: Could they come forward?

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CHAIRWOMAN WALLNER: Sure. Could they come --

REP. OBER: My questions might actually be of Mr. Kane. Page 3 of 4. Question 4. Mr. Kane, was money for this included in the 2018-2019 enacted budget. And as Michelle knows, and I know, we -- their grant was cut significantly from the Feds. But we did have some money in the enacted budget for them. Because part of what we had to do during the Committee of Conference was work out the difference between what we expected for a grant and what they got and how we were going to fund the rest of the program for the biennium. So why wouldn't that be included in the CR, Mr. Kane?

MR. KANE: That would really be up to the Department. It could have been the source of funds. There could be many reasons but the Department would have to answer that.

REP. OBER: Okay.

MICHELLE RICCO JONAS, Administrator, Office of Professional Licensure and Certification: So, for the record -- excuse me, is it on? So, for the record, Michelle Ricco Jonas, Program Administrator for the Prescription Drug Monitoring Program. And to answer that, Representative Ober, it was requested that the PDMP provide its own budget request since the majority of its funding had come from the federal funding sources.

REP. OBER: Yeah, but the question is we had this money in the previous budget. So we would have expected you to get something in the CR. So the question is why didn't you get that in the CR like everybody else? I mean, you should be treated like everybody else. It's in the budget. You should get some money.

HALLIE PENTHENY, Director of Finance, Office of Professional Licensure and Certification: Hallie Pentheny, Director of Finance. It wasn't in the original 18-19 budget. It was added later.

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REP. OBER: That's not true.

CHAIRWOMAN WALLNER: Any further questions? Yes, Senator Feltes.

SEN. FELTES: Thank you, Madam Chair. If it was added later but it was part of FY19 Adjusted Authorized, it was still being part of what presumably you have in your existing appropriation under the CR. I'm looking back and forth. Isn't that right?

MR. KANE: Yes, if it was in Adjusted Authorized, correct, they would have received a quarter of it.

MS. JONAS: We didn't see that come across in the CR.

REP. OBER: That was the question, why not?

SEN. FELTES: I don't know either.

MR. KANE: We can ask Administrative Services how they entered in the CR. Because, really, Executive Branch loading of a budget system. So we can verify. It could be anything from a different Accounting Unit, could be anything from a different funding source. Looks like Joe would like to talk.

CHAIRWOMAN WALLNER: I see other people approaching the table. Yes, Mr. Bouchard, you'd like to add to this?

MS. JONAS: Let me give you my seat.

MR. BOUCHARD: I'd like to add to the discussion, if I could?

REP. OBER: Please add to this because Representative Nordgren, I guess, she raised a confused sign.

REP. NORDGREN: She has one.

MR. BOUCHARD: Joe Bouchard, Administrative Services.

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CHAIRWOMAN WALLNER: Thank you.

MR. BOUCHARD: I want to talk a little bit about the Adjusted Authorized budget that is directed to be the base for the direct --

CHAIRWOMAN WALLNER: Use your microphone.

MR. BOUCHARD: I want to speak directly to the Adjusted Authorized Fiscal Year 19 budget that is the base for the CR, because I think there's confusion around the point in time of when items approved by Fiscal and Governor and Council were or were not added into the base.

The agency phase of the budget began last August when enacted budgets were loaded as '19 being the base from which we all worked to develop our budgets during our specific phases; the Executive Branch agency requests, then the Governor's, then the legislative base. History was allowed to be modified for items that were approved by independent -- by Fiscal Committee and Governor and Council. Both actions taken to up -- to add specific programs at the discretion of the Department to their agency base. So the Agency phase ended on October 1<sup>st</sup>. So the agencies had from August 1<sup>st</sup> to October 1<sup>st</sup> to modify their base and that was the -- that was the authorized budget the Governor worked with.

So Fiscal items that had been approved in June, July, August, potentially were added to the base for the '19 Adjusted Authorized. That is the number that is referenced in the CR. It is not the Adjusted Authorized budgets that continued to be modified through October, November, December by items that came to the panel. So any item that was in that number that was represented in the budget documents that you all -- we all worked with would not be coming back to you folks because we could see the reference to it, and indeed, increased by 3/s that agency's budget. The items that you have here and another item that you'll see for Office of the Child Advocate, there had

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been a Fiscal Committee item action taken. Administrative Services did not make those adjustments in the budget base and, as such, they have to come back to you. So I think that's the case where you're seeing some back and forth with departments on the timing. It's really about the timing of reference. I hope that helped.

CHAIRWOMAN WALLNER: I think that did. Questions?

REP. OBER: So if something were in the Adjusted Authorized within the first two months of the Fiscal Year, we would have seen it in the CR; is that correct?

MR. BOUCHARD: That's correct.

REP. OBER: Because guess what? Because we paid these lovely -- this lovely staff and we ran the PDMP the entire biennium.

MR. BOUCHARD: If they added the additional funding through an action into the history base, then we would be -- we would be having a discussion with them independently to add it into the CR.

REP. OBER: If they added, they who?

MR. BOUCHARD: They, the Department themselves. Agencies have the ability to change their history during the agency phase of the budget.

REP. OBER: Okay. There's been a change -- a recent change in director here. So that may be where something fell through the cracks. Thank you.

MR. BOUCHARD: Maybe.

REP. OBER: Thank you.

MR. BOUCHARD: You're welcome.

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CHAIRWOMAN WALLNER: Thank you.

MR. BOUCHARD: You're welcome.

CHAIRWOMAN WALLNER: Yes, Senator Feltes.

MS. JONAS: Oh, Joe.

CHAIRWOMAN WALLNER: Commissioner Bouchard.

SEN. FELTES: Thank you, Madam Chair. Commissioner Bouchard, so FY19 Adjusted Authorized does not mean FY19 authorize an adjustment throughout FY19.

MR. BOUCHARD: It does not.

SEN. FELTES: It only means adjustments made in the first three months.

MR. BOUCHARD: Exactly. And, specifically, you'll see the wording in your CR speaks to the -- it points directly to that column in the Agency Budget Request, not in the Adjusted Authorized, not in the current modified, and not in the action itself. We're -- to the word of the CR that's all that we're allowed to be able to increase. And what we've done with agencies that have, you know, you'll have to remember that what -- the Adjusted Authorized that is in that line, for example, is basically the enacted budget. The base budget we loaded for the agency to begin with was the enacted budget and pay raise warrant. Two specific. Anything else would be independently added.

SEN. FELTES: Follow-up, Madam Chair.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: And if I understand it correctly, Mr. Bouchard, it must have been independently added in that first

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three months and entered into the -- what you call the history base.

MR. BOUCHARD: It was entered into, and this is important as well, it was entered into a -- the budget development system.

SEN. FELTES: Okay.

MR. BOUCHARD: The budget development system is not the financial system for the state. It is a -- it is a future look at what every Department wanted their budget to look like in 2020. So it deals with a change in the Chart of Accounts. It deals with adjustments to agencies based on statutes. It deals with Commissioners that wanted to split the accounting units into more accounting units. So it is -- it has a different look to its framework all the way through to so the decision-makers like yourself, the Governor, can modify and make changes, and the Governor did, significantly. But the point in time we're looking at is basically the October 1<sup>st</sup> date.

SEN. FELTES: Thank you.

