

**JOINT LEGISLATIVE FISCAL COMMITTEE**

Legislative Office Building, Rooms 210-211

Concord, NH

Wednesday, August 28, 2019

**MEMBERS PRESENT:**

Rep. Mary Jane Wallner, Chair

Rep. Ken Weyler

Rep. Susan Ford

Rep. Lynne Ober

Rep. Peter Leishman

Rep. David Huot (Alt.)

Rep. Patricia Lovejoy (Alt.)

Sen. Lou D'Allesandro

Sen. President Donna Soucy

Sen. Chuck Morse

Sen. Jay Kahn

Sen. Cindy Rosenwald

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

**(1) Acceptance of Minutes of the July 25, 2019 meeting**

MARY JANE WALLNER, State Representative, Merrimack County, District #10: I'll call the August Fiscal Committee to order, and our first order of business today is the minutes of July 25, 2019. Have a motion? Are there --

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

DONNA SOUCY, State Senator and Senate President, Senate District #18: Second.

LYNNE OBER, State Representative, Hillsborough County, District #37: Second.

CHAIRWOMAN WALLNER: Representative Weyler moves to approve and Senator Soucy seconds. Any discussion of the minutes? All in favor? Any opposed?

SUSAN FORD, State Representative, Grafton County, District #03: Abstain.

CHUCK MORSE, State Senator, Senate District #22: Abstention.

CHAIRWOMAN WALLNER: Minutes pass. Representative Ford I think I heard abstains and, also, Senator Morse. Thank you.

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

**(2) Old Business:**

CHAIRWOMAN WALLNER: And we'll move on to Old Business, and we have a couple of items in Old Business. The first one is the Business Finance Authority. Would people -- anyone like to take that off the table? Seeing no motion to take that off the table, we'll leave that one on.

Moving on to 19-152, which is the Department of Health and Human Service item. Do we need to take that one off? Seeing no one asking for that one to come off, we'll leave that one on the table, and we now move to 19-167, the Department of Education.

**\*\*** LOU D'ALLESANDRO, State Senator, Senate District #20: I'd like to move to take 19-167 off the table.

CHAIRWOMAN WALLNER: Senator D'Allesandro moves to take 19-167 off the table and --

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: Representative Weyler seconds. All in favor of removing it from the table? Any opposed?

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

CHAIRWOMAN WALLNER: Do you want the Commissioner to come up?

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SEN. D'ALLESANDRO: Yes, please.

CHAIRWOMAN WALLNER: Would the Commissioner come up? Thank you.

SEN. D'ALLESANDRO: I was -- my colleagues, I was asked by the Commissioner to remove this from the table. He said it's a new grant that had just been received. He wanted to give his iteration as to what the grant -- what the grant does and try to get some movement on the grant. Madam Chairman, with your permission, Commissioner, could you go into detail about the grant?

FRANK EDELBLUT, Commissioner, Department of Education: I can. So, for the record, Frank Edelblut, Commissioner of Education.

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

MR. EDELBLUT: So this is a New Hampshire School Climate Transformation Grant. It is from the Department of Justice and it's continuation of programs that we have been running in the North Country and in the Lakes area that centers around helping schools stand up a broader support network for students, including a lot of community resources around suicide prevention, student anxiety and depression, and overall student wellness. We provide technical support to the schools, as well as professional development for the educators.

This grant -- so just to be clear, when I say was a new grant meaning it wasn't in the last budget because we applied for it during the last biennium, and we are awarded the grant. So we had already been through the Fiscal process, the G & C process, got it awarded previously, and now we have to, obviously, with the Continuing Resolution come back through that process. And so we are asking that this be removed from the table and approved so that we can go forward with that work.

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CHAIRWOMAN WALLNER: Thank you, Commissioner. Yes, Representative Ober.

REP. OBER: Good morning, Commissioner. Thank you for that. Can you -- I'm just interested what kind of community resources might communities expect and how do they access those?

MR. EDELBLUT: So and basically what happens is in a school community there are other health resources. It could be the Parks and Rec Department that engages students and gets them involved in activities. There could be the Area Agency associated with HHS that might be part of it. There could be, you know, mental health services that the school is contracting with that might be part of it. And so, essentially, all of these different resources collaborate and communicate with one another in order to figure out how they can best support the students that are in their community. And it could be, you know, you might bring in the YMCA, the Boys and Girls Club but different organizations. So it really gets everybody. Our experience so far we've run these grants in other communities it gets everyone talking to one another so they know what the issues are, and then they can do the right kinds of intervention. So if they see an explosion in vaping in a community, they might say, okay, how we going to address vaping? You know, maybe we're not seeing the vaping in the schools, but they're seeing it in an after-school program someplace. And so they're saying like how do we communicate with each other to help support these kids.

REP. OBER: Can I ask a follow-up?

CHAIRWOMAN WALLNER: Yes.

REP. OBER: Thank you. That sounds great if you have access to those resources. But the two towns I represent there's no Boys and Girls Club, there's no YMCA or YWCA, and while there's an Area Agency, that Area Agency sits in Nashua and if you want to be -- get anything from them, you have to somehow get to

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Nashua. They run programs in Nashua schools. They run no programs in any of the other areas that they are supporting.

MR. EDELBLUT: Yeah.

REP. OBER: How do those kinds of communities get something out of this?

MR. EDELBLUT: So what we've basically done, and this is going to be specifically focused on kind of the south central and southwest areas, and we run it regionally because it's true that there are many small communities that don't have access to those resources. So what we really do is we run it as a community type of an event. So you may have students, for example, in Winchester, a small community, that doesn't have those resources in that community, but those students may attend an after-school program or a, you know, community athletic program in a neighboring town or something like that. So they're not -- you don't isolate it to the school, but you wrap it around all the school systems in that area.

CHAIRWOMAN WALLNER: Further questions for the Commissioner?

REP. OBER: So there won't be any real services in many of those small areas because you're going to be responsible without transportation to somehow get kids who are at-risk someplace when they're more inclined to they're at-risk, not reach out anyway.

MR. EDELBLUT: Yes. So this is not a services program in the sense of providing direct services to the students. It's really kind of the stand up the communities in terms of their capacity to support those students. So those types of transportation issues and logistics issues don't come into play there.

REP. OBER: The reason I ask I did call my superintendent. He never heard of this. And I said this is supposed to be a

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continuation. He said never heard of it, doesn't come to our community.

MR. EDELBLUT: So he has not -- in the past, he has not had it. I mean, again, we've run it up in the North Country, we've run it in Franklin and Laconia area. So we applied for this grant to extend that and so we're moving down into the south central-southwest areas now. He would not have seen it.

REP. OBER: I'll check with him in six months and see what he says. We can have an off cycle conversation, because I think there are kids who somehow don't get picked up because they're in smaller communities, and that's always very worrisome when you hear some of the issues going on in big cities.

MR. EDELBLUT: So Hudson is on the east side of the river. So I'm not sure if that's in our catchment area or not but I'll find out.

REP. OBER: The Area Agency for the east side of the river, Nashua Area Agency does Hudson and Litchfield, reaches up to Merrimack. So, unfortunately, we are supposedly in that area. We don't get those services; but we are under HHS's decision in that area.

MR. EDELBLUT: Right.

**\*\*** PETER LEISHMAN, State Representative, Hillsborough County, District #24: Madam Chair, I'll move to approve.

CHAIRWOMAN WALLNER: Representative Leishman moves to approve the item.

SEN. D'ALLESANDRO: I'll second it.

CHAIRWOMAN WALLNER: And Senator D'Allesandro seconds. Further discussion? Yes, Senator Rosenwald.

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CINDY ROSENWALD, State Senator, Senate District #13: Thank you, Madam Chair. I don't know if this is on, but on Page 3 of 6 down toward the bottom of the page the letter mentions collecting and reporting data. Could you describe for us what kind of -- how granular that data is about individual students and where it's reported to and collected?

MR. EDELBLUT: Yep. So this is not student level data. It's incident types of data that is being collected. The types of data would be suspensions or expulsions for students. Those are the types of things. And so it's data sets that we're collecting and we're looking at and are available already. So it's not at the student level. It's at an incident level.

This grant requires us to have an evaluator initially with Antioch. It moved over to Keene is the evaluator, Keene State University. And so they're the ones who provide a report on the program and in terms of its efficacy and whether it's actually moving the needle for some of these students. And I'm happy to provide you with one of those evaluation reports if that would be helpful.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Further questions of the Commissioner? Seeing none. All in favor of the item? Opposed? Item passes.

\*\*\* {MOTION ADOPTED}

(3) **RSA 14:30-a, III, Audit Topic Recommendation by  
Legislative Performance Audit and Oversight Committee:**

CHAIRWOMAN WALLNER: Moving now to Tab 3. This is a letter from the Chairman of the Legislative Performance Audit and Oversight Committee relative to recommendations for four performance audits. Discussion of any of these items? Do I see a motion?

\*\* SEN. D'ALLESANDRO: Move approval.

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SEN. PRESIDENT SOUCY: Second.

CHAIRWOMAN WALLNER: Senator D'Allesandro moves and Senator Soucy seconds. Any discussion of the items? All in favor? Any opposed? Seeing none. These are the items that will move forward for audit.

\*\*\* {MOTION ADOPTED}

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

CHAIRWOMAN WALLNER: Now moving to Tab 4. I'm looking out in the audience because I'm aware that Commissioner Meyers needs to also be at the Executive Council this morning. He hasn't arrived yet because I think he's there now. I think he's there and then he's coming over here.

So we have some items that we know we would like to have -- be able to speak with him directly. And I will tell you which items on Tab 6. Okay. Oh, I'm sorry. We don't need to do that quite yet. We can go to Tab 4 and finish that one up, and then move into the items with the Commissioner. I'm sorry.

Tab 4. This is a Consent Calendar. This is Consent and is there a request for any of these two items to come off for discussion? Yes.

REP. OBER: I think 190 needs to come off.

CHAIRWOMAN WALLNER: Senator Rosenwald.

SEN. ROSENWALD: 190.

CHAIRWOMAN WALLNER: 190?

SEN. ROSENWALD: Yes.

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CHAIRWOMAN WALLNER: Okay. Any other? There's one other item on it. It's Fiscal 19-189, Department of Safety.

REP. OBER: I have a question on that.

CHAIRWOMAN WALLNER: Okay. We'll bring that one off, too. So those are both of the items that are on that consent. So let's move to those items and the first one is the Department of Safety. It's Item 189. Is there someone here from Safety? Thank you.

PERRY PLUMMER, Assistant Commissioner, Department of Safety: Good morning. My name is Perry Plummer. I'm Assistant Commissioner for the Department of Safety.

STEVE LAVOIE, Director of Administration, Department of Safety: Steve Lavoie, Director of Administration.

CHAIRWOMAN WALLNER: Thank you for coming up. And Representative Ober has a question.

