

COMMITTEE ON APPROPRIATIONS

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* Strike-everything Amendment
 [E] Emergency Clause
 [P 105] Proposition 105 Clause
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HB 2209 – Chapter 285 – *general appropriations act; 2008-2009

Makes state General Fund and other fund appropriations for FY 2008-09 for the operation of state government and makes various budget revisions, transfers and supplemental appropriations. For complete budget details, refer to the FY 2008-09 Joint Legislative Budget Committee Appropriations Report or the Appropriations Summary Section of this book.

HB 2210 – Chapter 286 – *budget reconciliation; criminal justice

Makes changes related to criminal justice necessary to implement the FY 2008-09 state budget.

Judiciary

- Requires all probationers that use global positioning system (GPS) monitoring devices as a condition of their probation to pay a user fee to offset the cost. The fee must be deposited into the Adult Probation Services Fund.
- Requires the Administrative Office of the Courts (AOC) to periodically charge each local probation fees account an amount established annually by the Supreme Court to cover a proportional share of the cost of GPS monitoring devices.
- Raises various Superior Court and Justice of the Peace fees approximately 44%.
- Allows the Supreme Court to increase various appellate court fees.
- Further distributes monies collected from Justice of the Peace filing fees into the Elected Officials' Retirement Plan Fund and proportionately reduces the deposit of Justice of the Peace filing fees into the County General Fund.
- Continues the time payment fee, which would have otherwise been reduced from \$20 to \$12 beginning January 1, 2010.

Arizona Department of Public Safety

- Allows the Department of Public Safety (DPS) to charge law enforcement agencies for any crime laboratory services performed for that agency.
- Continues to redirect monies distributed from the Criminal Justice Enhancement Fund to the Crime Laboratory Assessment Fund.

Photo Enforcement System

- Requires DPS to enter into a contract or contracts with a private vendor or vendors to establish a state Photo Enforcement System consisting of cameras placed throughout the state (as determined by the Director of DPS) to enforce statutes relating to vehicle traffic and speed. Applies retroactively to July 1, 2008.
- Establishes a civil penalty or fine of \$165 for a citation or notice of violation for state photo enforcement. This fine or notice of violation is not subject to any surcharge except for the 10% surcharge for the Citizens Clean Elections Fund. Applies retroactively to July 1, 2008.
- Stipulates that if a person is found responsible for a civil traffic violation or a notice of violation for state photo enforcement, the Arizona Department of Transportation (ADOT) must not consider the violation for the purpose of determining whether to suspend or revoke the person's driver license. Applies retroactively to July 1, 2008.
- Specifies that a court must not transmit abstracts of records of these violations to ADOT. Applies retroactively to July 1, 2008.

- Establishes the Photo Enforcement Fund (applies retroactively to July 1, 2008) which:
 - Consists of monies received from citations or notices of violation;
 - Is subject to legislative appropriation;
 - Monies are appropriated to DPS for administrative and personnel costs of the state;
 - Monies in the fund in excess of \$250,000 at the end of each calendar quarter must be deposited into the state General Fund (GF).
- Stipulates that DPS must not spend more than \$2,173,000 from the Photo Enforcement Fund for personnel and related expenditures in FY 2008-09.
- Appropriates \$4,056,600 from the Photo Enforcement Fund to AOC in FY 2008-09 for the processing of state photo enforcement citations.
- Appropriates \$20,361,300 from the Photo Enforcement Fund to DPS in FY 2008-09 for contract payments to private vendors for the operation of photo enforcement cameras and the processing of citations.

Public Safety Equipment Fund

- Establishes the Public Safety Equipment Fund (PSE), which consists of monies from DUI, OUI and OAUI assessments.
- Requires the monies in the PSE Fund be distributed as follows:
 - The first \$3 million received each fiscal year as a continuing appropriation to DPS for protective armor, electronic stun devices and other safety equipment. Monies are exempt from lapsing.
 - All other monies each fiscal year must be deposited into the state GF.
- Deposits various DUI, OUI and OAUI assessments in the new Public Safety Equipment Fund rather than the state GF.
- Appropriates \$500,000 from first monies received in the PSE Fund to the Arizona Criminal Justice Commission (ACJC) for distribution to state and local law enforcement and other governmental entities for fire suppression kits for Ford Crown Victoria vehicles to aid in the prevention of fires resulting from rear end collisions.
- Specifies ACJC must distribute monies on a first come, first serve basis with a maximum of \$1,000 per vehicle.
- Requires a person or entity that sells or offers to sell fire suppression kits for use in Ford Crown Victoria vehicles must comply with the testing requirements by an independent laboratory or regulatory agency that certifies manufacturer claims with respect to the purpose and warranty of fitness of the product.
- Requires the Division of Occupational Safety and Health within the Industrial Commission of Arizona to monitor the installation of the fire suppression kits.
- Allows DPS to use the remainder of the \$3 million (after distribution to ACJC) for protective armor, electronic stun devices and other safety equipment.