CHAIRWOMAN WALLNER: Thank you. I think that was helpful. Anything after October 1<sup>st</sup> was not included in the Adjusted Authorized.

MR. BOUCHARD: That's correct.

CHAIRWOMAN WALLNER: Okay. Thank you. That clarifies.

**\*\*** REP. WEYLER: Move to approve.

REP. OBER: Second.

CHAIRWOMAN WALLNER: Representative Weyler moves to approve the item, and Representative Ober seconds. All in favor? Any opposed? Item passes.

**\*\*\* {MOTION ADOPTED}**

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CHAIRWOMAN WALLNER: Thank you.

MS. JONAS: Thank you.

**(7) RSA 124:15 Positions Authorized:**

CHAIRWOMAN WALLNER: Now we move on to Tab 7. We are down to Tab 7.

REP. OBER: Just speeding right along.

CHAIRWOMAN WALLNER: Speeding right along.

**\*\*** REP. LEISHMAN: Move to approve.

CHAIRWOMAN WALLNER: Department of Justice. And Representative Leishman moves to approve the item. Do I hear a second?

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: Could we ask Mr. Kane what category this is?

MR. KANE: So this is a result of the vetoed budget. It was included. So it is included in the vetoed budget. It was not included in the '19 budget. So they had -- should have had it.

CHAIRWOMAN WALLNER: Is the entire request for positions?

MR. KANE: Yes. All the funds on Page 2 are going into additional fringe benefits for the part-time salaries, the temporary employees -- sorry -- temporary employees benefits and in-state travel, all position related costs. On the answers to their questions, it was submitted as -- in the 20-21 budget under number one. It was previously approved by Fiscal back in Fiscal Year 2019. And that's --

REP. WEYLER: I heard somebody moved to approve.

CHAIRWOMAN WALLNER: Leishman moved -- Representative Leishman moved to approve. I was looking for a second.

SEN. BIRDSELL: Second.

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: And Representative Weyler seconds. But I did -- this is all personnel related.

MR. KANE: Yes.

CHAIRWOMAN WALLNER: There's nothing else in -- in this item other than a position, about \$50 for travel.

MR. KANE: Related to that position, correct.

REP. OBER: Madam Chairman, if I could?

CHAIRWOMAN WALLNER: Yes.

REP. OBER: On Page 5 of 5, does the motion include question seven, we are approving the funds to continue the position through September 30<sup>th</sup> and there's an amount there of \$25,190.

MR. KANE: Correct. Under action number two that's what that would do. Correct.

CHAIRWOMAN WALLNER: So that's all that is in this particular item.

REP. OBER: That's for number two, correct.

MR. KANE: Yes.

REP. OBER: And then for number one we were just discussing that as being the money for the positions.

MR. KANE: It's extending the authorization for those.

REP. OBER: Right. There's two bundles we're approving because we have two items.

MR. KANE: Yes.

REP. OBER: Okay. Thank you.

CHAIRWOMAN WALLNER: Everyone clear? All in favor? Any opposed? The item passes. Thank you.

**\*\*\* {MOTION ADOPTED}**

**(8) RSA 9:16-a, Transfers Authorized and RSA 124:15 Positions Authorized:**

SEN. KAHN: Moving on to Tab 8. This is Item number 165.

**\*\*** REP. OBER: Move to approve.

SEN. FELTES: Second.

CHAIRWOMAN WALLNER: And Representative Ober moves to approve. And I believe this one was also was all --

REP. OBER: This is employee for class codes.

CHAIRWOMAN WALLNER: Employees. Okay.

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: Representative Weyler seconds. All clear? All in favor? Any opposed? Thank you. Item passes. Ober and Weyler. Okay. Going so fast here.

\*\*\* {MOTION ADOPTED}

(9) RSA 363:28, III, Office of the Consumer Advocate:

CHAIRWOMAN WALLNER: Okay. Item 168.

\*\* SEN. FELTES: I'll move approval, Madam Chair.

SEN. BIRDSELL: I'll second.

CHAIRWOMAN WALLNER: Senator Feltes moves approval. Senator Birdsell seconds. All in favor -- any discussion of this item? All in favor? Any opposed? Item passes.

\*\*\* {MOTION ADOPTED}

(10) Chapter 145, Laws of 2019, (Continuing Resolution):

CHAIRWOMAN WALLNER: Okay. Now we go into Tab 10, which is Item number 149. I think this tab consists of things that are listed under our category of emergency.

MR. KANE: That's correct.

CHAIRWOMAN WALLNER: Okay. And first one is the Bureau of Historic Sites.

REP. OBER: Do we have somebody here from --

CHAIRWOMAN WALLNER: Call somebody up.

REP. OBER: Excellent. Might I ask a question?

CHAIRWOMAN WALLNER: Yes, please do.

REP. OBER: Commissioner, you weren't here the last time we had a Continuing Resolution so I know this is -- but had this Continuing Resolution been for six months, would you have been

able to manipulate your money to cover the seasonal area here and not have to come before us?

SARAH STEWART, Commissioner, Department of Natural and Cultural Resources: Thank you. Chris Marino, our Business Administrator, was here the last, so he can speak directly to that.

REP. OBER: That's right, Chris was.

CHRIS MARINO, Business Administrator, Department of Natural and Cultural Resources: Thank you. Yes, six months last time, three months this time, but the answer would still be no. Any figure that we are looking at right now expends somewhere to around 60 to 70% of the labor that is expended. So even at 50% --

REP. OBER: So not 50%, 60%.

MR. MARINO: -- we'd still be behind.

REP. OBER: Chris, can I ask you one more question?

MR. MARINO: Sure.

REP. OBER: Not really related here. You're not the only agency has a budget line item or couple budget line items where you spend it all in a short period of time or a majority of it in a short period of time. But our budget system doesn't allow you to budget that way. It's like if you are going to spend \$12 million, it automatically plops a million into every month rather than saying I need 12 million for staff in the first seven months, right?

MR. MARINO: As I understand it, yes, that's correct. I might be corrected.

\*\* REP. OBER: That's okay. I was just curious. I can ask Joe later but I was just curious. Madam Chair, I would move to approve this.

CHAIRWOMAN WALLNER: Representative Ober moves to approve.

SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: And Senator Birdsell seconds. Any discussion of the item? All in favor? Okay. Thank you.

\*\*\* {**MOTION ADOPTED**}

CHAIRWOMAN WALLNER: Moving on to Item 170. This is Division of Parks and Recreation. Similar situation.

\*\* REP. OBER: Move to approve.

SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: Representative Ober moves to approve and Senator Birdsell seconds. All in favor? Any opposed? Item passes. Thank you.

\*\*\* {**MOTION ADOPTED**}

MS. STEWART: Thank you.

MR. MARINO: Thank you.

CHAIRWOMAN WALLNER: Next is Department of Transportation. This is around roads and pavement, work going on during the summer. Do we want someone to come up and talk to us?

\*\* REP. WEYLER: I understand what happens. Move to approve.

SEN. PRESIDENT SOUCY: Second.

CHAIRWOMAN WALLNER: Representative Weyler moves that we approve this item and Senator Soucy seconds.

SEN. FELTES: Madam Chair.

CHAIRWOMAN WALLNER: Any discussion? Yes.