REP. OBER: I was just wondering when this grant ended because the question is would it need to be done now or could we wait, and it didn't say when the grant ended. So it was hard to tell if this was right now. Mr. Lavoie, you probably know that.

MR. LAVOIE: Sure. Yes, this grant ends September 30<sup>th</sup>, which would be the end of the Continuing Resolution, which is why we're bringing this forward now. If we don't purchase this software we won't have the funds available beyond September 30<sup>th</sup>.

**\*\*** REP. OBER: Thank you. It would be helpful just for everybody in the audience that if you bring a grant and it's ending you would tell us, because obviously we need to do this and I would move to approve this.

SEN. D'ALLESANDRO: I would second.

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CHAIRWOMAN WALLNER: Representative Ober moves to approve the item and Senator D'Allesandro seconds. Any further discussion of the item? Seeing none. All in favor? Any opposed?

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

CHAIRWOMAN WALLNER: Item passes. Thank you for coming up. Appreciate it. Now we'll move to item number 19-190. This is the Department of Transportation item, and is there someone from the Department here? Good morning.

CHRISTOPHER WASZCZUK, Deputy Commissioner, Department of Transportation: Good morning. Chris Waszczuk, Deputy Commissioner for the Department.

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

CHAIRWOMAN WALLNER: Thank you. Do we have questions of the Department on this item? Yes, Senator Rosenwald.

SEN. ROSENWALD: Thank you, Madam Chair. Just curious why this item wasn't brought forward last month?

MS. MULLEN: We had discussed it internally and we wanted to see how the work was progressing during the month of July. And we realized that we were going to need these funds so we brought it forward at this point. Because in July we didn't know we need -- if we would need all of it by the end of September and now we realize that. So we are bringing it forward at this point.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Representative Ober.

REP. OBER: Thank you. Good morning. Thank you for coming. As I understand this item, and maybe I misunderstood it, you're asking for not for money from the Fiscal Year 19 budget, but

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money that hasn't been approved yet in a new budget; is that correct?

MS. MULLEN: No. We're asking to transfer money from the Fiscal 19 budget that's approved currently as part of the Continuing Resolution.

REP. OBER: More money than you would have gotten in '19?

MS. MULLEN: No.

REP. OBER: Same amount?

MS. MULLEN: Hum -- this is actually less. We're just -- we're just asking for enough to get us through September.

REP. OBER: Yeah. We're always concerned about winter maintenance which is one of the things I know you would -- said you'd put the money back.

MS. MULLEN: Right.

REP. OBER: If we take money out then it doesn't show up.

MS. MULLEN: Right. Highway maintenance is a seasonal item. So in the item we described a lot of the work we do in highway maintenance is in the summer and spring.

REP. OBER: We are aware of that, but we are robbing the winter maintenance fund -- well, not robbing -- we are borrowing from winter maintenance fund and we want to be sure there is money in the winter maintenance fund to continue.

MS. MULLEN: Yeah, the intent was to borrow it from now. In the event of another Continuing Resolution or if the budget passed, then the money goes back to the winter maintenance budget, same amount of money we would put it back. It's really

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just because of the seasonality we are just borrowing it for the time being.

REP. OBER: Thank you.

MS. MULLEN: You're welcome.

CHAIRWOMAN WALLNER: Further questions? Yes, Senator Kahn.

JAY KAHN, State Senator, Senate District #10: Thank you, Madam Chair. I think the concern about the winter maintenance budget is that it may be necessary to have a greater amount of money in there because the acquisitions that we were anticipating you're acquiring you probably have not been able to go forward with during -- prior to your winter season. Are you concerned about further transfers needing to be made because the acquisitions haven't been able to proceed in a timely manner?

MR. WASZCZUK: The acquisitions, I believe, you're speaking of the salt? The salt hasn't been acquired late last Fiscal Year so I think we try for the most part is to fill up all the salt barns at the end of the -- the State Fiscal Year. So I think we're -- we're good from that standpoint in order to stock the winter season.

SEN. KAHN: Madam Chair.

CHAIRWOMAN WALLNER: Yes.

SEN. KAHN: The acquisitions I'm thinking of are the vehicle replacement acquisitions that if you're not able to acquire those in a timely manner for this winter season which it seems like that acquisition process has probably been disrupted by our Fiscal process, that the winter maintenance rentals are going to be greater in this year than you had anticipated, and are we going to see more of these kinds of transfers necessary through the year?

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MR. WASZCZUK: In terms of the truck acquisitions, the vehicle acquisitions?

SEN. KAHN: That's right.

MR. WASZCZUK: They take quite some time to be able to come to start of the ordering process to the actual delivery and fit up and then put into service. It takes almost ten months to a year. So for this upcoming winter season, you know, we're drawing on prior Fiscal Year's truck acquisitions and prior Fiscal Year budgets. Right now we're -- we have -- we are moving forward for the next winter to acquire trucks as part of the Capital Budget which was approved, but we're holding off on any acquisitions as part of the actual Operating Budget.

SEN. KAHN: Thank you.

CHAIRWOMAN WALLNER: Further questions? Seeing none.

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

CHAIRWOMAN WALLNER: Representative Leishman moves to approve.

SEN. D'ALLESANDRO: I would second.

CHAIRWOMAN WALLNER: Senator D'Allesandro seconds. All in favor? Any opposed? Item passes. Thank you.

\*\*\* {MOTION ADOPTED}

(5) **RSA 9:16-c, I, Transfer of Federal Grant Funds**

CHAIRWOMAN WALLNER: Now moving to Tab 5. There are two items on Tab 5. Anyone on the Committee like to take one of those off? Seeing none. Do I have a motion to approve?

\*\* SEN. ROSENWALD: Move approval.

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SEN. D'ALLESANDRO: I would move approval. Second.

CHAIRWOMAN WALLNER: Senator Rosenwald moved approval.

SEN. D'ALLESANDRO: And I would second.

CHAIRWOMAN WALLNER: Senator D'Allesandro seconds. All in favor? Opposed? Thank you.

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

**(6) 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: Now we're at the items I was talking about. So there are a couple of items here that are on this consent I would like to take off and hold until the Commissioner is available, and that is the one that I would like to take off is 19-261 and are there other items on this area that people would like to take off?

REP. OBER: Madam Chair.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: Since 261, 264, and 265 are all related to HHS and the Commissioner's not here, why don't we take them all off?

CHAIRWOMAN WALLNER: Okay. So we'll take all three of those off, 264, 265, and 261. We'll take them off and wait until the Commissioner arrives to go through those items. Is that okay with the Committee? And then if we go to the other three items on that area. Are there any of those that people would like off to discuss? Seeing none, is there --

**\*\*** SEN. D'ALLESANDRO: I would move approval.

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CHAIRWOMAN WALLNER: -- a motion? Senator D'Allesandro moves approval of the three remaining items in that Consent Calendar. Is there a second?

SUSAN FORD, State Representative, Grafton County, District #03: Second.

CHAIRWOMAN WALLNER: Representative Ford seconds. Any discussion of those three? All in favor? Any opposed? Those items passed.

\*\*\* {MOTION ADOPTED}

- (7) **RSA 9:16-a, Transfers Authorized and 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: We'll come back to the three items, Health and Human Services items when the Commissioner arrives. Now we go to Tab 7. And, actually, I believe on Tab 7 there's also Health and Human Service items, 262.

SEN. D'ALLESANDRO: 266.

CHAIRWOMAN WALLNER: 266. So if the Committee agrees we could -- let's go back to that -- to Tab 7 when the Commissioner arrives. Okay. Is that agreeable to everyone?

REP. OBER: That's agreeable.

- (8) **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: Moving on to Tab 8. Boy, we're really moving fast. That won't last. Tab 8. Okay. We have several items here. Are there items that people would like to have come off

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for further discussion in looking it over? No? Okay. Seeing no items to come off of the Consent.

MICHAEL KANE, Legislative Budget Assistant, Office of Legislative Budget Assistant: Two HHS items at the end of that, 259 and 260.

CHAIRWOMAN WALLNER: Thank you for -- I missed those. Okay, so we'll have to bring those two -- I would ask to bring those two off the calendar, 259 and 260. Thank you, Mr. Kane, for reminding me of that. And we'll go back to those, and we have a motion to accept the rest of the items.

\*\* SEN. D'ALLESANDRO: I would move the rest, 197, 199, and 200.

CHAIRWOMAN WALLNER: Senator D'Allesandro moves 197, 199, and 200 for approval.

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: And Representative Weyler seconds. Any discussion of those? All in favor? Any opposed? Those items pass.

\*\*\* {MOTION ADOPTED}

**(9) RSA 124:15 Positions Authorized:**

CHAIRWOMAN WALLNER: We have two we'll be coming back to. Now moving on to Tab 9. And in Tab 9, again, we have a Health and Human Services item. It is item number -

SEN. D'ALLESANDRO: 186.

CHAIRWOMAN WALLNER: -- 186. I guess we can hold that one for when the Commissioner arrives, also, if that meets with everyone's approval. Is that all right? We'll hold that one.

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And the other two items are 19-198 and 19-247, both Department of Safety.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: We've had a number of retroactive items from Department of Safety. Perhaps Mr. Lavoie could help us understand why these were retroactive and if there's anything else out there that should have come in July and hasn't come already. We're going to keep seeing a string of retroactive things because we're paying people under here. We had all agreed we don't want to lay off any people, but there's a lot of retroactivity in this budget.

CHAIRWOMAN WALLNER: Could we ask someone from the Department of Safety to come up and address concern about retroactivity.

MR. LAVOIE: Good morning. Steve Lavoie, Director of Administration.

MR. PLUMMER: Perry Plummer, Assistant Commissioner of Department of Safety.

MR. LAVOIE: So we do have several retroactive items throughout this agenda. In this tab we have a few items that are retroactive because we have positions that are filled. Individuals are in those positions and the funding related to the CR does not include the funding for those positions. In the first case, we did budget for that position within the vetoed budget. So -- but we don't have that in the CR piece which is why we're asking for that retroactive authorization, and the same situation for the second -- the second piece.

REP. OBER: Madam Chair.

CHAIRWOMAN WALLNER: Yes.

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REP. OBER: I think the question is why didn't we see these in July, because we got from the majority of the other agencies all these requests in July. My concern is we didn't see these and there were a number. Are there anymore that are going to come in August? Do we have more people out there that you're actually paying and maybe not have any money, 'cause we're always concerned about not laying people off.

MR. LAVOIE: Right, right. We don't. So part of it was due to just the timing of the grant situations. We have a reconciliation process that we have to complete. It didn't -- it wasn't completed timely enough to submit that item.

REP. OBER: Okay.

MR. LAVOIE: But we're confident that we've identified all of these federally funded positions that require action at this point.

**\*\*** REP. OBER: Thank you. Madam Chairman, I would move to approve.

CHAIRWOMAN WALLNER: Representative Ober moves to approve. Do we have a second?