Miscellaneous

- Establishes a \$45 surcharge for individuals that choose to take defensive driving school. These monies must be deposited in the state GF.

- Renames the Arizona Public Safety Communications Commission as the Arizona Public Safety Communications Advisory Commission (Commission) and moves the Commission from DPS to the Government Information Technology Agency.

HB 2211 – Chapter 287 – *budget reconciliation; education

Makes statutory and session law changes related to the FY 2008-09 budget for K-12 and higher education.

Lottery Capital Construction Funding for Universities

- Removes the 4% cap on expenditures for advertising and promotional services.
- Changes the compensation range for licensed sales agents.
- Requires unspecified revenues from the sale of lottery tickets, online games and instant games to be deposited in the State Lottery Fund (SLF).
- Specifies the Director must annually report on or before August 15 to the Joint Legislative Budget Committee and the Office of Strategic Planning and Budgeting on the criteria used in the performance pay program.
- Removes the minimum percentage of SLF to be deposited in Local Transportation Assistance Fund (LTAF) and replaces it with a minimum dollar amount of \$9,000,000 and clarifies the amount deposited in LTAF must increase each year if revenues increase, not to exceed 10% per year.
- Removes allocation caps on SLF relating to distribution to the State General Fund (GF), Heritage Fund, LTAF and the County Assistance Fund.
- Beginning in FY 2009-10, sets forth specified deposits and appropriations from the SLF.

University Capital Lease-to-Own and Bond Fund (Fund)

- Establishes the Fund consisting of monies provided by ABOR, monies deposited from the SLF and monies appropriated by the Legislature and stipulates that ABOR must administer the Fund and authorizes the State Treasurer to invest and divest monies in the Fund with earnings credited to the Fund.
- Requires ABOR to provide at least 20% of the total annual lease-to-own and bond payments.
- Authorizes ABOR to enter into lease-to-own and bond agreements up to \$1,000,000,000 for building renewal projects and new facilities.
- Prohibits lease-to-own and bond agreements entered into under these provisions from exceeding \$285,000,000 in FY 2008-09 and \$500,000,000 in FY 2009-10.
- Specifies various fund deposit amounts and appropriations from the SLF.
- Exempts ABOR from the rule making requirements for one year after the law is effective.
- Exempts the Commission from the rule making requirements until December 31, 2008.
- Stipulates that of the \$1,000,000,000 authorized for lease-to-own and bond agreements, ABOR must allocate \$470,000,000 to the University of Arizona Phoenix Bio-Medical campus.

- Exempts debt service paid from the Fund from being included in the debt service calculation for the state universities.
- Requires each state university to separately report in its capital improvement plan what the debt calculation would be with or without the debt service related to the Fund.

Arizona Commission for Postsecondary Education

- Conforms Arizona statute to federal law regarding the duties and responsibilities of the Arizona Commission for Postsecondary Education (ACPE).
- Clarifies that under the Private Postsecondary Education Student Financial Assistance Program (PFAP) a student is entitled to \$2,000 annually not to exceed 2 years or \$4,000.
- Allows the ACPE to provide extensions for the requirement of obtaining a baccalaureate degree within three years for the PFAP and five years for the Private Postsecondary Education Grant Program (PEG) for good cause shown on receipt of supporting documentation from the student.
- Provides that a student who has a baccalaureate degree from any postsecondary institution is not eligible for PEG.
- Changes the eligibility requirement for PEG to require a student to be either a current Arizona resident who has been an Arizona resident at least the past 12 months or a member of the U.S. Military stationed in Arizona, or their spouse or dependent.
- Requires an eligible student to apply for and receive monies from the PFAP fund before the student is eligible to apply for a grant from the PEG fund.
- Continues the ACPE until July 1, 2010.