SEN. FELTES: Madam Chair, I'm going to support the motion; but I will note that this is the definition of deficit spending right here by approving this item. It's way above and beyond the CR. There's not money approved in a budget because there's no budget, because Governor Sununu vetoed the budget for even more tax breaks for out-of-state corporations.

In 2015, this was tabled by Republican counterparts in response to Governor Hassan's veto. I don't think tabling is appropriate. We need to get these contracts out. It is an emergency. We need to do the right thing. So we are not going to play politics with this. We are going to do the right thing. So I would -- I would support the motion.

CHAIRWOMAN WALLNER: Yes, Representative Weyler.

REP. WEYLER: We keep coming back to the veto, the veto, the veto. I think there's just as much fault in the Continuing Resolution. I don't think it was well-crafted. We should have learned from the earlier one. It should have been at least six months which would have been less problematic. We wouldn't be -- some of these things we might have seen later rather than seeing them all in the first month. I was here for the last one. I was not even consulted or allowed to have any input on the Continuing Resolution. So let's realize there's as much fault in those that made the Continuing Resolution as those that vetoed. Thank you.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: I'm just not certain whether this continued slamming of Republicans I'm hearing from that side of the table is appropriate. I don't think it's appropriate for me to be slamming Democrats either. I try not to put the blame forward, but rather just ask questions that are neutral. I hope we can move forward in that vein together. It would be so much better for the people of our state. Thank you.

CHAIRWOMAN WALLNER: I agree. And we're almost through with our agenda today. So let's keep moving forward. It's been a tough, long day, and I know people are feeling very stressed about it and let's just get through it and we'll all walk out being friends.

REP. WEYLER: Ready to vote on it? We have a motion and a second.

CHAIRWOMAN WALLNER: We have a motion to approve the item. Any further discussion of the item? Okay. Seeing none. All in favor? Any opposed? Okay. So the item -- put that pavement down on the roads.

**\*\*\* {MOTION ADOPTED}**

**\*\*** REP. WEYLER: Second one is the same way. I move to approve.

SEN. FELTES: Second.

REP. OBER: Second.

CHAIRWOMAN WALLNER: Representative Weyler moves to approve and Senator Feltes seconds. Any discussion of this one, this item? Hearing none. All in favor? Any opposed? Item passes.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: And our next --

REP. OBER: Unfortunately, I have questions.

CHAIRWOMAN WALLNER: Yeah, okay. This is --

REP. WEYLER: 173 we're on.

CHAIRWOMAN WALLNER: 173. I'm sorry.

REP. OBER: Sorry. I don't have questions on that one. I turned two at one time.

CHAIRWOMAN WALLNER: 173 is about railroad work. Are there questions about this one? Seeing none. Do I have a motion?

**\*\*** REP. WEYLER: Move to approve.

SEN. PRESIDENT SOUCY: Second.

REP. OBER: Second.

CHAIRWOMAN WALLNER: Representative Weyler moves to approve. Senator Soucy second. Any discussion? Seeing none. All in favor? Any opposed?

REP. LEISHMAN: I'll abstain, Madam Chair.

CHAIRWOMAN WALLNER: Representative Leishman abstains from this vote.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Now we move on to the insurance premium and this is Department of Administrative Services. And I do believe there is some questions on this one.

MR. ARLINGHAUS: Hi. Charlie Arlinghaus, Commissioner of Administrative Services, Department thereof.

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CHAIRWOMAN WALLNER: Hello. And Representative Ober has some questions.

REP. OBER: Charlie, I'm in favor of this and I'm certainly going to move to approve it. I was just --

MR. ARLINGHAUS: Thank you.

REP. OBER: -- curious about the cyber security insurance policy. That wouldn't -- that would have been so late it wouldn't have gotten into any Continuing Resolution; is that correct?

MR. ARLINGHAUS: I'm sorry, say that again?

REP. OBER: We didn't have Cyber Security Insurance in the entire biennium. We added that on with a bill, right?

MR. ARLINGHAUS: We added it on as a bill. The reason this item is before you the way it is is that these two premiums, one is obviously quite large and the other is -- I always get the name wrong -- the Employee Faithful Performance Bond, one of my favorite insurance policies. The -- it's very small, but they're paid annually. And they -- all we are asking you to do is allow us to pay them annually. You know, we don't have -- we have 3/12<sup>th</sup>'s of the premium. If we do it -- if we do it that way and we contact the broker and go quarterly we have to pay interest.

**\*\*** REP. OBER: \$5,000. So I'm going to move to approve because I'm not spending an extra 5,000.

MR. ARLINGHAUS: Bless you.

REP. WEYLER: I'll second.

CHAIRWOMAN WALLNER: Representative Ober.

SEN. BIRDSELL: On the blush?

CHAIRWOMAN WALLNER: Representative Ober moved the item and Representative Weyler second. Is there further discussion of it? Yes, Representative Leishman.

REP. LEISHMAN: I did have a question, Commissioner, on Exhibit A as far as the deductible, the \$300,000. It seems pretty significant to me. I'm assuming the deductible is that high to lower the premium.

MR. ARLINGHAUS: It is. Actually, Cassie, can you come up here for a minute because I think Cassie might know about this more than I do. But my general recollection is that we were -- first year we did cyber insurance we hadn't done it before. There's no history. There's no risk. It's actually a new insurance field, generally speaking, and so it's very hard to -- it's very hard to underwrite. We looked at renewals of the policy and they were going to go through the roof. And one of the ways to deal with that is to raise your -- is raise your insurance. As a state in a lot of insurance ways we are either self-insured or quasi self-insured to some extent and that's what it's about. We do have a lower premium -- a lower deductible. Thank you. Except our premiums would go up a lot and the risk benefit ratio didn't work. Did I get that right?

CASSIE KEANE, Deputy Commissioner, Department of Administrative Services: You got everything.

MR. ARLINGHAUS: All right.

REP. LEISHMAN: All right. I guess I have nothing else. Thank you, Madam Chair.

REP. OBER: Glad you came to the table.

MS. KEANE: Yeah, me, too.

CHAIRWOMAN WALLNER: You've been here all day.

MR. ARLINGHAUS: She was here, you may as well see her.

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CHAIRWOMAN WALLNER: Any further discussion? No. Do we have a motion?

REP. WEYLER: Motion and a second.

CHAIRWOMAN WALLNER: Okay. Motion to approve the item. All in favor? Any opposed? Item passes. Thank you very much.

**\*\*\* {MOTION ADOPTED}**

**(11) Chapter 145, Laws of 2019, (Continuing Resolution),  
And RSA 7:12, I, Assistants:**

CHAIRWOMAN WALLNER: Moving along. Item -- this is Tab 11, and this is the Department of Justice item.

REP. OBER: Do we have somebody here?

CHAIRWOMAN WALLNER: I don't know if someone's here. Oh, there is.

REP. WEYLER: Been waiting all day for their moment.

DIANE MARTIN, Associate Attorney General, Department of Justice: Good afternoon. Diane Martin, Associate Attorney General, and Kathy Carr, Director of Administration. I want to apologize that the Attorney General could not be here. He would be back by 4 o'clock.

REP. OBER: Okay. He may not. Looks like a crisis based on the news. But I have, Madam Chair, if I may?

CHAIRWOMAN WALLNER: Yes, Representative Ober.