SEN. D'ALLESANDRO: I would second.

CHAIRWOMAN WALLNER: Senator D'Allesandro seconds. Are there further comments or questions of the Department? Seeing none; all in favor of the item or items? Actually, it's two items.

SEN. D'ALLESANDRO: Right.

CHAIRWOMAN WALLNER: Any opposed? Seeing none. The item -- items pass. Thank you.

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

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(10) RSA 9:16-c, Transfer of Federal Grant Funds and RSA 124:15 Positions Authorized:

CHAIRWOMAN WALLNER: Moving on now to Tab 10. This, again, is a Department of Safety item.

\*\* REP. OBER: I think it's our last retroactive item. I would move to approve.

CHAIRWOMAN WALLNER: Representative Ober moves to approve.

SEN. D'ALLESANDRO: I would second.

CHAIRWOMAN WALLNER: Senator D'Allesandro seconds. Discussion of the items? All in favor? Opposed?

\*\*\* {MOTION ADOPTED}

DAVID HUOT, State Representative, Belknap County, District #03: There he is.

CHAIRWOMAN WALLNER: Oh, good. Would you like to go back to the items at this point? I know the -- the -- you're just in time. I know the Commissioner has to leave again so --

JEFFREY MEYERS, Commissioner, Department of Health and Human Services: Frank can go before me.

CHAIRWOMAN WALLNER: Frank's already been up here. Okay. We have been holding some items. Yes, if you would come up that would be great. Thank you. I know you need to leave fairly --

MR. MEYERS: No. No, no, no. Let me explain.

CHAIRWOMAN WALLNER: Okay.

MR. MEYERS: Is this on?

CHAIRWOMAN WALLNER: Yes.

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MR. MEYERS: First of all, for the record, Jeff Meyers, Commissioner of Health and Human Services. With me is Deb Sheetz who's Director of Long-Term Supports and Services in the Department, and Kerrin Rounds, the Chief Financial Officer. So I just came from the Governor and Council meeting. I don't have to go back to that meeting. But should the Fiscal Committee amend any item that we have brought, then the Governor has asked me to convey that to him because they would try to act on that today rather than have to come back in a special meeting tomorrow. So that's only if the Committee amends any items that are before you.

CHAIRWOMAN WALLNER: Okay. Thank you.

MR. MEYERS: Thank you.

CHAIRWOMAN WALLNER: And I think our first item that we put on hold --

REP. OBER: 261.

CHAIRWOMAN WALLNER: -- under Tab 6 and it's Item 261. 261. The other piece of this that I think we should also have, everyone should take a look at is the late item that came in from the Department and that was the informational item. So we don't have to act on it, but it does have a lot of information that will probably be useful.

MR. MEYERS: It is relevant to many of the items, Madam Chair. Yes, yes.

CHAIRWOMAN WALLNER: So people should probably maybe pull that out and have it available for discussion. So 261 is the first item that we held to talk with you about.

MR. MEYERS: Yeah.

CHAIRWOMAN WALLNER: And do we have questions on Item 261?

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REP. OBER: Madam Chairman, I just want to be sure.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: When I look at Item 267 and related to 261, I'm really looking at the chart on Page 7 of 7 in the late item; is that correct?

MR. MEYERS: Yes.

MS. ROUNDS: Yes.

MR. MEYERS: Yes.

REP. OBER: Thank you.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Lots of pieces of paper. Yes, Representative Ober.

REP. OBER: There's a lot of money that we approved last month that we understood was needed; but now when I look at this page or this whole item, some of it got spent, some of it didn't get spent. I'm just curious, Commissioner, let's look at this item, but we'll probably need for all of these -- what do you really need to get through September?

MR. MEYERS: Thank you for the question.

MS. ROUNDS: So the -- with this item specifically last meeting the request was how much do you need through the end of August, and I wasn't sure in the moment. And so the question to me, I believe, was would a million dollars be okay through the end of August, and I had said yes. So that was the reason why it's a million dollars. That wasn't what I had provided as a

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need. It was a request from the Committee. And we -- the calculation through the end of September is an additional 1.8, in addition to the one that was approved through the end of August. So the total need is 2.8 million.

REP. OBER: For?

MS. ROUNDS: For through September 30<sup>th</sup>.

MR. MEYERS: That's the TANF item that we're speaking of.

MS. ROUNDS: Yes, for this item specifically.

REP. OBER: I guess, Commissioner, your chart has a lot of different line items.

MR. MEYERS: Yes.

REP. OBER: As we look at the 1.8, where we looking at spending on the document you submitted to us that you probably know where you're going to spend that money; but --

MS. ROUNDS: Yes. So the total spend in this Accounting Unit has been 4.1 million. The 141,000 that you see in Column F is the amount of the 1 million that we've spent, not the amount that's been spent in that Accounting Unit total.

REP. OBER: Right. And you're adjusted budget is 6.9 million.

MS. ROUNDS: Yes. So we need an additional --

REP. OBER: And you have audit set aside, payments to clients, payments to providers. Where do you anticipate spending that money? That's my question.

MS. ROUNDS: Oh, I'm sorry, in payment to clients, line 501.

REP. OBER: Line 501. Thank you.

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MS. ROUNDS: Sorry.

REP. OBER: No problem.

MR. MEYERS: Right. It's cash assistance to participants of the program.

CHAIRWOMAN WALLNER: Further questions of this item? Yes, Senator Rosenwald.

SEN. ROSENWALD: Thank you, Madam Chair. Good morning.

MR. MEYERS: Good morning.

SEN. ROSENWALD: We're all concerned about the state of the TANF surplus.

MR. MEYERS: The reserve fund?

SEN. ROSENWALD: Yes. As you recall --

MR. MEYERS: Yes.

SEN. ROSENWALD: -- we worked hard during both the House and the Senate phase to eliminate the \$17 million deficit that we were going to be facing at the end of the next biennium. At this rate, are we still risking that?

MR. MEYERS: Yeah, it's absolutely in line with what we budgeted for 20-21. The deficit that you just referred to would only have been created had some of the spending that had been planned, particularly for Granite Workforce, had gone forward. But without that going forward, we're not risking a deficit for the reserve fund.

CHAIRWOMAN WALLNER: Yes.

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SEN. ROSENWALD: The Granite Workforce, I think, was \$3 million?

MR. MEYERS: It was three in Fiscal 19, Senator; but it was budgeted in both years, I believe, at \$8 million each year initially in the budget. Initially in the budget.

SEN. ROSENWALD: You took care of it?

MR. MEYERS: In the Senate phase that money came out -- I think came out in the Senate phase, if I'm correct.

SEN. ROSENWALD: So you're confirming that this is in line that nothing gets worse with the TANF reserve if we approve this item?

MR. MEYERS: It's within the budget that went forward for 20-21, yeah.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Further question of this item?

SEN. KAHN: Madam Chair.

CHAIRWOMAN WALLNER: Yes, Senator Kahn.

SEN. KAHN: And if I may, Madam Chair, and thank you. Commissioner.

MR. MEYERS: Good morning.

SEN. KAHN: I guess I'm still wanting to understand 501, the Payments to Clients, the \$6 million adjusted budget but the amount expended year to date or through August, I'm just not understanding the 140 in Column F.

MR. MEYERS: Yes, thank you.

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MS. ROUNDS: So the 140,000 is the amount spent from Column D. So we --

SEN. KAHN: And if I can continue, Madam Chair?

CHAIRWOMAN WALLNER: Yes, yes.

MS. ROUNDS: Yes.

SEN. KAHN: What is the total amount that's been spent to clients not restricted to Column D?

MS. ROUNDS: I wrote down 4.1. It's 5.1, I apologize.

SEN. KAHN: I'm sorry?

MS. ROUNDS: 5.1 million. So that's why the amount of 990,000 -- 999,000 has been spent. The 140,000 plus the 4.9 in Column C.

SEN. KAHN: So the adjusted -- the adjusted budget has been obligated, spent as of October. I'm sorry, as of August 31.

MS. ROUNDS: All but 800,000.

SEN. KAHN: And your projection then for the coming month is that you'll need another 1.8 million to cover --

MS. ROUNDS: In addition to that 800,000.

SEN. KAHN: Essentially, you're spending 2.7 or around that per month and that's the basis of this request.

MS. ROUNDS: Correct.

SEN. KAHN: I understand. Thank you.

CHAIRWOMAN WALLNER: Further questions? Do we have a motion on this item.

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\*\* SEN. D'ALLESANDRO: Move the item.

CHAIRWOMAN WALLNER: Senator D'Allesandro moves the item. And Peter -- Representative Leishman seconds. Any further discussion? All in favor? Any opposed? This item passes.

\*\*\* {MOTION ADOPTED}

CHAIRWOMAN WALLNER: Now we'll move to 264. 264. Another Health and Human Services item. And do we have questions of the Commissioner on this item? No questions on this item?

\*\* SEN. ROSENWALD: Move approval.

CHAIRWOMAN WALLNER: Yes, Senator Rosenwald.

SEN. ROSENWALD: Oh, I'm just moving approval.

CHAIRWOMAN WALLNER: Oh! Senator Rosenwald moves approval of this item.

SEN. D'ALLESANDRO: Second.

CHAIRWOMAN WALLNER: And Senator D'Allesandro seconds. Any discussion? All in favor? Any opposed? Item passes.

\*\*\* {MOTION ADOPTED}

CHAIRWOMAN WALLNER: I also held 265.

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

CHAIRWOMAN WALLNER: 265 Representative Ober moves the item.

REP. WEYLER: Second.

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CHAIRWOMAN WALLNER: And Representative Weyler seconds. Discussion of the item? Seeing none. All in favor? Opposed? None opposed.

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

CHAIRWOMAN WALLNER: So that moves us down to Tab 7. And then we have -- I think we held two items here, the first being Tab 262.

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

CHAIRWOMAN WALLNER: Representative Ober moves to approve.

REP. FORD: Second.

CHAIRWOMAN WALLNER: Representative Ford seconds. Discussion of this item? Yes, Senator Rosenwald.

SEN. ROSENWALD: Thank you. I'm just curious why if all of the costs for CFI is a State obligation and not County.

MR. MEYERS: Yes. So what Karen just said -- I'm sorry, go ahead.

MS. ROUNDS: So we can't increase the County's obligation during the CR because the County's obligation is set by statute. So until House Bill 2 passes and determines the final County obligation we're -- we're using the County obligation of Fiscal Year 19 which is less than what is budgeted for CFI in nursing in '20.

MR. MEYERS: Was that your question, Senator?

SEN. ROSENWALD: Yes. So it would be trued up.

MS. ROUNDS: It would be trued up once the budget passes.

MR. MEYERS: Absolutely.

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SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Further questions on this item?  
Seeing --

\*\* SEN. D'ALLESANDRO: Move approval.

REP. WEYLER: We have a motion.

CHAIRWOMAN WALLNER: We have a motion and we have a second.