Community Colleges

- Suspends capital outlay funding for FY 2008-09.
- Specifies for FY 2008-09, notwithstanding the operating state aid formula, the appropriation for operating state aid must be provided in the General Appropriations Act.
- States that for FY 2008-09, notwithstanding the community colleges' equalization aid formula, the appropriation for equalization aid must be provided in the General Appropriations Act.

Universities

- Suspends for FY 2008-09, the requirement that the state provide a 2:1 ratio of state funding for student fees deposited into the Arizona Financial Aid Trust.

School Facilities Board (SFB) Continuation

- Continues the SFB through July 1, 2018 and specifies procedures for the termination of the SFB and the repeal of corresponding statutes.

Full-day Kindergarten

- Requires the SFB to count kindergarten students as full-time students for the purpose of determining minimum school facility adequacy requirements used to calculate new construction needs and eliminates the requirement for school districts to provide any necessary capital monies needed to implement voluntary full-day kindergarten.

SFB New School Facilities Construction Moratorium

- Prohibits the SFB from authorizing or awarding funding for the design or construction of any new school facility or for school site acquisitions for FY 2008-09, unless the school district qualifies for new space in FY 2008-09 as a result of implementing full-day kindergarten.
- Requires school districts to submit capital plans during FY 2008-09 and allows the SFB to review and award new school facilities, subject to future appropriations.

SFB Building Renewal Grants

- Suspends the Building Renewal Fund for FY 2008-09.
- Establishes the Building Renewal Grant Fund (Grant Fund) to be administered by the SFB for the purpose of maintaining the adequacy of existing school facilities. Monies in the Grant Fund are appropriated by the Legislature and are exempt from lapsing.
- Directs the SFB to distribute monies in the Grant Fund based on requests from school districts. Priority must be given to school districts that have provided routine preventative maintenance on the facility, are able to match the grant monies provided, and have a project that can be completed within 12 months unless similar projects take longer to complete.
- Allows monies granted to a school district to be used for: 1) major renovations and repairs to a building, 2) upgrading systems and areas that will maintain or extend the useful life of a building, or 3) infrastructure costs.

SFB Lease-to-own Transactions

- Permits the SFB to enter into lease-to-own transactions for up to \$593,000,000 in FY 2008-09 and limits the maturity term of the lease-to-own transactions to no more than 15 years from the respective dates of the transaction. \$8,000,000 must be used for full-day kindergarten capital costs and \$12,000,000 for SFB loan agreements.
- Appropriates \$117,000,000 to the SFB from the GF to be used for new construction projects due to an insufficient cash balance before lease-to-own proceeds are received. The appropriation must be repaid from lease-to-own proceeds by the end of FY 2008-09.

SFB Loan Agreement for Corona Del Sol High School

- Allows the SFB to enter into a loan agreement up to \$12,000,000 with Tempe Union High School District (TUHSD) to fund facilities costs. TUHSD must have sufficient Class B bonding capacity to cover the entire loan amount provided by the SFB.
- Outlines the requirements of the loan agreement, including a statement of the loan purpose, list of capital improvements, total amount of the loan, repayment schedule, and conditions under which the SFB is authorized to loan monies to TUHSD.
- Directs TUHSD to request the County School Superintendent call an election within 12 months of the date of the loan agreement to authorize the issuance of Class B bonds to cover the amount of the loan. If the voters of TUHSD authorize the Class B bonds, TUHSD must issue the bonds within three months of the election and expend the bond proceeds to repay the SFB loan. If the voters do not approve the Class B bonds, TUHSD must repay the SFB with building renewal monies or unrestricted capital outlay monies based on the loan agreement's repayment schedule, or if bonds are authorized in a subsequent election, the bond proceeds must be used to repay the remaining loan amount.

K-12 Rollover

- Until July 1, 2009, defers \$602,627,700 in basic state aid and additional state aid payments that would otherwise be apportioned to school districts on May 15, 2009 and June 15, 2009.

- Appropriates \$602,627,700 in FY 2009-10 from the GF to the State Board of Education (SBE) and the Superintendent of Public Instruction (SPI) for basic state aid and additional state aid entitlement for FY 2009-10 for the disbursement to counties in amounts equal to the FY 2008-09 funding deferral.
- Appropriates \$886,200 in FY 2009-10 from the GF to SBE and SPI for costs to school districts associated with the FY 2008-09 funding deferral.
- Allows the governing boards of school districts that incur interest expenses in FY 2008-09 or expect to incur interest expenses in FY 2009-10 to budget an estimated amount for those expenses, which are specifically exempt from the revenue control limit in FY 2009-10.
- Requires school districts to include the monies they will receive on July 1, 2009 for the costs associated with the FY 2008-09 funding deferral in their FY 2008-09 revenue estimates for the purpose of computing their tax rates for FY 2008-09.

