The State of New Hampshire
Department of Environmental Services

Michael P. Nolin
Commissioner

January 11, 2006

The Honorable Joseph D. Kenney, Chairman
Executive Departments and Administration Committee
New Hampshire Senate
Room 102, Legislative Office Building
Concord, New Hampshire 03301

RE: SB 264, Relative to the Chief Financial Officer of the Department of Environmental Services

Dear Chairman Kenney and Members of the Committee:

Thank you for the opportunity to comment on Senate Bill 264. This purpose of this bill is to modify the statutory position title and duties of an unclassified senior position, the Chief Operations Officer, at the Department of Environmental Services (Department or DES) to conform to the agency's management needs. These changes were requested by the Department.

RSA 21-O:2 was amended to establish the position of Chief Operations Officer in 1991. The position was not filled until 2004, after I recognized a compelling need at DES for additional inhouse budgetary and financial support at the senior management level. My intent in filling the position was to bring into DES a chief financial officer to assist the agency in budgetary matters. It was not my intent, nor do I believe it necessary, to alter the current management structure over the substantive environmental programs that are supervised by the Assistant Commissioner and the Air, Water and Waste Division Directors.

The current incumbent in the Chief Operations Officer position is a Certified Public Accountant. In practice, the real world accountabilities of the position are largely finance and budget related. They include preparing agency budget requests and supervising the grants management and fund accounting staff. In all but name, the position serves as the chief financial officer for the Department.

In addition to financial and accounting responsibilities, however, RSA 21-O:2, III-a currently charges the Chief Operations Officer with oversight over the geology, public information and permitting and laboratory services units in the Commissioner's Office.

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Sections 1 and 3 of Senate Bill 264 would amend RSA 21-O:2, III-a and the unclassified salary statute, RSA 94:1-a, to change the position title from Chief Operations Officer to Chief Financial Officer. Section 2 of the bill would amend RSA 21-O:2. III-a to delete the position's responsibility for the geology and public information functions, which, in practice, report directly to the Assistant Commissioner. It also clarifies that the position is responsible for financial operations. The laboratory unit is funded by testing fees that require ongoing interaction with the accounting unit. It makes good operational sense for the laboratory unit to report to the Department's Chief Financial Officer.

Thank you for considering Senate Bill 264. Passage of the bill will enable the Department of Environmental Services to continue to improve its ability to provide efficient governmental services to the citizens of New Hampshire. Please feel free to contact me at 271-2958 if I can provide any additional information.

Sincerely,

Michael P. Nolin
Commissioner

cc: Robert B. Flanders, Vice Chairman
Committee Members
Senator Robert E. Clegg, Jr.
Senator John Gallus
Senator Lou D'Allesandro
Representative Michael Whalley
Representative John Thomas
Susan Carlson, Chief Operations Officer, DES