REP. WEYLER: Yes.

CHAIRWOMAN WALLNER: All in favor? Any opposed? Seeing none; Item 262 passes.

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

CHAIRWOMAN WALLNER: Moving now to 266.

REP. OBER: Madam Chairman, I just don't understand this one. Maybe the Commissioner could discuss it.

CHAIRWOMAN WALLNER: Okay. So Commissioner, could you --

MR. MEYERS: Yes, of course.

CHAIRWOMAN WALLNER: -- go into some discussion about this item?

MR. MEYERS: Of course.

CHAIRWOMAN WALLNER: Thank you.

MS. ROUNDS: This is an item that we brought forward at the last meeting where we are accepting additional CHIP funds in the Medicaid Program, and then the General Funds that are essentially available because of those additional Federal funds.

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We are moving those to other areas of our budget that are underfunded. In essence, when -- hopefully, when a budget passes all of these items would be trued up and would be squared. We budgeted CHIP at the appropriate percentage, where in Fiscal Year 19 CHIP was budgeted lower than our actual earn.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes, Representative Ober.

REP. OBER: Am I correct this relates to Page 1 of 7 in the late item?

MR. MEYERS: It does, Representative. Yes.

REP. OBER: I just want to be sure I'm on the right page.

MS. ROUNDS: Yes, it is Page 1 of 7.

REP. OBER: We -- we did authorize some additional money to be spent in August. And according to Page 1 of 7, you did not spend even \$1 of that money. So I guess what I don't understand and what you didn't address is why you would need to have this now and why we couldn't table this until there was a need for funding. And I see the Commissioner's shaking his head.

MR. MEYERS: Well, I understand your question.

REP. OBER: You understand my question.

MR. MEYERS: I certainly understand your question.

MS. ROUNDS: So sort of a two-part answer to that. One is when we brought this item forward at the last meeting the item planned for the entire period of the CR. So when we put the item forward, it was not just for the months of July and August. It was for July, August, and September. And during the meeting, if I remember correctly, I was asked questions about each of these areas and if we had just looked at that first one, SPDC which is

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State Phase Down Accounting Unit 7939, I remember stating in the meeting that we actually don't need any money until September. That that's a monthly payment, and we were able to make the July and August payments.

MR. MEYERS: Right.

MS. ROUNDS: So although it was approved pro rata, we didn't need any of the pro rate that in July or August. We need it for September.

MR. MEYERS: But we will have to make that payment in September and that's why we need access to the money.

REP. OBER: You need \$783,000. How much is this total request for, Commissioner?

MR. MEYERS: For this item? I want to make sure.

REP. OBER: For Item 266, what's the total request?

MR. MEYERS: 11.7 million, I believe.

MS. ROUNDS: Yeah.

MR. MEYERS: 11.7 million.

REP. OBER: Okay. 11.7 million.

MR. MEYERS: Yeah.

REP. OBER: You have now told us you need \$783,204 to make a payment in September. So that's a lot more than the \$11 million you're requesting. And, again, I look at Page 1 of 7 and we did approve money and nothing got spent. So we've spoken to the first block, but now we are down to the CFI block. We didn't spend any money there either.

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MR. MEYERS: Yeah. So I can tell you -- I'm sorry, I don't mean to interrupt.

REP. OBER: No, that's okay. I'm just trying to get my head around it.

MR. MEYERS: Of the 11.7 of the request, we spent 4 million thus far in July and August. And so CFO can correct me if I'm wrong, but we're asking for authority to continue spending for the balance of the CR period at the rate that's reflected in this item.

REP. OBER: Okay. I heard Representative Leishman say I'm confused. Oh, I guess I have to relate to that. I have your document.

MR. MEYERS: Yes.

REP. OBER: I don't see the \$4 million spend. Maybe if we could just --

MR. MEYERS: If you add up Column F, right? Column F. If you add up column F you'll get to roughly \$4 million.

REP. OBER: My Column F doesn't have any -- show any spending in it, Commissioner.

MR. MEYERS: Not just this.

MS. ROUNDS: It's four pages.

MR. MEYERS: For the entire document, Representative. I'm sorry, I may not have been clear.

REP. OBER: That's why I asked you about Page 1 of 7. Now you're going to include 2 of 7.

MR. MEYERS: Right.

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REP. OBER: 3 of 7 and 4 of 7.

MR. MEYERS: All the way through, correct.

REP. OBER: But 4 of 7 relates to Item 184 and 1 of 7 relates to a different Fiscal item.

MR. MEYERS: Right.

MS. ROUNDS: So Page 4 of 7 relates to two items, because it's one Accounting Unit, and there are two items that affected that Accounting Unit so we put it on one page. So you see Column D there's essentially Column D-1 and D-2.

MR. MEYERS: What we're trying to convey through the information item is that looking at it in a large picture, so we've taken in this extra CHIP money. We wanted to distribute it, all these items, and there are varying levels of expenditure with respect to these programs that are listed on the information item. So if you add it all up it's 11.7 million in terms of what's requested. Four million has already been spent. We're asking for authority to continue spending for these purposes for the balance of the CR period through September 30<sup>th</sup>.

REP. OBER: How much did the CR authorize you to spend?

MS. ROUNDS: Authorized us to spend a pro rata amount.

MR. MEYERS: Three-twelfths of what the adjusted '19 budget was.

REP. OBER: Which is?

MR. MEYERS: I don't have the figure off the top of my head.

MS. ROUNDS: For each -- could you ask your question again?

REP. OBER: You have a three-month CR.

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MR. MEYERS: Yeah.

REP. OBER: You're asking for \$11 million.

MS. ROUNDS: Hm-hum.

MR. MEYERS: For these items, yes.

REP. OBER: I'm asking you for these items how much did you get to spend in the CR?

MR. MEYERS: Four million so far. We've spent 4 million.

REP. OBER: Not what you spent. What was in the Continuing Resolution, Commissioner?

MS. ROUNDS: Oh, I don't have that.

MR. MEYERS: What the authority under the CR was? Yes, I understand your question now. I don't have the answer off the top of my head, but I don't know if the Budget Assistant has it or not.

MR. KANE: Probably over 300 million. For those Accounting Units, they're pretty large Accounting Units, so there's probably over 300 plus million, I bet, amongst all of those. I mean, those are the largest Accounting Units in HHS, as far as the account for three months. But as far as the specific accounting units probably not in the proper spaces where they need it and I believe that's why they're trying -- HHS is requesting to move that or to supplant those funds.

REP. OBER: Well, as I understand it, they're not requesting to transfer that 300 million. They're asking for 11 million more, and I'm trying to figure out what was authorized in the CR and what they spent and what their spending above and beyond that would be, because that's where you determine whether you need this 11 million or not.

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MR. KANE: Right. And --hum --there's definitely additional CHIP revenue available.

REP. OBER: I got that.

MR. KANE: So we have that. So it's various other accounts. What they're -- what the Department is stating is they don't have sufficient funds under your State Phase Down. That's monthly.

REP. OBER: Yeah, we got that.

MR. KANE: You got that.

REP. OBER: It's 183,000.

MR. MEYERS: For example, every month we have to make a Managed Care payment which is roughly 45 or \$46 million. And so -- and so there's the money under the CR is limited. And the obligation exceeds what the 3/12<sup>th</sup>'s is on kind of a ongoing basis and that's why we're asking for these transfers.

REP. OBER: Commissioner, I heard that; but I asked you to give me specifically where you are exceeding your monies and that's what I'm not getting. I can --

MR. MEYERS: I see.

REP. OBER: We talked about it in generalities. I understand you make large payments. And except for those 783,000 where you're short, I don't understand where else you're short or exactly how much, because we don't want you to be short but --

MR. MEYERS: Yeah, so what Kerrin is saying we are anticipating exceeding all of these Accounting Units in the month of September because of the obligation to pay in the month of September.

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REP. OBER: But you can't tell me details of it?

MR. MEYERS: You mean unit by unit?

MS. ROUNDS: I don't understand what she's asking.

MR. MEYERS: I apologize. We want to very much to understand your question. But are you looking for an Accounting Unit by Accounting Unit basically ledger of what was authorized and then what we need to spend and why there's a difference there?

REP. OBER: Yeah, yeah, because we're trying to get -- make sure --

MR. MEYERS: That could be done.

REP. OBER: -- make sure you're whole but not spend extra money above and beyond the CR.

MR. MEYERS: Yeah, we are not here asking for anything we don't feel we need.

CHAIRWOMAN WALLNER: Representative Leishman.

REP. LEISHMAN: So I believe I'm following Representative Ober's line of question. I think what she's asking are you exceeding the 3/12<sup>th</sup>'s in any of these requests?

MS. ROUNDS: Yes. This adds money to those accounts.

REP. LEISHMAN: You are.

SEN. D'ALLESANDRO: Talk in the microphone.

MR. MEYERS: I apologize. So I want to make sure everyone hears. But I think the answer to the question is yes, until a budget passes and then it would be squared. It be reconciled

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within the budget. We are not trying to exceed -- we are not trying to exceed the budget that passed.

MR. KANE: Just to clarify. If I could just add onto that. Yes, it's exceeding 3/12<sup>th</sup>'s. The reason it's not coming under the emergency provisions because HHS actually has these additional funds from CHIP. So they're coming under standard Fiscal Committee statute to request that.

MR. MEYERS: Yeah.

MR. KANE: Moving the money into those lines, various class lines will exceed the 3/12<sup>th</sup>'s. But there is instead of -- there are sources available, this CHIP money that HHS is able to transfer to cover that, rather than coming in through the emergency provisions. I think that's what the Department was saying.

REP. LEISHMAN: Thank you, Mr. Kane.

MR. MEYERS: But it wouldn't exceed the Committee of Conference report on the 20-21 budget.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes, Representative Ober.

REP. OBER: I think we hit where my concern is, but I didn't want to get into the details because I don't have a crystal ball so I can't see the future. But should whatever budget passes --

MR. MEYERS: Yeah.

REP. OBER: -- not match what the Committee of Conference had --

MR. MEYERS: Yeah.

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REP. OBER: -- you may or may not have money to true up. You may or may not get the same amount of money. I'm not trying to borrow -- I'm not trying to borrow problems here.

MR. MEYERS: Yeah.

REP. OBER: I just can't foresee the future and I'm concerned that your agency be whole not only for the Continuing Resolution but for the biennium with whatever comes up.

MR. MEYERS: The answer to your question is right. Yes, I'm agreeing with you. Depends what ultimately passes and becomes law. And it may be within that amount or it may not be within that amount, and that depends on whatever ultimately passes and is enacted.

CHAIRWOMAN WALLNER: Further question? Senator Kahn.

SEN. KAHN: Thank you, Madam Chair. As I'm understanding, the total 11 million plus, 11.7 --

MR. MEYERS: Yeah.

SEN. KAHN: -- a portion of that is federal, a portion of that is General Funds.

MR. MEYERS: Correct.