Formula Funding for Basic State Aid

- Increases the charter school equalization assistance, base level (per-pupil funding), and transportation support level per route mile formula for FY 2008-09 by 2%.
- Stipulates the qualifying tax rate (QTR) for a high school district or a common school district within a high school district that does not offer instruction in high school subjects at \$1.4622.
- Stipulates the QTR for a unified school district, a common school district not within a high school district, or a common school district within a high school district that offers instruction in high school subjects at \$2.9244.

Teacher Performance Pay

- Asserts that for each year the Legislature appropriates sufficient monies for Teacher Performance Pay (TPP) into the Classroom Site Fund, the amount appropriated is equal to the product of the base level stipulated by statute multiplied by the prior year weighted student count multiplied by the following percentages:
 - Stage one is equal to 1%.
 - Stage two is equal to 2%.
 - Stage three is equal to 3%.
 - Stage four is equal to 4%.
 - Stage five is equal to 5%.
 - Stage six is equal to 5.5% percent by June 30, 2018.
- Allows school districts that currently have Career Ladder or Option Performance Incentive Programs (OPIPs) to continue participating in those programs or choose to receive additional TPP. If the school district chooses to switch to TPP, reduces the funding for school districts that currently receive funding for Career Ladder or OPIPs by the amount appropriated for TPP in each stage.

Utilities

- Allows a school district to budget for actual utilities costs by adjusting its revenue control limit (RCL) by the following amounts:
 - For FY 2009-10, 90% of the difference between the average total utility costs for the two previous fiscal years (FY 2006-07 and FY 2007-08) and the amount expended for utilities as reported in the Maintenance and Operations (M&O) section of the district's budget for the previous fiscal year (FY 2007-08).

- For FY 2010-11, 90% of the difference between the average total utility costs for the two previous fiscal years (FY 2007-08 and FY 2008-09) and the amount expended for utilities as reported in the M&O section of the district's budget for the previous fiscal year (FY 2008-09).
 - For FY 2011-12 through FY 2020-21, 90% of the difference between the average total utility costs for the two previous fiscal years and the difference calculated for FY 2010-11, adjusted by the total percentage increase in the RCL between FY 2008-09 and the actual fiscal year.
- Prohibits the increase in the RCL due to adjustments for utilities from being included in the calculation of the maximum override amounts for budget override elections.

Arizona Assessment of Achievements Test Task Force (Task Force)

- Establishes the 7-member Task Force appointed by SBE and directs the Task Force to:
 - Examine the experience and outcomes of other states that have adopted tests required for high school graduation and that incorporate a national college admission and placement examination.
 - Develop methodologies, models and other recommendations for the initial Arizona Assessment of Achievements test (Test).
 - Examine if the Test should be a high-stakes test pupils must pass to graduate high school.
 - Submit a written report of the Task Force's findings and recommendations by June 30, 2009 to SBE, the Governor, and the Legislature.
- Requires Legislative Council to prepare proposed legislation conforming Arizona statutes to the recommendations of the Task Force on the Test for consideration by the 49th Legislature, 2nd Regular Session.
- Prohibits the SBE from entering into contracts longer than a one year period after June 30, 2008 with a publisher of standardized tests for services provided in connection with the design, modification, administration, scoring or evaluation of the Arizona Instrument to Measure Standards test.

Miscellaneous

- Suspends Rapid Decline funding for FY 2008-09.
- Directs ADE, in FY 2008-09, to fund Joint Technological Education Districts (JTEDs) at 91% of the amount of state aid that would otherwise be provided by law.
- Prohibits ADE from correcting state aid for the Technology Assisted Project Based Instruction (TAPBI) Program for FY 2007-08 or prior fiscal years to address issues pertaining to concurrent enrollment identified by the Auditor General (OAG) in the 2007 TAPBI performance audit.
- Permits ADE and the OAG to conduct average daily membership (ADM) audits of school districts and charter schools.
- Caps school district FY 2008-09 desegregation budgets at the FY 2007-08 levels plus the growth in ADM and a 2% inflation adjustment.
- Repeals the non-lapsing \$3,000,000 appropriation to the E-Learning Pilot Program in FY 2006-07 and reverts any unexpended monies to the GF.