REP. OBER: I was -- I was concerned by two things. One, the amount when we're still in the first month of the CR, and whether this amount was for three months, and then you were going to come back and ask for another three times that amount.

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And it's for it says litigation expense, but it's not very detailed about what litigation is going on right now this month. And now they are trying to figure out how to answer all that.

MS. CARR: He wrote some items, but we're trying to be careful.

MS. MARTIN: So I think to answer your question on a high level Gordon had asked that --

CHAIRWOMAN WALLNER: Be sure to use your microphone. Thank you.

REP. OBER: Have to pull it close to you.

MS. MARTIN: Gordon had asked that I convey that, yes, it is for the three months of the Continuing Resolution, but that the -- the item here involves spending that's driven by events across the Department by cases, homicides, and a variety of things beyond the control of the Department. And he wanted to convey that two of the primary drivers in the amount you have before you the first is the hospital mergers. There are three hospital mergers that are currently being reviewed by our office. That makes up about 170,000 of the request. And then the Amanda D. case which was a 2014 class action that was resolved requires expert review, and that that is about 185,000 and that's come due now. So it is a significant amount, but those are amounts that are beyond the Department's control.

REP. OBER: And the other 200,000?

MS. MARTIN: Cathy can speak to those.

MS. CARR: So we just received -- hum -- invoices for SB 3 and --

REP. OBER: What is SB 3?

REP. WEYLER: Voting.

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MS. CARR: The voting.

REP. OBER: The lawsuit on the voting. So you're not related to the bill but actually to the lawsuit; right?

MS. CARR: Yes.

REP. MARTIN: Right. It relates to the League of Women Voters of New Hampshire, the *Gardner* case.

MS. CARR: And hospital merger bills. Right now we have \$252,000 that we are unable to pay and those just came in, those invoices.

REP. OBER: You can tell them you were discrete but managed to answer the question. Thank you.

MS. CARR: Okay.

**\*\*** REP. LEISHMAN: Madam Chair, I will move this because in my community, the Peterborough area, Monadnock Community Hospital, as you folks know, there's merger discussions and the community is very concerned. So it's an issue that --

REP. OBER: I will second.

REP. LEISHMAN: -- mergers are important.

CHAIRWOMAN WALLNER: Representative Leishman moves and Representative Ober seconds approval of the item and Senator Feltes has a question.

SEN. FELTES: Thank you very much, Madam Chair. On Page 4 of 4, the carryover paragraph says the Consumer Bureau expected to incur significant cost with respect to proposed affiliation between health systems. You just mentioned this. During the budget process we did ask Attorney General Gordon McDonald if, in fact, he needed additional resources with respect to the increase in acquisitions and mergers and health care sphere. He

had said no. But we did pass House Bill 552 which a lot of folks here worked on and received bi-partisan support. I assume the Governor -- I don't know what the Governor is going to do with it, but that will increase the burden. Is that why -- is there assumption that's going to become law? Is that why this request is here? And what has changed between the Senate phase of the budget and this request?

MS. CARR: Well, we asked -- we asked for a million three in the budget. And it went down to 350,000 for the budget that hasn't been passed yet.

MS. MARTIN: I don't -- to answer your question in addition to that, I don't think that this is increased related to any legislation. I think it's actual expenses related to these mergers and the work that's been required, experts, outside counsel, and so it may have been more than anticipated at the time.

CHAIRWOMAN WALLNER: Representative Nordgren.

REP. NORDGREN: Thank you. So you said you requested a million. So was that in the Governor's phase --

MS. CARR: (Nods head.)

REP. NORDGREN: So by the time it got to the House --

MS. CARR: It was.

REP. NORDGREN: -- it was a different amount than what you requested.

MS. CARR: Yes, yes.

REP. NORDGREN: Okay. Thank you.

CHAIRWOMAN WALLNER: Senator Rosenwald.

SEN. ROSENWALD: Thank you. The request for the 1.3 million, was that to buttress the Consumer Bureau though?

MS. CARR: No. We, typically, on average spend about \$1.3 million a year. That's an average based on an eight-year average is what we spend. So that's what we asked for. But we do have RSA 7:12 to be able to come before you to ask for funds. So normally historically that -- historically gets cut down to \$350,000 every budget but we keep asking.

CHAIRWOMAN WALLNER: Yes.

SEN. ROSENWALD: Thank you. So your ability to come back to Fiscal, isn't that really related to the criminal side?

MS. CARR: I don't believe so.

SEN. ROSENWALD: I remember in previous Fiscal meetings, not Consumer Protection, 'cause we really did ask if he had the resources he needed in Consumer for these hospitals mergers and he said yes. So that's why at least some of us were surprised to see this item.

MS. MARTIN: I apologize that he's not here to speak to this directly. That's my best understanding of where we are at this moment. I wasn't involved in the prior but --

REP. WEYLER: A motion and a second.

CHAIRWOMAN WALLNER: We do have a motion.

MR. KANE: Just to clarify. Pretty broad, RSA 7:12 is pretty broad. May employ counsel as necessary but not specific to one Bureau.

CHAIRWOMAN WALLNER: Yes, Senator Kahn.

SEN. KAHN: Thank you, Madam Chair. I think I'm understanding that if we were to approve this the dollars here exceed the amount that's in Fiscal 20 appropriation.

MS. CARR: Yes.

SEN. KAHN: So should I have a concern about that? I think I should. And my point is should we be acting now to deal with issues that are currently before the Department and limiting ourselves to that and not exceeding FY 20 possible appropriation, and coming back at some future time when, hopefully, your appropriation is known and be Fiscal Year when your actual expenses will exceed the amounts, some amount greater than what you have but not as much as what you requested.

REP. WEYLER: May I comment?

REP. LEISHMAN: Yeah.

CHAIRWOMAN WALLNER: Can you comment on that or answer that?

MS. CARR: We would have to come before you again. These funds we are not even guaranteeing will make it to September 30<sup>th</sup>. It's a best estimate. We have a very, very busy end of summer and beginning of fall. We have a lot of cases and trials coming up. And that's why -- and the outstanding invoices that we have sitting at \$252,000. So that takes almost half of it right there to be able to cover. So more than likely we are going to have to come before you again to ask for more funding but probably not until after. We are hoping not until after everything, after September 30<sup>th</sup>.

CHAIRWOMAN WALLNER: Yes, Representative Weyler.

REP. WEYLER: Having looked at several budgets, it's not untypical for us to have the Department of Justice come before us and say, we needed 5 million last year. We are going to ask for 5 million this year. We say no, wait a minute, that will

become a target. Everybody will think there's 5 million out there for everybody to sue for. Let's go less and come to us as is needed. This is a typical thing even if the budget had passed.

MS. CARR: Yes.

REP. WEYLER: This is a likely event to come before us and I remember it many times in the past. Thank you.

REP. LEISHMAN: If I could, Madam Chair, just to add to what Representative Weyler said. We all recall around the *Addison* case there were many requests that came before Fiscal because of the extreme costs of that particular case. So this is pretty common.

MR. MARTIN: And to your question, we did try to limit it to expenses that we expect to incur going in the Continuing Resolution. So this is not something that's outside of that. The attorneys were asked to only identify things that they expected to need during that period of time.

The other point Gordon had wanted to make was that for the consumer money, the hospital mergers, that the State does recoup that from the entities later.