SEN. KAHN: And is that a 4.7 million?

MR. MEYERS: Is it divided evenly?

SEN. KAHN: No, it's like 4.7 is federal.

MR. MEYERS: I think it's close.

SEN. KAHN: And seven is general.

MS. ROUNDS: Yes.

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SEN. KAHN: So is there a date when the four plus million is no longer able to be received from the Federal Government? Is that an end date that has a September 30, 2019, deadline?

MR. MEYERS: I don't believe so. We have earned these funds and they're put in our account by the Federal Government.

SEN. KAHN: I was looking for a reason that perhaps --

MR. MEYERS: We can't use them otherwise without the consent of this Committee, but we've earned -- those are earned dollars.

SEN. KAHN: For the Fiscal Year?

MR. MEYERS: Correct.

SEN. KAHN: Thank you.

CHAIRWOMAN WALLNER: Further questions? Yes, Representative Weyler.

REP. WEYLER: Thank you, Madam Chair. State Phase Down.

MR. MEYERS: Yes.

MR. WAY: What's the total debt? How much have we paid off? When do we see the end of this?

MR. MEYERS: I'm not aware of any end to it to answer to your question. It's driven by the federal government, not by my Department or the State. I don't know if -- my Medical Director is not here. So I don't believe there's any -- we're not -- I'm not aware of any end to it.

REP. WEYLER: This the same as claw back?

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MR. MEYERS: It's a State contribution to the cost of the Medicaid Program.

REP. WEYLER: The dual eligible.

MR. MEYERS: For the dual eligibles, yes. So it pays for both Part A and Part B Medicare for the dual eligibles. So the hospital and the physician cost of dual eligibles.

REP. WEYLER: Phase down is not a good term to use.

MR. MEYERS: It's not mine.

DEB SHEETZ, Director, Long-Term Supports and Services, Department of Health and Human Services: It's their's.

MR. MEYERS: It's their's.

REP. WEYLER: Thank you, Madam Chair.

CHAIRWOMAN WALLNER: Senator Rosenwald.

SEN. ROSENWALD: Thank you. I'm just curious. It's not directly related to this item, but how many people are waiting today in an emergency room for a mental health bed? If you don't know today's number, how many yesterday?

MR. MEYERS: Yesterday was 30. Well, I know it was beginning of the day. It changes throughout the day. The beginning of the day yesterday it was 34, I believe.

SEN. ROSENWALD: Thank you.

MR. MEYERS: Adults that is.

SEN. ROSENWALD: Thirty-four adults.

MR. MEYERS: Yes, I think that that's the number. I haven't been able to look today because of the meetings I've been at.

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CHAIRWOMAN WALLNER: Further question? Yes, Senator Morse.

SEN. PRESIDENT MORSE: Yes, I guess, Commissioner, I guess more of a policy type question. If we were not to get a budget at the end of September --

MR. MEYERS: Yeah.

SEN. PRESIDENT MORSE: -- or at the end of December --

MR. MEYERS: Yes.

SEN. PRESIDENT MORSE: -- what you're doing now, is it going to spend more than we spent in '19?

MR. MEYERS: Well, so I think the answer to the question is possibly. It depends on the revenue that comes in. So if there's sufficient revenue to cover the increased costs that I think you're getting at, then we would not have an issue. But if the revenue's not there for some reason, then we potentially would have an issue. I mean, I'm not sure I can be more exact than that, but it depends on the revenue that we earn in the period as well, which depends on enrollment and so forth in these various programs.

SEN. PRESIDENT MORSE: Let me ask it a different way.

MR. MEYERS: Sure.

SEN. PRESIDENT MORSE: I remember going around to all these different groups some four years ago now and talking to them about a budget that was vetoed.

MR. MEYERS: Yeah.

SEN. PRESIDENT MORSE: It was all about increases that all the groups were going to get that were in the budget.

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MR. MEYERS: Yes.

SEN. PRESIDENT MORSE: All the hard work that goes through the process.

MR. MEYERS: Yes.

SEN. PRESIDENT MORSE: All that hard work that's not -- I heard CFI just a few minutes ago. Are we giving increases based on the new budget?

MR. MEYERS: No rate increase. There's no rate increases in what we've got in front of you. Those are in the budget. They're separate from this. This is payment for services that we can't pend.

SEN. PRESIDENT MORSE: The answer to your question is 32 adults as of?

MR. MEYERS: As of this morning.

SEN. MORSE: As of the 27<sup>th</sup> at 4 o'clock.

MR. MEYERS: That's yesterday afternoon, 32. Okay. Yeah, yeah.

CHAIRWOMAN WALLNER: Senator Kahn.

SEN. KAHN: Thank you, Madam Chair. Commissioner, of the 11.7 million and 4.3 that's federal, is there an action that can be taken that independent of the General Funds we could authorize the use of the Federal funds?

MR. MEYERS: No.

SEN. KAHN: Because of a match situation?

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MR. MEYERS: Yes, it's a Joint program. The Federal Government requires we spend money in order to draw down their match.

SEN. KAHN: So your statement about that we have earned these dollars.

MR. MEYERS: We have the right to draw down, but we have to spend against the draw down.

SEN. KAHN: Which is all future spending beyond -- I mean, much of that is spending that would occur after September 30<sup>th</sup>.

MR. MEYERS: No, no. We are talking about the time period now through September 30<sup>th</sup> only. We are not talking about October 1<sup>st</sup> or beyond.

SEN. KAHN: All right.

CHAIRWOMAN WALLNER: Senator Rosenwald, further question.

SEN. ROSENWALD: Yes, thank you. In the Developmental Disabilities Program.

MR. MEYERS: Hm-hum, yeah.

SEN. ROSENWALD: There's a couple items before us today.

MR. MEYERS: Yes, yes.

SEN. ROSENWALD: Am I correct that this one here is just the cost of the 514 people that you moved off of the waiting list? This is the cost for one month? Three months?

MS. SHEETZ: Okay. So I think what might be helpful is if we take a look at how much we were given as part of the Continuing Resolution for maintenance of the individuals that have been taken off of the Waitlist and that was \$73,144,059. With Fiscal request item number 152, we asked for an the additional

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6,349,594. That allows us to serve people that we had taken off over the last biennium and that's the amount that we need to continue that amount of services for an annualized budget.

SEN. ROSENWALD: 6.3 million.

MS. SHEETZ: Right, for annualized amounts of their budgets, not a pro rata amount. What we have done in the DD community, in the disability community with our waiver services, is when we take an individual off the Waitlist we do planning for a year, and what we do is we come up with an annualized budget. So the amounts that were submitted for our request were for that full annualized amount. What we are doing in terms of what we are spending, we are allowing the Area Agencies systems only a pro rata amount for July, August, and September. But the request that was made was for the annualized budget amount for those individuals. So I need a total of the Continuing Resolution of the 73 million and the Fiscal Item 152 of 6 million. That is the total that's necessary to serve those people for a year. But what I am doing is only authorizing PA's for the pro rata amount that is part of that 6 million.

MR. MEYERS: Prior authorization.

MS. SHEETZ: Prior authorization, my apology.

SEN. ROSENWALD: I mean, are we able to obligate money beyond the Continuing Resolution?

REP. OBER: We need to be careful because we don't have a budget.

CHAIRWOMAN WALLNER: We don't have a budget. Probably needs to be --

SEN. ROSENWALD: I think that last month we asked if these amounts were just for July and August, and we were told yes.

MS. SHEETZ: If --

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SEN. ROSENWALD: But none of it has been spent.

MS. SHEETZ: Okay, if I may? What we did is when we were requested the funding amounts for the Waitlist which will be a separate item, but primarily around this item right now, what I did is I provided the 6 million of the annualized amounts that would be necessary. Please know that we are not authorizing above the amount, the 3/12<sup>th</sup>'s amount. In this case the 2/12<sup>th</sup>'s amounts because I am literally starting a prior authorization and ending a prior authorization in that time period. So we will never go over the amount that has been given to us by the Fiscal Committee and has been approved.

SEN. ROSENWALD: But if I could? Why wouldn't the Department request the cost for July and August rather than the cost for an entire Fiscal Year?

MS. SHEETZ: So what I would -- what I would like to just put out there is that our system has historically worked on annualized budgets. What happens is we do planning for people for a year; and oftentimes what happens as an example is an individual comes into service and they need to go to a residential setting for a home. Or they need to hire somebody as a direct support provider for a year at a time to support them. For us to put RFPs out we will do that. However, we are only authorizing the prior authorization for the pro rata amount and that is the way that we responded to the request.

MR. MEYERS: We want to add to that a little bit.

MS. ROUNDS: So this is also -- so speaking about the 6.3 million first that's in item -- was originally in Item 152 and is now in Item 266. That 6.3 million when we requested that at the July Fiscal meeting similar to what I was speaking about before was a request for the entire CR period. So when that was approved on a pro rata basis, we were only authorized to spend what was needed and the original and I'm -- when Director Sheetz was speaking she was speaking about all three accounts in total. I'm just looking at just the DD 7100 account. So the amount

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authorized was 64.9 million as part of the CR. That 64.9 million has covered the cost for July and August. It will not cover all of the cost for September. So that 6.3 million is needed to cover September.

With regards to the other item which we will get to later in the meeting but just to answer your question about that item, Deb alluded to this, the 7.7 million that I provided at that last meeting I was wrong in how I provided that. I provided that as a three-month cost. That was the annualized cost for the people who were on the waitlist at that time. So that was my mistake, and I do apologize for that.

SEN. ROSENWALD: I'm just completely confused. I'm sorry.

REP. OBER: Madam Chair.

CHAIRWOMAN WALLNER: Yes.

SEN. D'ALLESANDRO: Senator Morse has a question.

REP. OBER: Kerrin, you just said 6.9 covered July and August. I'm sorry, those numbers went by too fast. I didn't get it down accurately.

MS. ROUNDS: I'm sorry. The 64.9 million covered July and August. The total spend was about 34½ million, 34.6 million.

REP. OBER: So you spent 34.6 million?

MS. ROUNDS: Yes.

REP. OBER: But you had 64.9.

MS. ROUNDS: Correct. So we did not spend any of the 6.3 from the pro rata appropriation. But just -- but we will because the --

REP. OBER: Let me -- simple mind, okay, simple mind.

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MS. ROUNDS: Yes.

REP. OBER: If I divide 64.3 by two.

MS. ROUNDS: Hm-hum.

REP. OBER: In round numbers I'm getting less than 20 million a month. So if I add 20 million on for September, which sums up what you spent the first two months I'm now at 54.6. So you have 64.9. So sounds like you have money to cover the CR period.

MS. ROUNDS: I understand. That was actually --

REP. OBER: I don't want to deal with annualized figures, just the CR period.

MS. ROUNDS: No, I understand. I can let Deb speak better to why the numbers increase each month; but it's not as easy as saying, you know, averaging it over the months.