HB 2275 – Chapter 288 – *budget reconciliation; health

Includes provisions related to the state budget for health. Affected state agencies include the Arizona Health Care Cost Containment System (AHCCCS), the Department of Health Services (DHS), and the Department of Administration (DOA).

- Establishes a licensure and regulatory framework for behavior analysts under the Board of Psychologist Examiners, including the authority to establish fees and take disciplinary action against licensees.
- Continues the Arizona Pioneers' Home for 10 years, retroactive to July 1, 2008.
- Deposits monies from the Medically Needy Account to establish a fund balance of \$500,000 in the Health Crisis Fund on July 1, 2008.

Arizona Health Care Cost Containment System (AHCCCS)

- Suspends the Temporary Medical Coverage Program for fiscal year (FY) 2008-09.
- Freezes AHCCCS reimbursement rates in effect on September 30, 2008 through the contract year ending September 30, 2009, except AHCCCS shall be required to continue the phase-in of outlier cost-to-charge ratios.
- Requires AHCCCS to determine the continued eligibility of any adult without dependent children every six months if that adult is at least 21 years of age, eligible pursuant to Proposition 204 of 2000, and not otherwise eligible as a mandatory or optionally eligible member by federal law.
- Eliminates language authorizing AHCCCS to contract directly with health care providers in the absence of a willing contractor.
- Allows AHCCCS to continue to contract directly with health care providers in counties with populations of less than 500,000 persons.
- Limits eligibility to those employers with between two and 50 employees.
- Reduces the go-bare period to 90 days.
- Prohibits contractors from reimbursing a noncontracted hospital for services provided to a member, except those provided for an emergency medical condition.
- Allows contractors to use default reimbursement rates for noncontracted hospitals as follows:
 - In counties with populations of more than 500,000 persons, the default rates shall be 114% of the AHCCCS rates.
 - In counties with populations of less than 500,000 persons, the default rates shall be 125% of the AHCCCS rates.
- Requires noncontracting hospitals treating members on an emergency basis to notify contractors when their members are stabilized.
- Requires AHCCCS to increase or decrease premiums based on an independent actuarial review.
- Prohibits AHCCCS from capping the amount of a change in premiums.

- Stipulates that for each contract period, AHCCCS must set premiums that in the aggregate cover projected medical and administrative costs for that contract period.
- Requires premiums be determined by an independent actuary based on generally accepted actuarial principles and practices.
- Directs AHCCCS to consider age, sex, health status-related factors, group size, geographic area, and community rating when establishing premiums.
- Prohibits a health benefit plan from providing or offering any service, benefit, or coverage that is not a part of the health benefit plan contract.
- Requires AHCCCS submit the following to the Joint Legislative Budget Committee (JLBC): quarterly reports regarding the financial condition of HCG, including the number of persons and employer groups enrolled and medical loss information, including projections; annual fiscal audit; and the analysis used to determine premiums.
- Requires HCG to limit employer group enrollment to not more than 5% more than the number of employer groups enrolled at the end of the prior fiscal year beginning July 1, 2009, and stipulates uninsured groups must be given enrollment priority.
- Directs AHCCCS to establish utilization management control standards for plans participating in HCG that meet nationally recognized standards for managed care utilization, and stipulates contractors that do not meet the standards are not eligible for stop-loss coverage.
- Grandfathers *groups of one* already enrolled in HCG before the 2008 general effective date, if they continue to meet all applicable requirements.
- Stipulates HCG must limit employer group enrollment to not more than 5% more than the number of employer groups enrolled as of July 31, 2008 between August 1, 2008 and June 30, 2009, and requires uninsured groups be given enrollment priority.
- Allows parents of children enrolled in AHCCCS or SCHIP to apply for eligibility in SCHIP for parents (KidsCare Parents) if their income does not exceed 200% of the federal poverty level.
- Stipulates eligibility for and continuation of KidsCare Parents is dependent on the continuation of an enhanced federal matching rate for state monies, and KidsCare Parents will end on expiration of the enhanced federal matching rate.
- Creates guidelines for AHCCCS to adopt rules for tiered monthly premiums as follows:
 - For households with incomes between 100-150% of the federal poverty guidelines, the premium is equal to 3% of net household income.
 - For households with incomes between 150-175% of the federal poverty guidelines, the premium is equal to 4% of net household income.
 - For households with incomes between 175-200% of the federal poverty guidelines, the premium is equal to 5% of net household income.
- Clarifies premiums paid for KidsCare Parents apply to the entire household unit regardless of the number of parents or children participating.