CHAIRWOMAN WALLNER: Further discussion? We do have a motion.

REP. WEYLER: We do.

CHAIRWOMAN WALLNER: To approve the item. Representative Leishman and Representative Ober moved that item. All in favor? Any opposed?

SEN. KAHN: Opposed.

CHAIRWOMAN WALLNER: I'm sorry. Senator Kahn is opposed to the item. So the vote was nine to one.

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MS. MARTIN: Thank you very much.

MS. CARR: Thank you.

**(12) Chapter 145, Laws of 2019, (Continuing Resolution)**  
**And RSA 124:15 Positions Authorized:**

CHAIRWOMAN WALLNER: Okay. Moving along here. This is Item number 164 in Tab 12 and this is the Adjutant General. And I know that we have some questions, I believe. Do we have some questions about this one? Representative Ober.

REP. OBER: No, I'm going to leave the table and not vote on this.

CHAIRWOMAN WALLNER: You're going to leave. Oh, okay. So --

REP. OBER: Madam Chair, I'm going to step away from the table. These positions were added last year. They should have come in a bill. Because they were an Executive Order, there was no bill authorizing them for this biennium. I don't know why, not that I'm in the majority party. Had I been I probably would have filed a bill to approve these positions for the coming year. So there is no authority, legislative authority for these positions and while the Governor happens to be a Republican, he and I disagree. I believe the Legislature should make the stand on what positions are authorized and not an Executive Order, no matter what party the Governor is. Therefore, I plan to step away from the table and not vote on this item. Thank you.

CHAIRWOMAN WALLNER: Senator Feltes.

**\*\*** SEN. FELTES: I would move approval on 164.

CHAIRWOMAN WALLNER: Senator Feltes moves approval. Senator Birdsell seconds. And are there any further -- are there any questions?

SEN. FELTES: I have one.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: Thank you very much, Madam Chair. I think under the Continuing Resolution we have the authority to approve an emergency situation. I think we have broad authority for 14:30-a, (2), and I think this fits right in there, especially when we talked about dealing with our veterans population and the good work, including that veteran service officers do. I think it's important to approve. Ten percent of New Hampshire's population, about 129,000 are veterans. And, you know, certainly the budget was vetoed and this was in the budget. But just because it was vetoed, just because it was in the budget doesn't mean we shouldn't be helping our veterans and a lot of our veterans are facing significant challenges and hurtles, including accessing and fighting for veterans benefits that they're entitled to. And I think for those who fought for us we have to fight for them and that's what this does. So I appreciate the second from Senator Birdsell. This corner of the table doing a lot of motions today, Madam Chair.

SEN. BIRDSELL: Do we get a bonus?

CHAIRWOMAN WALLNER: Oh, don't I wish. Yes, Representative Weyler.

REP. WEYLER: The Veterans Interest Caucus supported a bill that created a position that would have united all the veterans services into one State position. The Adjutant General came forward and said you don't need to do this. I can do this within my existing organization, and that's the way it was left. So Representative Ober and myself are surprised now once it was said that yes, we'll take care of the veterans without adding staff, to see now a request to add staff. Seems to go against what the Adjutant General said at first.

WARREN PERRY, Deputy Adjutant General, Department of Adjutant General: For the record, Warren Perry, Deputy Adjutant General. So I think -- I can't speak to what the Adjutant

General said to the Veterans Interest Caucus because I wasn't there. I don't recollect that.

From the get-go, from the drafting of the Governor's Executive Order, we always said that there was going to be a need for two additional veteran service officers. My recollection of the -- of the analysis was that instead of creating top heavy, administrative bureaucracy in the system, we would add the resources to the -- where the rubber meets the road and the service of the veterans. Instead of hiring a Commissioner of Veterans Affairs and hiring a staff to support him, and rolling the veterans piece up under a separate Department, which the Fiscal Note I think for that plan was about \$2 million, we went to -- we came before the Fiscal Committee and we asked for \$200,000 to be transferred from HHS to support hiring two additional where the rubber meets the road folks. Those folks were hired as part of that and approved by this Committee last June or July. That's my recollection. And have been working and increased the capacity of the Office of Veterans Services significantly for pretty small money. So that's my recollection of the situation.

REP. WEYLER: Thank you.

CHAIRWOMAN WALLNER: Yes, Senator Birdsell.

SEN. BIRDSELL: I don't have a question. I just have a comment. I want to say thank you because I've heard from a fair number of the veterans in my area that the service officers are doing a great job, and they're really pleased. So I want to say thank you.

MR. PERRY: If I could comment? We've -- we've increased -- we're measuring now. We have six-month benchmarks based on the folks that are there. And we've -- we've seen an increase in the number of veterans possible to serve each month as we go -- as we have gone forward with this. As we continue to -- to do this, I think we have -- we've demonstrated at least in the six months and I can share the statistics with you if

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you're interested, that we have increased the efficiency of the Office of Veterans Services significantly with these two people, and then taking the administrative burden off of the Director of the Office of Veteran Services and taking it into my business office.

REP. WEYLER: I would like to see those figures. Thank you.

MR. PERRY: Yes, sir.

CHAIRWOMAN WALLNER: Further discussion of the item? We have a motion to approve. All in favor? Any opposed? Item is approved. Thank you.

**\*\*\* {MOTION ADOPTED}**

CHAIRWOMAN WALLNER: Okay. And --

REP. WEYLER: 184.

CHAIRWOMAN WALLNER: Yes, we have one item. I think it's Item 146. We are at the end of the -- we are at the end of the regular calendar. So 146 we talked about earlier in the day.

REP. OBER: In Tab 4.

CHAIRWOMAN WALLNER: Was in Tab 4. And, Miss Rounds, would you like to tell us about what you found out?

MS. ROUNDS: Sure. So first I will answer your question that was -- existed on this item and then I just want to add a little more information as well.

The reason, Representative Ober, I was so confused when we started talking about the position was where is the line item for the position, right? And what I remembered afterwards and my staff reminded me is that this is -- position actually exists over at OPLC. And so it's within the transfers to another State

agency line item. So we don't -- we don't budget it in 5059. It's over in their budget in those line items.

The other thing I just wanted to mention about this item is this is opioid funding. So I -- I don't know if there is an option to look at this item similar to how you looked at the other opioid funding which is to fund it through the end of August with the funds that we do need. If so, that would certainly be appreciated.

I do believe that one of the reasons that that would not only to keep it in line with the other items, but another reason I think that would be a good option and for us to come back and report on the actual spending over those two months is I think this number might be higher than it needs to be, which is why there was some confusion between what the Commissioner was saying and what I was saying because there is confusion about the number. So I think if you're willing to look at this item to be approved for spending through August 31<sup>st</sup>, we can come back and report to you on what we might need to get through September.

CHAIRWOMAN WALLNER: Questions? Yes, Representative Leishman.

REP. LEISHMAN: Thanks, Madam Chair. Is it possible if we move in that direction that, you know, in August you can come back with some results and how things are working, because I notice in going through both the request that went to Representative Kurk and the Fiscal Committee back then and the one that's being put forward today a lot of the same numbers are there cost-wise for things that I haven't seen any -- what results have come out of these meetings and discussions. Can we get something like that?

MS. ROUNDS: Sure. I'll see what we can provide in that respect as well.