CHAIRWOMAN WALLNER: Senator Morse has a question.

SEN. MORSE: Thank you, Madam Chair. Commissioner, the --

MR. MEYERS: Yeah.

SEN. MORSE: I'm assuming we are meeting at the end of September. And I think everyone on this Committee is looking for a level of detail that just basically says we're living within the CR.

MR. MEYERS: Yeah.

SEN. MORSE: What 2019 looks like and what this year is looking like for that three months.

MR. MEYERS: Yes.

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SEN. MORSE: Can we get that level of detail? So I don't -- I would never vote against this item. I just think it's -- you're throwing caution to the wind and I wouldn't do that. So the reality is can we get that level of detail at the end of September?

MR. MEYERS: Yes, of course, of course. You'll get it prior to the meeting. Of course.

SEN. MORSE: Thank you.

CHAIRWOMAN WALLNER: Further question?

SEN. ROSENWALD: I have one more question.

CHAIRWOMAN WALLNER: Yes, please.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Clarifying one.

SEN. ROSENWALD: I'm sorry to be so thick about this.

MR. MEYERS: No, no, no, no.

SEN. ROSENWALD: If you need 6.3 million for the 514 people that were served with Fiscal Year 19 funds because everybody was frugal and efficient and great, why is this item asking for \$3.1 million and not 6.3 million?

MR. MEYERS: Yeah.

SEN. ROSENWALD: What period of time is that really for? I'm on Page 4 of 10 down at the bottom, Developmental Services.

MR. MEYERS: One moment, please.

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SEN. ROSENWALD: Not the late item, Item 266 that's in Tab --

MR. MEYERS: Got it.

SEN. ROSENWALD: -- 7, which I think is the one.

MR. MEYERS: On Page 4 of 10.

SEN. ROSENWALD: Yes, this is why I'm confused.

MR. KANE: If I could just step in, Senator. Correct, that's the General Fund share that you're looking on. If you turn to Page 6 of 10 you're going to see the federal path of that transaction. So you can see the bottom of Page 6 of 10 the 3.177. How the Department usually structures these is you accept the funds, the additional federal rebate, then you transfer, and then you transfer back.

MS. SHEETZ: It's back and forth.

SEN. ROSENWALD: That was easy. Thank you.

CHAIRWOMAN WALLNER: Thank you, that helped. Yes, Senator Soucy.

SEN. PRESIDENT SOUCY: Could I just request for the next meeting, this document is less than helpful. Because I think what many of us were confused by is that, and I understand it's just since the August request, but it does not reflect what spending has occurred up to this point. So it's -- I don't think it's truly illustrating what the circumstances are of the Department. So if for the next meeting --

MR. MEYERS: We will.

SEN. PRESIDENT SOUCY: -- you could perhaps add another column --

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MR. MEYERS: We'll restructure --

SEN. PRESIDENT SOUCY: -- for what your July spend was.

MR. MEYERS: Yes, we will restructure --

SEN. PRESIDENT SOUCY: Just get the first part which was only going to be spent in September; but I think --

MR. MEYERS: Yeah. Yes.

SEN. PRESIDENT SOUCY: -- just one more column might actually assist us.

MR. MEYERS: Understood. Thank you, Senator.

\*\* REP. LEISHMAN: Madam Chair, with that being said, I'll move the item because I don't think it should be this confusing.

CHAIRWOMAN WALLNER: Representative Leishman moves the item.

SEN. D'ALLESANDRO: I would second the item.

CHAIRWOMAN WALLNER: And Senator D'Allesandro seconds. Is there further discussion on this item?

REP. WEYLER: We have a third person, identify herself.

CHAIRWOMAN WALLNER: Yes, I'm sorry. Director Sheetz, could you just identify yourself for the record?

MS. SHEETZ: Deb Sheetz, Director of the -- of -- I'm sorry -- Long-Term Supports and Services. My apologies. I have a lot of numbers in my head right now.

CHAIRWOMAN WALLNER: Thank you.

MS. SHEETZ: Thank you.

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CHAIRWOMAN WALLNER: We have a motion to accept the item, seconded by Senator D'Allesandro. Further discussion? Seeing none. All in favor? Opposed? Item passes.

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

CHAIRWOMAN WALLNER: Thank you. Now let's go to Tab 8, and I believe 259 and 260. 259.

**\*\*** REP. OBER: I would move Item 259.

CHAIRWOMAN WALLNER: Representative Ober moves Item 259. Do I hear a second?

SEN. D'ALLESANDRO: I would second.

REP. FORD: Second.

CHAIRWOMAN WALLNER: Senator D'Allesandro seconds. Discussion of this item or questions of the Commissioner? Seeing none. All in favor? Any opposed? The item passes.

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

CHAIRWOMAN WALLNER: So 259. And now we move to 260 which we also held. Questions on this item? Questions of the Commissioner on this item?

REP. OBER: Madam Chair.

CHAIRWOMAN WALLNER: Yes, Representative Ober.

REP. OBER: Is this just for September, Commissioner?

MR. MEYERS: Yes.

REP. OBER: Thank you.

CHAIRWOMAN WALLNER: Have a motion on this item?

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\*\* SEN. D'ALLESANDRO: I would move the item.

CHAIRWOMAN WALLNER: Senator D'Allesandro moves the item.

REP. LEISHMAN: Second.

CHAIRWOMAN WALLNER: Representative Leishman seconds. Any discussion? Any further questions? All in favor? Opposed? Item passes.

\*\*\* {MOTION ADOPTED}

CHAIRWOMAN WALLNER: Now we can move on to Tab 9 which is Item 186, which is also Health and Human Service item. Discussion of this item? Any questions about Item 186? Seeing no questions. Do we have a motion?

\*\* SEN. PRESIDENT SOUCY: Move approval.

SEN. D'ALLESANDRO: I would second it.

CHAIRWOMAN WALLNER: Senator Soucy moves the item and Senator D'Allesandro seconds. All in favor? Any opposed? Item passes.

\*\* {MOTION ADOPTED}

(11) Chapter 145, Laws of 2019, (Continuing Resolution)  
(7<sup>th</sup> Pay Period - Full-Time Permanent Salary and  
Benefits):

REP. WEYLER: Tab 11, Madam Chair. Since the explanation for all the items on Tab 11 are pretty much identical.

CHAIRWOMAN WALLNER: Thank you, Commissioner.

MR. MEYERS: Thank you very much.

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CHAIRWOMAN WALLNER: I think we do have one in 14.

MR. MEYERS: I think there's one more.

CHAIRWOMAN WALLNER: One more.

\*\* REP. WEYLER: I would move that all the items on Tab 11 be approved.

REP. FORD: Second.

CHAIRWOMAN WALLNER: Tab 11 we have a motion to approve all of those. Would we like to have Administrative Services come up and speak to us a little bit about the seventh pay period. There's always a wrinkle.

CHARLES ARLINGHAUS, Commissioner, Department of Administrative Services: I heard would we. I didn't hear anybody say yes.

REP. OBER: We always want you to come speak.

CHAIRWOMAN WALLNER: Thank you for coming up, Commissioner.

MR. ARLINGHAUS: I'm happy to be here. I'm Charlie Arlinghaus. I'm the Commissioner of Administrative Services, I think you know. So the -- when the CR established the 3/12<sup>th</sup>'s is for one-quarter, the State does not pay its people by quarter or by month. We pay bi-weekly, which means that in some quarters, notably the one we are in the middle of, there are seven paychecks issued instead of six, which if you're good at math and makes you easy to figure out that we're not going to have enough money. So that's across all departments. There are actually eight different reasons that payroll lines might be short in a CR environment. I actually sat down, I'm trying to explain this to myself so I wrote like a -- I wrote -- other people probably do this, too, you write like a one-pager for yourself to see if you could actually explain it correctly and then show it to somebody randomly named Joe and say -- and say

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did I get anything wrong? And in my case he said no, I think you got it right. If you think about it, so there's that obvious thing right where you don't get a seventh pay period. There's also a bunch of -- a bunch of sort of oddities in the system. Let's say a position was reclassified since the budget was developed, you're paying somebody at a -- let's just say a Labor Grade 25 instead of a Labor Grade 23, but the budget was built on a 23. It's a small amount of money, but it's an amount of money. When a position goes vacant, if that vacancy happens at the right time, it's budgeted at Step 1. You may be paying somebody at Step 6. If you do this right, it's budgeted at Step 6. Then you can hire somebody at Step 1 or 2.

But you do it -- if you do it at the time it's wrong, it's budgeted at Step 1. In a tight labor market, which we're in today, for example, you're probably going to be hiring at Step 2 or 3. You might hire somebody from another agency or within your own agency who's going to come in at Step 2 or 3. That might create an oddity.

When the pay raise was applied across agencies, it's applied at a regularized rate estimating an amount for, say, Step 9. If you happen to have an area, I guess I have a small unit, Graphic Services, which has two guys been in there more than 40 years, somebody has been there more than 30 years. A great place to work apparently, which we like, but what it means is that there's a disproportionate number of Step 9's, for example.

If you happen to have an agency where there are no vacancies at all, maybe because it's small or maybe because everybody's happy, you also run into problems. In a 12-month budget these things all sort of manage to work themselves out. They work themselves out through vacancies and when they don't, which does sometimes happen, we have a salary adjustment fund. We run around, people in Bureau of Accounts run around, they sweep money where it's not being used in Class 10. That's why you can't transfer out of Class 10, for example, in most agencies, and they accumulate it statewide and we make up

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discrepancies. Sometimes it's 12 bucks at the end of the year. Sometimes it's worse case scenario a few hundred grand in some areas.

When you have a CR, there's not a salary or adjustment fund or a benefit adjustment fund. So what we did is we worked with agencies to get them to sort all of that out across lines. So you should have one item per agency for all the tens and sixties. Ten is classified, 11s and 12s -- I think just 11s and 12s are unclassified and then 60 is benefits. So those are the items you'll see before you.

And then there's a separate tab later for -- which covers things like part-time and overtime, which tend to occur disproportionately or seasonally, if you will. Does that help at all?

SEN. D'ALLESANDRO: Brilliant, brilliant.

CHAIRWOMAN WALLNER: Thank you.

MR. ARLINGHAUS: That's what I was going for.

CHAIRWOMAN WALLNER: We have a motion to accept all of the items on Tab 11, and I need a second.

REP. FORD: Second.

SEN. D'ALLESANDRO: I second it.

CHAIRWOMAN WALLNER: Representative Ford seconds. And any further discussion of this item? Seeing none. All in favor? Any opposed? The item -- well, Tab 11 passes.

\*\*\* {MOTION ADOPTED}

(12) Chapter 145, Laws of 2019 (Continuing Resolution):  
(7<sup>th</sup> Pay Period - Other Salary, Benefits and  
Overtime):

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CHAIRWOMAN WALLNER: Now we go to 12, and we don't know if people feel they need to have the Commissioner come up again. We don't. They say we don't need anymore, at least Senator D'Allesandro says. We've got it now. Tab 12, do we have questions on any of these or would you like the same motion?