- Specifies Disproportionate Share Hospital (DSH) payments for FY 2008-09 include \$89,877,700 for a qualifying nonstate operated public hospital, \$28,614,300 for the Arizona State Hospital (ASH), and \$26,147,700 for private qualifying DSHs.
- Stipulates the Maricopa County Special Health Care District (MIHS) and ASH shall provide certified public expense forms for the amount of qualifying DSH expenditures made on behalf of the state to the AHCCCS by June 1, 2009 and March 31, 2009 respectively.
- Indicates how the funds MIHS qualifies for shall be distributed depending on the accuracy of the certification as follows:
 - If the certification is accurate, \$4,202,300 to MIHS and the remainder in the GF.
 - If the certification is for an amount less than \$89,877,700, and is found by the AHCCCS to be inaccurate, then all funds are to be deposited in the GF.
- States that all DSH funds ASH qualifies for are to be deposited in the GF.
- Specifies the amounts the counties shall contribute for the provision of hospitalization and medical care for FY 2008-09 totaling \$49,583,000.
- Specifies amounts the counties shall contribute for the provision of long-term care for FY 2008-09 totaling \$257,987,800.
- Requires counties with two million or more persons to transfer \$24,168,400 to AHCCCS for deposit in the Budget Neutrality Compliance Fund (BNCF) in FY 2008-09.
- Requires counties between 800,000 and two million persons to transfer \$3,794,400 to AHCCCS for deposit in BNCF in FY 2008-09.
- Directs AHCCCS not to transfer \$17,830,500 to counties for refunds of long-term care costs for FYs 2006-07 and 2007-08 and instead deposit the funds in BNCF.
- Requires the State Treasurer to withhold transaction privilege tax revenues in specified amounts from each county other than Maricopa, totaling \$2,646,200, for the provision of hospitalization and medical care services, and excludes these withholdings from county expenditure limitations retroactive to June 30, 2004.

Department of Health Services (DHS)

- Requires counties with a population of 800,000 or more persons and all cities to reimburse DHS for 86% of the costs the state incurred for defendants' inpatient competency restoration treatment.

Arizona Department of Administration (ADOA)

- Stipulates ADOA shall not implement a differentiated health insurance premium based on the integrated or nonintegrated status of a health insurance provider available through State Employee Health Insurance Program beginning October 1, 2008.

Office of the Auditor General (OAG)

- Directs the OAG to conduct a financial and performance audit of MIHS, and outlines audit requirements. The OAG must submit a report to the Governor and the Legislature by March 15, 2009.

HB 2278 – Chapter 289 – *capital outlay; fiscal year 2008-2009

Makes appropriations for maintenance and repair of state buildings and capital projects and makes revisions to previously approved capital projects.

Building Renewal

- Appropriates amounts for major maintenance and repair activities for state buildings in FY 2008-09:
 - **Department of Administration (ADOA)**
 - \$6,100,000 from the Capital Outlay Stabilization Fund (COSF)
 - **Department of Transportation (ADOT)**
 - \$4,052,000 from the State Highway Fund
 - \$156,900 from the State Aviation Fund
 - **Arizona Exposition and State Fair Board**
 - \$1,794,300 from Arizona Exposition and State Fair Fund
 - **Game and Fish Department**
 - \$531,000 from the Game and Fish Fund
 - **Arizona Lottery Commission**
 - \$68,000 from the State Lottery Fund