REP. LEISHMAN: Thank you. Thanks, Madam Chair.

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CHAIRWOMAN WALLNER: Do I have a motion for this item?

**\*\*** REP. OBER: I would move pro rata for one month. Is that what you're asking for, Kerrin?

MS. ROUNDS: It would be two months through August 31<sup>st</sup>.

REP. OBER: Two months.

MS. ROUNDS: Thank you.

SEN. PRESIDENT SOUCY: Second.

SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: The item is moved pro rata to August 31<sup>st</sup>. Any discussion on that?

REP. WEYLER: Who made the second?

SEN. PRESIDENT SOUCY: I did.

REP. WEYLER: Representative Birdsell?

SEN. BIRDSELL: No, Senator Soucy.

SEN. PRESIDENT SOUCY: We sound alike.

REP. WEYLER: That's right, from where I'm sitting. Thank you.

CHAIRWOMAN WALLNER: Thank you. All in favor? Opposed?

MS. ROUNDS: Thank you.

CHAIRWOMAN WALLNER: Item passes pro rata.

**\*\*\*** {MOTION ADOPTED}

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CHAIRWOMAN WALLNER: Okay. Yes.

REP. OBER: There's another item though before we recess.

SEN. FELTES: Okay.

CHAIRWOMAN WALLNER: What's the other item?

REP. OBER: The minutes.

CHAIRWOMAN WALLNER: Oh, yes. I'm sorry. Representative Ober observed that the --

REP. WEYLER: Birdsell abstained.

REP. OBER: The motion was made by Senator Kahn.

CHAIRWOMAN WALLNER: The motion was made by Senator Soucy and it was second by Senator Kahn who wasn't here. So that was my fault, I'm sorry.

REP. WEYLER: I will second the motion.

CHAIRWOMAN WALLNER: So could we have a --

REP. WEYLER: I will second it.

CHAIRWOMAN WALLNER: Okay.

REP. OBER: Perfect.

CHAIRWOMAN WALLNER: Thank you. Representative Weyler seconds the motion to accept the minutes and Senator Soucy made the motion and she was here. She was here.

REP. OBER: Yes, she was.

SEN. KAHN: Senator Kahn and Senator Birdsell both abstained, and now we need to vote. Do you need to vote?

REP. WEYLER: Representative Nordgren.

CHAIRWOMAN WALLNER: Do we need to vote again? No, we're fine.

REP. OBER: Let's square this away.

MR. KANE: Just adjust the record.

CHAIRWOMAN WALLNER: We'll just adjust the record.

REP. WEYLER: Three abstain.

CHAIRWOMAN WALLNER: Okay. Three minutes. We are not good at keeping our promise about when we'll be back. So let's say five minutes. Okay.

REP. WEYLER: What's left?

CHAIRWOMAN WALLNER: All we have left are the informational items, I believe.

MR. KANE: Correct.

CHAIRWOMAN WALLNER: We should be able to go through those pretty quick.

REP. OBER: Famous last words.

REP. WEYLER: Five minute break will take 15.

CHAIRWOMAN WALLNER: Let's take five.

(Recess taken at 3:51 a.m.)

(Convened at 4:01 p.m.)

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CHAIRWOMAN WALLNER: I'll call the Finance Committee back to order and I would like to ask -- not the Finance Committee, Fiscal Committee. I've got to go home. I'm tired. And I would like to ask Miss Rounds to come up again and join us. And we are now going to go back and talk about Item 184, which was the Developmental Disabilities. And I think that was the wait list clients and I would like to know if there had been no new people -- the waitlist has not been developed yet and have there been any services provided to this category of people at this point?

MS. ROUNDS: So have we provided any services to anyone on the Waitlist?

REP. OBER: No, new people.

CHAIRWOMAN WALLNER: New people.

MS. ROUNDS: Not to my knowledge. There may be some types of emergency or temporary isn't the right word, but funding that is not committed. So they still remain on the waitlist, but we have to provide some service because it's an emergency; but beyond that my knowledge is no.

CHAIRWOMAN WALLNER: So that would be because we are almost at the end of July at this point there's been no -- probably not, if anything, very little spending in July for that category of clients.

MS. ROUNDS: Correct.

CHAIRWOMAN WALLNER: Senator Feltes.

REP. OBER: Could I ask a question?

CHAIRWOMAN WALLNER: I'll let Lynne, Representative Ober ask a question.

REP. OBER: I know your area's finance and now I'm leaning away from finance so you're going to be upset, but you're here and nobody else is.

MS. ROUNDS: I understand.

REP. OBER: When we had policy people in before to talk to us about the waitlist, we've gone through the categories of people that are actually on the waitlist, new people who haven't been evaluated but they get put on the waitlist while the evaluation's going on. Then we have people who are getting services and are asking for more services and are being evaluated also, but they're already getting services. So I'm never quite sure why they're on the waitlist because they're not waiting for service. And then we have generally people who have gone through evaluation, should have services but haven't started getting any services.

MS. ROUNDS: Hm-hum.

REP. OBER: So I haven't seen a waitlist this month. How many people are actually on the waitlist who have been evaluated currently and are getting zero services because I know we fully funded the waitlist through last biennium?

MS. ROUNDS: I don't --

REP. OBER: I'm sorry. I know this isn't your area. It's not money, but you're it for the agency right now.

MS. ROUNDS: I understand. So as of July 23<sup>rd</sup> there were 18 A's.

REP. OBER: What are A's?

MS. ROUNDS: That's where I struggle. I know what Cs are. A's and B's I'm not as familiar with.

REP. OBER: Give her a C.

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MS. ROUNDS: These are the ones that are receiving -- currently receiving some services and need additional services.

REP. OBER: How many Bs?

MS. ROUNDS: 20 Bs.

REP. OBER: And 18 As. We aren't sure whether A and B one of the groups waiting evaluation not yet eligible for services. Thank you for struggling to answer the question. I know it's not in your area.

MS. ROUNDS: It's okay. There's 68 C's. There are four people in ABD and 14 in IHS for a total of 124.

REP. OBER: What is IHS?

MS. ROUNDS: Yes, in-home support.

REP. OBER: In-home support, Cindy, did you say?

(Senator Rosenwald nods her head.)

REP. OBER: Thank you.

CHAIRWOMAN WALLNER: And these people are all waiting for services?

REP. OBER: No, not all. Some have been evaluated.

MS. ROUNDS: As of July 23<sup>rd</sup> those are the three lists.

REP. OBER: For new services.

MS. ROUNDS: Yes, that are currently considered on the waitlist.

CHAIRWOMAN WALLNER: On the waitlist.

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SEN. BIRDSELL: Could she repeat the numbers?

CHAIRWOMAN WALLNER: Could you repeat those numbers?

MS. ROUNDS: Sure. A is 18. B is 20. C is 68. ABD, which is a Acquired Brain Disorder, is four, and IHS is 14. And those numbers are as of July 23<sup>rd</sup>. So that was a couple of days ago.

CHAIRWOMAN WALLNER: Senator Feltes.

SEN. FELTES: Thank you very much, Madam Chair. If you take this request 184 in the aggregate, the federal and the state money requested, it's just shy of \$16 million.

MS. ROUNDS: Yes.