**\*\*** REP. WEYLER: Some of them are overtime and some of them are other items with promotions and so on. We know it's all a result of doing a CR so I would move 12 in one motion as well.

REP. FORD: And I would second.

CHAIRWOMAN WALLNER: Item -- well, Tab 12, all of the items in Tab 12 have been moved ought to pass. And it was moved by Representative Weyler and seconded by Representative Ford. Any discussion of this? All in favor?

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

**(13) Chapter 145, Laws of 2019, (Continuing Resolution):**

CHAIRWOMAN WALLNER: Now we go to Tab 13 and the first item is Item 234.

REP. OBER: It's a retroactive Safety item.

CHAIRWOMAN WALLNER: Would you like someone to come up and speak about this?

**\*\*** REP. OBER: I would move the item. I think Mr. Lavoie covered the retroactivity and we're seeing the end of it.

SEN. D'ALLESANDRO: I would second it.

CHAIRWOMAN WALLNER: Representative Ober moves and Senator D'Allesandro seconds. Any discussion of this item? Seeing none, all in favor? Any opposed?

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\*\*\* {MOTION ADOPTED}

CHAIRWOMAN WALLNER: Item 235.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: Mr. Kane was just going to just confirm that the sending agency had the money to send to the receiving agency.

CHAIRWOMAN WALLNER: Of course.

MR. KANE: Sure. I think Commissioner Arlinghaus can answer that. The question was this is Administrative Services 264 to accept a transfer, to increase a transfer amount, and I think the question Commissioner Arlinghaus does the Judicial Branch have sufficient funds to make this?

MR. ARLINGHAUS: They do have sufficient funds. They're main transfer will happen though in October. So they'll have sufficient funds at that time for that as well. We bill agencies generally. The transfer between Judicial Branch and Bureau of Court Facilities happens quarterly. It happens not for each individual item but for the collection of them on a quarterly basis. So for the entire operations of the facilities and property management, if you will. And that transfer happens in October. But these amounts are in line with what they would be expecting everything is copacetic in October.

REP. OBER: Madam Chair.

CHAIRWOMAN WALLNER: Representative Ober.

REP. OBER: While the Commissioner is sitting there, 236 is the same way. It's a transfer from other agency. That sending agency also has the money.

MR. ARLINGHAUS: Yes, they do.

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\*\* REP. OBER: Thank you, Commissioner, for doing both of them. I would move Item 235.

CHAIRWOMAN WALLNER: Representative Ober moves Item 235.

SEN. D'ALLESANDRO: Second.

CHAIRWOMAN WALLNER: And Senator D'Allesandro seconds. All in favor? Any opposed? Item passes.

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

CHAIRWOMAN WALLNER: Moving on, 236.

\*\* SEN. D'ALLESANDRO: I would move 236.

CHAIRWOMAN WALLNER: Further question? Senator D'Allesandro moves.

REP. OBER: Second.

CHAIRWOMAN WALLNER: Representative Ober seconds. Any discussion of this item? Seeing none; all in favor? Any opposed? Seeing none, item passes.

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

CHAIRWOMAN WALLNER: Moving on to Item 237.

\*\* REP. OBER: Move approval.

CHAIRWOMAN WALLNER: Representative Ober moves to approve Item 237. Do we have a second?

SEN. D'ALLESANDRO: I would second.

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CHAIRWOMAN WALLNER: Senator D'Allesandro seconds. Discussion of this item? Seeing none, all in favor? Any opposed?

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

CHAIRWOMAN WALLNER: Move on now to 238.

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

CHAIRWOMAN WALLNER: Representative a Leishman moves to approve.

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: Representative Weyler seconds. Discussion? All in favor?

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

CHAIRWOMAN WALLNER: Next item is 239, Department of Corrections. Any questions about this item? Seeing none. Do we have a motion?

**\*\*** SEN. D'ALLESANDRO: I move it.

CHAIRWOMAN WALLNER: Senator D'Allesandro moves.

SEN. KAHN: Second.

CHAIRWOMAN WALLNER: And Senator Kahn seconds. All in favor? Opposed? Item passes.

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

CHAIRWOMAN WALLNER: Moving on to Item 242.

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

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CHAIRWOMAN WALLNER: Representative Ober moves to approve.

SEN. KAHN: Madam Chair.

CHAIRWOMAN WALLNER: Senator Kahn.

SEN. KAHN: I'll second.

CHAIRWOMAN WALLNER: You second. You also have a question; is that right?

SEN. KAHN: Yes, I do.

CHAIRWOMAN WALLNER: Would the Department of Education come up? Thank you.

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

MS. VAILLANCOURT: Tammy Vaillancourt, CFO.

SEN. KAHN: Thank you, Madam Chair. And thank you, Commissioner. Sounds like a successful program for the summer of '19. What causes me to ask is the item says no funds for the summer of '19 program were spent out of Fiscal 19. So this program is entirely spent in Fiscal 20. Is that the way this -- the program starts in June and goes through August and -- but all the funds come out of the following Fiscal Year?

MR. EDELBLUT: I'm sorry, I think there's confusion. You got the State Fiscal Year and the Federal Fiscal Year. So these are funds that are granted on October 1<sup>st</sup> of '18 that will run through September 30<sup>th</sup> of '19. Our State Fiscal period ended on June 30<sup>th</sup>. These are summer programs which basically take place after June 30<sup>th</sup> of '19 running through the summer. So we'll be expending those funds, you know, this month, next month, into October to support the invoices that come in from the summer food programs this year.

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SEN. KAHN: It's reimbursed on an invoice basis and not upfront per pupil or enrollee?

MR. EDELBLUT: That's correct.

SEN. KAHN: Thank you.

CHAIRWOMAN WALLNER: Further questions? Seeing none. We have a motion.

REP. WEYLER: And a second.

CHAIRWOMAN WALLNER: And a second. Pass the item, all in favor? Any opposed? Item passes. Thank you for coming up, Commissioner.

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

CHAIRWOMAN WALLNER: Item 243. This is an item from the Veterans Home. Any questions?

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

CHAIRWOMAN WALLNER: Representative Ober moves to approve.

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: And Representative Weyler seconds. Any further discussion? All in favor? Any opposed? Item passes.

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

CHAIRWOMAN WALLNER: Moving on now to Item 244. This is Department of Natural and Cultural Resources.

**\*\*** SEN. D'ALLESANDRO: Move to approve.

REP. OBER: Second.

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CHAIRWOMAN WALLNER: Senator D'Allesandro -- Senator D'Allesandro moves to approve. Representative Ober seconds. Yes, Senator Rosenwald.

SEN. ROSENWALD: I have a question of the Department.

CHAIRWOMAN WALLNER: Is there someone from the Department? Thank you.

CHRISTOPHER MARINO, Department of Natural and Cultural Resources: Good morning.

CHAIRWOMAN WALLNER: Good morning. Would you introduce yourself?

MR. MARINO: Sure, My name is Chris Marino. I'm in the Office of Administration for Natural and Cultural Resources.

CHRIS GAMACHE, Chief, Bureau of Trails, Department of Natural and Cultural Resources: I'm Chris Gamache. I'm Chief of Bureau of Trails.

SEN. ROSENWALD: Thank you, Madam Chair. Just wondering why this request was not brought forward at the July Fiscal meeting?

MR. MARINO: Right. So the assessment that needed to be made in terms of the impact that was going to occur throughout the summer relative to the grants, the use of the money be paid for the services and the trails. At that time, there was not a quick enough assessment. The Fiscal response that occurred in July was very early in the month. We were still in the middle of the year-end close. So we needed a little more time to make a full assessment to determine for sure exactly what we needed and how much we were going to need. So we just -- that delay due to the needs of closing the year and determining where we stood by the end of July was the only reason that it was delayed.

SEN. ROSENWALD: Thank you.

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CHAIRWOMAN WALLNER: Any further questions? Thank you for coming up.

MR. MARINO: Thank you.

CHAIRWOMAN WALLNER: Do we have a motion?

REP. WEYLER: We have a motion and a second.

CHAIRWOMAN WALLNER: We have a motion and a second. All in favor of 244? Opposed? Seeing none, the item passes.

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

CHAIRWOMAN WALLNER: Move on to Department of Education item, Item 245.

**\*\*** SEN. D'ALLESANDRO: I move approval.

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: Senator D'Allesandro moves to approve, Representative Weyler seconds.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: And, Representative Ober, do you have a question?

REP. OBER: Yes, could Commissioner Edelblut just explain to us how this works? The explanation was clear, but how this funding flows a little mystery.

MR. EDELBLUT: Well, so this is a federal grant that would also have that October 1<sup>st</sup> to September 30<sup>th</sup> grant period. A lot -- there's timing for a lot of this funding in the request for payment. It's a reimbursement grant as well. The schools tend to submit a whole bunch of invoices over the summer. So 3/12<sup>th</sup>'s doesn't really -- it's not a smooth transition. So if we

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get 3/12<sup>th</sup>'s of our budget you get more than that over the summer period and into September in terms of grant reimbursements. As well on this one a portion of that \$5 million is related to the -- kind of the unlocked special-education funding that we're able to reach an agreement with the U.S. Ed. And so that -- we, you know, during the period of July we were calculating all these grants and then making those available to the school. This allows them to begin to access that additional funding as well. And it's likely, depending on what happens, that we may be back in October to, you know, continue to extend this. But this amount will extend us, we believe, through the end of September.

REP. OBER: Follow-up?

CHAIRWOMAN WALLNER: Yes.

REP. OBER: Just out of curiosity, how much extra money did we get in total?

MR. EDELBLUT: \$10.3 million.

REP. OBER: Thank you, Commissioner. Thank you, Madam Chair.

CHAIRWOMAN WALLNER: Yes, Senator D'Allesandro has a question.

SEN. D'ALLESANDRO: Thank you, Madam Chair. Commissioner, I read an article about schools not spending the special-education money and losing it. What causes that situation to exist? I would have thought you gave the money to the schools based on their usage and you were sort of reimbursing them.

MR. EDELBLUT: So the money is allocated to the schools on a formula basis, not based on what they use. We give them a grant formula that the Feds give us. They then file a plan with the Department through the grant management system to access that. They have a 27-month period to be able to access those -- access those funds. Some Districts use every single penny and there are other Districts, for example, that don't access all that money.

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Just as an example, this week we had a district who filed so they closed -- that 27-month grant period will close out on September 30<sup>th</sup>. We had one district that wanted to file a final report. They had not accessed all their grant funding. We went back to them. We said are sure you want to close this out? You don't have anything else you can do? Because they could continue to access it until September 30<sup>th</sup>. But they just filed their final report and they were done with it, so.

SEN. D'ALLESANDRO: So it's a question they don't identify -- they don't identify students within the district and as a result the allocation comes back to you.