Capital Projects

Department	Project	Fund Sources	Amount
Arizona Department of Administration	Capitol Mall fire systems replacement	COSF	491,000
Total ADOA			\$491,000
Game and Fish Department	Boat Shade Canopies	Watercraft Licensing Fund	120,000
	Boat Registration Kiosks	Watercraft Licensing Fund	240,000
	Shooting Range Access Improvements	Game & Fish Capital Improvement Fund	150,000
	Statewide Preventative Maintenance	Game & Fish Fund	30,000
	Headquarters Construction	Watercraft Licensing Fund	80,000
	Yuma Office Remodel	Game & Fish Capital Improvement Fund	954,000
	Mesa Office Paving Project	Game & Fish Capital Improvement Fund	250,000
Total (G & F)			\$1,854,000
Arizona Department of Transportation	State Highway Construction	State Highway Fund	305,582,000
	Airport Planning and Development	State Aviation Fund	31,200,000
	Far Southeast Valley Maintenance Yard	State Highway Fund	2,350,000
	De-icer Buildings	State Highway Fund	1,825,000
	Oil and Asphalt Storage Tanks	State Highway Fund	1,389,000
	Vehicle Wash Systems	State Highway Fund	2,075,000
Total (ADOT)			\$344,421,000

- Eliminates the appropriation of \$2,207,000 in FY 2008-09 from the state General Fund to ADOA for renovation of the old health laboratory.
- Authorizes the Director of ADOA to enter into a lease-purchase agreement not to exceed \$7,500,000 for the design and construction of a State Emergency Operations Center to be operated by the Department of Emergency and Military Affairs. Mandates the first debt service payment not be made until FY 2010-11.
- Appropriates \$600,000 from the Safety Enforcement and Transportation Infrastructure Fund in FY 2008-09 to ADOT to enter into agreements and provide funding to the Arizona-Mexico Commission, the Department of Homeland Security and the Arizona International Development Authority to improve traffic safety, border security and infrastructure planning.

General Provisions

- Requires ADOA to report on the status of project specific FTE positions for capital projects in its annual capital budget request and allows ADOA to allocate FTE positions authorized for specific projects to other projects provided that the funding is cost allocated.
- Stipulates the monies appropriated shall not be used for personal services or employee-related expenditures of state employees, excluding services provided as part of the inmate construction program for correctional facilities.
- Specifies that, unless otherwise specified, the appropriations do not lapse until the purpose for which the appropriation was made has been accomplished or abandoned, or the appropriation stands for a full fiscal year without an expenditure or an encumbrance.

HB 2391 – Chapter 290 – *budget reconciliation; general revenues

Makes changes related to state revenues necessary to implement the FY 2008-09 state budget.

- Establishes a minimum annual distribution of Urban Revenue Sharing funds to incorporated cities and towns to at least equal the amount a city or town with a population of 1,500 or more receives.
- Suspends the Highway User Revenue Fund (HURF) and State Highway Fund statutory spending caps for monies used to fund DPS highway patrol costs.
- Requires the Department of Revenue (DOR) to submit to the Joint Legislative Budget Committee for its review any proposed Business Reengineering/Integrated Tax System contract extensions or modifications that increase the contractor's share of gain-sharing proceeds from state revenues during FY 2008-09. Retroactive from and after June 30, 2008.
- Allows DOR to utilize up to \$1,570,000 of General Fund revenue deposits to pay data center charges after review of an expenditure plan by JLBC.
- Increases, for tax year (TY) 2010, both the corporate and individual income research tax credits from 20 percent to 22 percent of qualified expenses up to \$2.5 million.
- Increases, for TY 2010, both the corporate and individual income research tax credits from \$500,000 plus 11 percent, to \$550,000, plus 13 percent of the excess of \$2.5 million.
- Increases, beginning TY 2011, the corporate and individual income tax credits to 24 percent of qualified expenses up to \$2.5 million.
- Increases, beginning TY 2011, the corporate and individual income tax credits to \$750,000, plus 15 percent of the excess of \$2.5 million.

- Repeals the changes to the research and development tax credits beginning on January 1, 2018, and restores current credit evaluation methodology.

HB 2445 – Chapter 253 – *MVD; authorized third party fees

Modifies the current fees a third party can retain for services provided for the Arizona Department of Transportation (ADOT).

- Requires ADOT to reimburse a third party or third party electronic service provider for services as follows:
 - An amount equal to 2% of each aircraft tax license payment the third party collects and submits or \$4.00 for each registration year or part of registration year, whichever is more.
 - One dollar for each replacement plate or tab.
- Modifies the cap that the third party or electronic third party service provider may retain in electronic filing of fuel tax report fees from the current cap of \$360,000 to \$1.5 million for FY 2008-09 through 2012-13 and \$480,000 for each year thereafter.

HB 2462 – Chapter 291 – *budget reconciliation; budget procedures

Makes various changes related to budget procedures within state government necessary to implement the FY 2008-09 state budget.