SEN. FELTES: I believe one of the reasons why it was tabled earlier is to get more information in response to Senator Rosenwald's question of how much of that 16 million is -- is directly related to providing services to people, the 129 people through September 30<sup>th</sup>. Have you been able to come up with that estimate of what that would cost, not all the rest of the stuff that was kind of packed in there.

MS. ROUNDS: Yes. So the cost of the current waitlist is about 7.6 to 7.7 million.

SEN. ROSENWALD: Total.

MS. ROUNDS: Yes, total funds. Thank you for that question. And half would be general and half would be federal.

SEN. FELTES: Follow-up, Madam Chair.

CHAIRWOMAN WALLNER: Hm-hum, yes.

SEN. FELTES: And this Committee has been approving a lot of items just through the end of August. And presumably if the

Committee approved that to the end of August it would be something short of 7.6 million, I would assume. Is that a fair --

MS. ROUNDS: Yes.

SEN. FELTES: -- assumption?

MS. ROUNDS: Yes. Can I just add to that? If we -- once somebody comes off the waitlist though and is now being served, we have to continue to service them. So we would definitely be back to continue to service them into September.

SEN. FELTES: Right.

CHAIRWOMAN WALLNER: So could you estimate what kind -- what would we need to fund until the end of August?

MS. ROUNDS: Of that 7.6? So given that that estimate was done, we're almost at the end of July, I mean, I would presume it's somewhere around half, maybe a little more than half of that number since we are not quite at the end of July.

CHAIRWOMAN WALLNER: So if we --

SEN. ROSENWALD: Could starting August. I mean, we are at the end of July.

REP. OBER: One month is gone.

SEN. ROSENWALD: One, month is gone. So if we were consistent with what we have been doing today in saying we are going to come back at the end of August and really look at the spending, we are really talking about spending for August.

MS. ROUNDS: Yes.

SEN. ROSENWALD: Really one-third of that 7.6 million which is two and a half million.

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MS. ROUNDS: I think that 7.6 million was calculated with taking them off the waitlist now. So as of this Fiscal meeting, if we took them off the waitlist what would it cost for the quarter. I believe that's how that number was calculated.

REP. OBER: That's because you can't go back retroactively and give people services for days that have passed.

MS. ROUNDS: Right.

CHAIRWOMAN WALLNER: Yes, Senator Feltes.

\*\* SEN. FELTES: Thank you, Madam Chair. I don't know if we're going to be able to exactly pinpoint what it would cost the end of August, but if it's appropriate at this time I'd make a motion. My motion would be to approve this request --

SEN. PRESIDENT SOUCY: Remove it from the table.

SEN. FELTES: Oh, we have to remove it off the table.

\*\* SEN. PRESIDENT SOUCY: I move we remove it from the table.

SEN. BIRDSELL: Second.

CHAIRWOMAN WALLNER: A detail.

SEN. PRESIDENT SOUCY: I'm sorry.

CHAIRWOMAN WALLNER: Senator Soucy moves to remove it -- remove this item from the table.

REP. OBER: We should have done that first.

SEN. FELTES: Probably should have.

CHAIRWOMAN WALLNER: And who seconded?

SEN. BIRDSELL: Second.

REP. WEYLER: Senator Birdsell.

CHAIRWOMAN WALLNER: And Senator Rosenwald seconded. All in favor of removing it from the table? Any opposed removing it from the table?

**\*\*\* {MOTION TO REMOVE THE ITEM FROM THE TABLE ADOPTED}**

CHAIRWOMAN WALLNER: Okay. Now let's hear your motion.

**\*\*** SEN. FELTES: Thank you very much, Madam Chair. I would move that we approve Item FIS 19-184 only for services to persons on the waitlist, including those age 21 and above that we talked about earlier, through the end of August, conditioned upon the Department coming back at the end of August and documenting how much it paid and how many folks are receiving services.

MS. ROUNDS: Great. We can do that.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes, Representative Ober.

REP. OBER: There's two positions here; emotionally empathetically and analytically. Analytically I don't think I can support that motion because I believe I heard Miss Rounds say once you pay any dollar on a service, it must continue. You can't stop it. Therefore, if we can't stop at the end of August, why wouldn't we move it through September 30<sup>th</sup> because we can't stop it anyway. Did I misunderstand what you said?

MS. ROUNDS: No, that's correct. Once we take somebody off the waitlist, we would be committed to continuing to pay for those services.

SEN. FELTES: Madam Chair, if I might?

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CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: I completely agree with Representative Ober's sentiment, although under that logic we could be approving things ad infinitum throughout the entire year.

REP. OBER: Oh, I think we approved it for 12 months or 24 months once you make one month.

SEN. FELTES: But I think that given where we're at, making sure that we have accountability in this Continuing Resolution and consistent with what we have done earlier makes good sense to just come back in August and take a look at where things are at.

REP. WEYLER: Need a second.

CHAIRWOMAN WALLNER: We need a second.

REP. LEISHMAN: Second.

CHAIRWOMAN WALLNER: Representative Leishman second. Ms. Rounds, before we take the vote, I would like to be sure that when you come back in August that you're able to tell us how much you've actually spent on these new people that we will be taking off the waiting list. I know that the Department is often delayed by a month what they can tell us; but I think in this particular case we really would like to have a clear picture of how much we're spending each month in this category.

MS. ROUNDS: So we would, obviously, need the support of the Area Agencies to get us that information timely; but I suspect if you approve this item, we will have that support to get that information to you.

CHAIRWOMAN WALLNER: I hope you will, because I think it's really important that we know, you know, the budget is vetoed at this point, and we're spending out -- we're spending into the

regular budget and I'm concerned -- I'm concerned about this. If the final agreement in any way affects this section of the budget, I'm really -- I'm worried about what we're doing here if we are approving things out into the future. Okay.

MS. ROUNDS: I understand.

CHAIRWOMAN WALLNER: I hope they will be cooperative in getting you that information. Any other comments? Okay. All those in favor of approving this motion? Any opposed? No. Okay. Motion passes.

MS. ROUNDS: Thank you.

**\*\*\* {MOTION ADOPTED}**

**(13) Miscellaneous:**

**(14) Information Materials:**

CHAIRWOMAN WALLNER: We do have informational items. I know there's some questions on a couple of them.

REP. OBER: What tab are we at now?

CHAIRWOMAN WALLNER: That is Tab 14. Mr. Kane, do we need to say anything about these?

MR. KANE: It's up to the Committee whether or not they want additional information.

REP. OBER: No, we don't. Let's move on.

CHAIRWOMAN WALLNER: Great. There we go. The next informational item is the State Treasury. Are people --

REP. OBER: We're fine with that, too.

CHAIRWOMAN WALLNER: Okay. Good. Gentleman from Environmental Services told me he had to leave. So you can catchup with him next month.

REP. OBER: Good. We can leave this on the table.

CHAIRWOMAN WALLNER: Department of Revenue, I think you can probably all --

REP. OBER: Yeah, we are fine with that.

CHAIRWOMAN WALLNER: We all agreed to that. We come to the Dashboard and I know there are questions on the Dashboard.

SENATE PRESIDENT SOUCY: On poor Kerrin.

CHAIRWOMAN WALLNER: I'm sorry, Kerrin. Right up to the bitter end.

MS. ROUNDS: They told me I didn't move away from the table fast enough.