MR. EDELBLUT: So they have identified the students, but it may be, you know, that they haven't identified services that they can offer or they somehow don't access those. So it could be that a district says I'm going to provide this type of a service and they file their plan to do that service and for whatever reason they don't execute that. Maybe the student moves out of the community or they have something else happen. And they have the opportunity to amend their plan. But if they don't amend the plan, then the plan just stays there and they don't access. They're able to, but they haven't accessed it.

SEN. D'ALLESANDRO: Thank you.

CHAIRWOMAN WALLNER: Thank you.

MR. EDELBLUT: Thanks.

CHAIRWOMAN WALLNER: Further questions of the Commissioner?

SEN. KAHN: Madam Chair.

CHAIRWOMAN WALLNER: Yes, Senator Kahn.

SEN. KAHN: Thank you, Madam Chairman. And, Commissioner, just for clarification, that \$10.3 million was accumulated over what period of time?

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MR. EDELBLUT: It's been about at least ten years, about a million dollars a year.

CHAIRWOMAN WALLNER: We have a motion to pass the item. Yes, Senator Kahn.

SEN. KAHN: If I can just follow-up on that million dollars a year.

CHAIRWOMAN WALLNER: Yes, go ahead.

SEN. KAHN: That -- the total amount that the State receives on an annual basis is what?

MR. EDELBLUT: About \$44 million.

SEN. KAHN: That, I think, gives the context.

CHAIRWOMAN WALLNER: Thank you for that. I think that was helpful. Further questions? Seeing none. We do have a motion and a second. All in favor? Any opposed? Item passes.

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

CHAIRWOMAN WALLNER: Now we'll move on to the last item in this area is Item 249, Judicial Council. Any questions?

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

REP. WEYLER: Second.

CHAIRWOMAN WALLNER: Representative Ober moves to approve. Representative Weyler seconds. All in favor? Any opposed?

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

**(14) Chapter 145, Laws of 2019, (Continuing Resolution)  
And RSA 14:30-a, VI Fiscal Committee Approval**

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**Required for Acceptance and Expenditure of Funds Over  
\$100,000 from any Non-State Source:**

CHAIRWOMAN WALLNER: Now we are back to Health and Human Services again. This is Tab 4 -- 14, I'm sorry.

REP. LEISHMAN: I have some questions.

CHAIRWOMAN WALLNER: And I think there are a number of questions around this one. And the first question is from Representative Leishman.

REP. LEISHMAN: Thank you, Madam Chair. So as I read your letter, it would appear that the General Fund amount that you're requesting is coming from lapsed funds?

MR. MEYERS: It's coming from funds that would have lapsed had House Bill 2 taken effect. It was language in House Bill 2 that would have allowed that to come into this biennium. But because that was not enacted, that -- we're not able to do it without this approval.

REP. LEISHMAN: Further question?

CHAIRWOMAN WALLNER: Yes.

REP. LEISHMAN: And you're looking for the entire lapsed amount. I'm just speculating --

MR. MEYERS: Yes, yes.

MS. ROUNDS: That was the request that we came forward with at the last meeting. However, it was approved pro rata. And the way that we heard that is that it's the amount you need is the pro rata amount. So we -- this request is to continue the pro rata approval. So it's not really requesting the total 15 million. It's requesting an amount of that that we need to get through the month of September.

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MR. MEYERS: Right.

CHAIRWOMAN WALLNER: Yes, Representative Weyler.

REP. WEYLER: Normally, in the budget you're expected to lapse a certain percent. Is this is over and above what your anticipated assigned lapse was because, quite often, you don't meet your assigned lapse?

MR. MEYERS: We lapsed quite a bit of money this last year. So the requirement is approximately 23.3 million. And I --

MS. ROUNDS: Including this, it was north of -- where's -- was it north of 80 or 90 million?

MAC ZELLEM, Budget Director, Office of the Governor: I believe was 82 million.

MR. MEYERS: Yes, we lapsed \$82 million this year.

REP. WEYLER: So you lapsed -- follow-up -- so you lapsed what you were assigned to lapse and this is over and above that lapse?

MR. MEYERS: Correct, correct.

REP. WEYLER: Thank you very much.

CHAIRWOMAN WALLNER: Further questions about this item?  
Yes.

SEN. ROSENWALD: Thank you.

CHAIRWOMAN WALLNER: Representative Rosenwald.

SEN. ROSENWALD: I guess our other option is that we don't give you back the lapse and we budget for it during the budget process as it's ongoing. So I guess it's a question of control.

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But my question is, and it's really the same question I had last month.

MR. MEYERS: Yep.

SEN. ROSENWALD: Why does the Department not consider the E.R. boarding crisis an emergency worth addressing? And why, also, now that the Title X Gag Rule has gone into effect, why is the Department not asking for an appropriation to backfill family planning funds so that 16,000 women in New Hampshire can get health care?

MR. MEYERS: Those are, obviously, important situations, both with respect to psychiatric boarding and with respect to women's health care in New Hampshire. I think this point in time the Department has chosen not to bring requests for emergency appropriations in the hope that this budget impasse will be resolved in the coming weeks. And to the extent that it goes on further, we may reassess our position. But as of now, we're not bringing those requests. That's not -- that's no reflection on the importance of these issues and other issues, other new programs or services or funding that's in the budget. That's the decision that we have made.

SEN. ROSENWALD: Well, thank you; but I guess I would think it is a reflection. Thank you, Madam Chair.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: Commissioner, we do have options in New Hampshire, don't we, for women to get health care above and beyond Planned Parenthood?

MR. MEYERS: Yes. There are a number of providers, yes.

REP. OBER: So there are some providers. So that's one of the reasons that that hasn't risen to the top.

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MR. MEYERS: There aren't many providers and I don't know the exact number off the top of my head. But I think there's a number of providers who were taking Title X funds beyond Planned Parenthood who are not agreeable to conform to the Title X regulation, and they have declined the acceptance of Title X funds. And we are in the process, actually, of amending our contracts with those providers so they can be updated and submit it to the Governor and Executive Council.

REP. OBER: Thank you.

MR. MEYERS: Yeah.

CHAIRWOMAN WALLNER: Further questions? Representative Leishman.

REP. LEISHMAN: Thanks, Madam Chair, and thanks for taking my additional question.

MR. MEYERS: Of course.

REP. LEISHMAN: So in your letter, Commissioner, and I want to use the word you just said now, reassess the position of the Department if a budget isn't approved on at some point. But in your letter it says allowing Area Agencies to hire staff, contract for annual service plan, and keeping people fully funded for a year of long-term support and services. In any of these contracts that you're putting out, are you making people aware that you may have to reassess?

MR. MEYERS: Yes.

REP. LEISHMAN: You are.

MR. MEYERS: Yes. This language is standard language in every contract. It's subject to legislative appropriation. It's subject to the monies that are made available to the Department.

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I can't obligate the Department beyond what the Legislature authorized us to do.

REP. LEISHMAN: But a reassessment like in three months, perhaps, rather than a year?

MR. MEYERS: Oh, that reassessment language. I don't believe there's any specific language to that point. Sorry, I misunderstood your question.

REP. LEISHMAN: Thank you.

CHAIRWOMAN WALLNER: Thank you. Further questions. Seeing none.

\*\* REP. WEYLER: Move to approve Item 263.

REP. FORD: Second.

SEN. D'ALLESANDRO: Second.

CHAIRWOMAN WALLNER: Representative Weyler moves to approve and Senator D'Allesandro seconds.

REP. OBER: Madam Chairman.

CHAIRWOMAN WALLNER: Yes.

REP. OBER: Could we amend that motion so that it is pro rata for September, because that's what we did in August. So that we are sure we are fully funded September and then we'll move forward.

MR. KANE: Yes, so the Department did include that pro rata statement this time around. You can see that on the third to last line.

REP. OBER: So, Mike, we don't have to restate it?

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MR. KANE: You don't. If you accept that motion it would be only on a pro rata basis for September.

REP. OBER: Okay.

MR. MEYERS: Yeah.

CHAIRWOMAN WALLNER: So we don't need to do any amendment to do that.

MR. KANE: Right.

CHAIRWOMAN WALLNER: This is a pro rata.

MR. MEYER: Yes, it is. Yeah.

CHAIRWOMAN WALLNER: Thank you. Thank you, Commissioner.

MR. MEYERS: Yeah.

CHAIRWOMAN WALLNER: We have a motion to pass the item. All in favor? Any opposed? None opposed. The item passes. Thank you.

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

**(15) Miscellaneous:**

**(16) Informational Materials:**

CHAIRWOMAN WALLNER: We do have now if anyone would like to take anything off the informational. We had the Commissioner's late item which we've been using. Any other pieces off the -- okay.

**(17) Date of Next Meeting and Adjournment**

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CHAIRWOMAN WALLNER: And I would like to suggest Thursday, September 26<sup>th</sup>, for our next Fiscal meeting. Does everyone have that available?

REP. OBER: Why are we not meeting on Fridays?

CHAIRWOMAN WALLNER: Well, we didn't meet on Friday this time because it was right up on Labor Day. But if Friday is a better day for people, I'm fine. Does Friday work better, the 27<sup>th</sup>?

REP. OBER: I actually don't know because last time I knew we were going to have to move it so I checked my calendar, but I had to move my dental appointment. So I'm saying to myself do I have something scheduled for the 26<sup>th</sup> or not? I have no idea.

CHAIRWOMAN WALLNER: Would people prefer to do it Friday? Okay. So let's do Friday the 27<sup>th</sup>.

REP. OBER: Is that the fourth Friday?

CHAIRWOMAN WALLNER: Yes.

REP. OBER: That's Hillsborough County Executive Meeting. That's why we have been meeting on third or second Fridays.

CHAIRWOMAN WALLNER: So we have a conflict.

REP. OBER: I can --I moved an appointment this time for Thursday the 26<sup>th</sup>.

CHAIRWOMAN WALLNER: I think we need to meet at the end of the month, the end of September. We need to be sure that we can get -- have every -- all the items. I don't want to do a special meeting.

REP. OBER: Let's meet on the 26<sup>th</sup>.

CHAIRWOMAN WALLNER: Okay.

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SEN. ROSENWALD: So when?

REP. OBER: Thursday, September 26<sup>th</sup>.

CHAIRWOMAN WALLNER: I was just passed a note. This room is already taken for the 27<sup>th</sup> so we would have really big conflicts.

REP. OBER: We don't want that either because we don't want to stand in the hall.

CHAIRWOMAN WALLNER: So let's say Thursday, September 26<sup>th</sup>, and hopefully after September we'll be able to get back to a more regular schedule, and we probably will move back to a Friday, because once we get in session it will be hard for people to be here if we do it on Tuesday, Wednesday or Thursday. Okay. Any other business to come before the Fiscal Committee? Seeing none, Fiscal Committee is adjourned.

(Adjourned at 11:53 a.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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