CHAIRWOMAN WALLNER: I do know there are people who have questions about the Dashboard. Representative Rosenwald.

SEN. ROSENWALD: Thank you. I do have a few questions about the reports I read in the press in terms of the Medicaid Expansion work and the community engagement requirement. We read that -- that State Employees were going door-to-door in neighborhoods in Manchester, Nashua and maybe Laconia, not looking for specific enrollees; but I had a telephone conversation with Commissioner. I just want -- I didn't write down notes. I want to confirm what I think he said to me. I believe he said to me that between 45 and 50 employees from both Health and Human Services and Employment Security were doing this door-to-door canvassing. And that the cost that Health and Human Services had to reimburse Employment Security out of the Trust Fund was \$4,000 a day. Could you confirm that, please?

MS. ROUNDS: Sure. And I don't have the exact figures in front of me, but I think in generalities that was in the ballpark. We will be going to -- to G & C and presumably including Employment Security and we would need to come to transfer that money. So we will have those exact figures. But yes, we do need to reimburse Employment Security out of the Trust Fund.

SEN. ROSENWALD: And do you know -- if I could, Madam Chair?

CHAIRWOMAN WALLNER: Yes, yes.

SEN. ROSENWALD: How many actual clients have been directly contacted in this way? We know it's about 500 by phone calls.

MS. ROUNDS: Hm-hum.

SEN. ROSENWALD: Prior to the door-to-door. Could you tell us, please, how many more Medicaid Expansion enrollees have been directly contacted this way?

MS. ROUNDS: So directly contacted meaning we actually spoke with them or directly contacted meaning we went to their door?

SEN. ROSENWALD: No, you actually confirmed the identity and spoke directly with them about the work requirement.

MS. ROUNDS: I don't have that exact figure. I knew it in the early days. It was a couple hundred within a week, but I'm not sure what the final number ended up or is at this point because they're still doing some of that work. Yes, we can find that out.

SEN. ROSENWALD: One more, if I could?

CHAIRWOMAN WALLNER: Yes.

SEN. ROSENWALD: When I've gone door-to-door in certain parts of Nashua there are a lot of multi-family units that I

can't go into because they're private property. How are the State Employees able to get into multi-family units and ring the doorbells or knock on the door trying to reach the potential Medicaid Expansion enrollees?

MS. ROUNDS: I'm not sure. I can get that information for you as well.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Yes, Senator Feltes.

SEN. FELTES: Thank you, Madam Chair. Just as a follow-up to that line of questioning. The money for the door-to-door activities is coming out of the Trust Fund, correct?

MS. ROUNDS: Yes.

SEN. FELTES: And the Trust Fund also funds the benefits, correct?

MS. ROUNDS: Benefits meaning the Medicaid Expansion? Yes.

SEN. FELTES: So we are spending money out of the Trust Fund that is not an unlimited pie for door-to-door activities that could be spent for claims for actual health care services; is that right?

MS. ROUNDS: We are spending money out of the Trust Fund to reimburse Employment Security.

SEN. FELTES: If I may follow-up?

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: With the passage of Senate Bill 290 signed by the Governor and the Governor suspending the operation of working community engagement requirement until the end of

September, why are we spending \$4,000 per day to go door-to-door if it's suspended right now?

MS. ROUNDS: I think the Commissioner would be better able to answer that question for you.

SEN. FELTES: That's okay.

MS. ROUNDS: Sorry.

SEN. FELTES: Madam.

CHAIRWOMAN WALLNER: Yes.

SEN. FELTES: Madam Chair. So I have a different more statistical related, less policy-ish related question.

MS. ROUNDS: Sure.

SEN. FELTES: Senate Bill 6 was passed, I don't know, a couple months ago now.

MS. ROUNDS: Yes.

SEN. FELTES: Signed into law. I'm not clear from the Dashboard what is going on with it; but, hopefully, you could shed some light on it. In Fiscal Year 2020 the Department is supposed to hire 27 child protection service workers and nine child protection supervisors.

MS. ROUNDS: Yes.

SEN. FELTES: So how many of the 27 have been hired and how many of the nine supervisors have been hired, if you know?

MS. ROUNDS: So I don't know -- sorry, I just want to write that down. I don't know how many have been hired. What I can tell you is that part of the process is we -- we are required to post those positions internally to the state for a period of

time. That did happen, and I'm not sure if there were internal positions filled during that time. Then when we went to post them externally there was some systematic issues statewide with posting external positions. That did hold that up for a period of time during year-end close. I think there was a lot going on there. I do know that they now are posted externally.

SEN. FELTES: Follow-up, Madam Chair. Can -- Miss Rounds, can you follow-up with the Committee actually and how many of these workers have actually been hired?

MS. ROUNDS: Yes.

SEN. FELTES: Both the child protection service workers and supervisors of the 27 and nine that were supposed to be hired?

MS. ROUNDS: Yes. And I apologize, you did ask that question earlier and I forgot to get an answer so I apologize for that.

SEN. FELTES: That's okay.

REP. OBER: You had a few questions.

MS. ROUNDS: Yeah.

CHAIRWOMAN WALLNER: You've done a great job. Thank you for sticking it out with us.

MS. ROUNDS: Thank you. No problem. Anything else?

CHAIRWOMAN WALLNER: Are there other questions on the Dashboard?

MS. ROUNDS: Can I say something for Neal Kurk that's longer here?

CHAIRWOMAN WALLNER: Yes, please do.

MS. ROUNDS: So we met our lapse this year and met the part of the lapse that we didn't meet last year, which I'm very proud of. So if someone could tell him.

(Applause.)

CHAIRWOMAN WALLNER: We'll call Neal and let him know. He must have asked you that every month of the year.

MS. ROUNDS: Yes, and an expense lapse.

REP. OBER: You know, we all hear him in our head. Why wasn't that in your budget? Why wasn't this? What was that?

CHAIRWOMAN WALLNER: Our last item on the informational is the New Hampshire Lottery, and the gentleman who's going to talk to us about that had to leave, so.

REP. OBER: Thank Heaven.

SEN. BIRDSELL: Thank Heaven he had to leave?

REP. OBER: Yes.

CHAIRWOMAN WALLNER: Are there any other items that need to come before the Fiscal Committee?

REP. WEYLER: Next meeting.

CHAIRWOMAN WALLNER: Next meeting is I've already scheduled it and I'm sorry for taking that liberty, but I needed to because I knew there were so many vacations and so many things going on. And it actually ends up being a Wednesday, August 28<sup>th</sup>. It's August 28<sup>th</sup>. And I'm sorry that we're way off schedule, but I do think from what I've seen today we are going to have a lot of work to do that day. So I hope everybody can make their arrangements to be here. And, if not, please let me know in time so we can be sure we have substitutes for that day. Okay. Thank you for the long -- for putting in a long day. Everybody stayed

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and I really appreciate it. It was a tough day, but we got through it. Thank you. Okay. We're adjourned.

(Adjourned at 4:24 p.m.)

## CERTIFICATION

I, Cecelia A. Trask, a Licensed Court Reporter-Shorthand, do hereby certify that the foregoing transcript is a true and accurate transcript from my shorthand notes taken on said date to the best of my ability, skill, knowledge and judgment.

  
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Cecelia A. Trask, LSR, RMR, CRR  
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