Twenty-First Century Competitive Initiative Fund

- Reduces the appropriation from the state General Fund in FY 2008-09 from \$25 million to \$22.5 million for deposit into the 21st Century Competitive Initiative Fund.
- Increases the appropriation from the state General Fund from \$25 million to \$27.5 million in FY 2010-11 for deposit into the 21st Century Competitive Initiative Fund.
- Authorizes non-state cash or auditable cash equivalent governmental investments, in addition to private or philanthropic cash or auditable cash equivalent investments, to be used to meet the match requirement to expend Fund monies.
- Provides matching investments may be in auditable cash equivalent contributions to the nonprofit organization.

Motion Picture Production

- Increases the amount allocated to the Department of Commerce in FY 2008-09 from \$180,000 to \$337,700 for the administration of the Motion Picture Tax Incentive Program and authorizes the expenditure of such monies to raise the number of FTEs from two to six.

Department of Emergency and Military Affairs

- Reduces the aggregate amount of all liabilities incurred during a declaration of emergency by the Executive from \$4 million to \$3.5 million in FY 2008-09.

Government Information and Technology Agency

- Increases the pro rata share of technology costs charged to agencies from .15 percent to .20 percent. Retroactive from and after June 30, 2008.

Arizona State Retirement System

- Extends the lapsing date of the Information Technology Plan for the Arizona State Retirement System from June 30, 2008 to June 30, 2009. Retroactive from and after June 30, 2008.

- Changes the date that member contributions for the Correction Officers' Retirement Plan increases, from 7.96% to 8.41%, to the general effective date.

Secretary of State

- Suspends the requirement that professional employer organizations register with the Secretary of State until July 1, 2010. Retroactive from and after February 29, 2008.

Department of Weights and Measures (DWM)

- Exempts DWM from rule making requirements for the purpose of raising civil penalties for a period of one year from the effective date.
 - Increases, from \$500 to \$1,000, the maximum civil penalty that may be assessed against a person by the DWM for violating any licensing requirement.
 - Increases, from \$5,000 to \$10,000, the aggregate amount of civil penalties that may be assessed by DWM for any 30-day period at any business location.

Other

- Allows county Vehicle License Tax (VLT) monies to be used for any purpose related to transportation as determined by the Board of Supervisors instead of limiting the use of VLT monies to the same use as Highway User Revenue Fund monies.
- Requires unrestricted federal monies received from May 1, 2008 through June 30, 2009 to be deposited in the General Fund for the payment of essential government services. Retroactive from and after April 30, 2008.
- Allows specified agency directors to raise fees in FY 2008-09 for services provided. Intends fees not to exceed certain amounts. Exempts the agencies from rule making requirements for a period of one year from the effective date.
- Requires any non-lapsing monies appropriated from the state General Fund that remain unexpended and unencumbered at the close of FY 2008-09 to be counted as part of the closing balance.
- Enables a county to meet any statutory funding requirements relating to fees for providing services from any source of county revenue designated by the county, including funds of any countywide special taxing district in which the board of supervisors serves as the board of directors.

HB 2620 – Chapter 53 – *budget adjustments; fiscal year 2007-2008

Makes various budget revisions, transfers, reversions, capital spending changes, and supplemental appropriations in order to balance the FY 2007-08 state budget.

Appropriations Reductions

- Reduces state budget units' state General Fund amounts in FY 2007-08 as follows:

FY 2007-08 General Fund Budget Reductions	
Arizona Department of Administration	(\$1,484,800)
Department of Agriculture	(600,000)
Office of Administrative Hearings	(4,500)
Commission on the Arts	(100,000)
Attorney General	(500,000)
Biomedical Research Commission	(1,000,000)
State Capitol Postconviction Defender Office	(15,000)

Department of Commerce	(1,850,000)
Corporation Commission	(175,000)
Department of Corrections	(19,416,900)
Arizona Criminal Justice Commission	(1,000,000)
Department of Economic Security	(12,550,000)
Arizona Department of Education	(50,050,000)
Department of Environmental Quality	(600,000)
Governor's Office of Equal Opportunity	(13,000)
State Board of Equalization	(14,000)
Board of Executive Clemency	(60,000)
Department of Financial Institutions	(200,000)
Department of Fire, Building and Life Safety	(300,000)
Arizona Geological Survey	(60,000)
Government Information Technology Agency	(600,000)
Office of the Governor	(225,000)
Governor's Office of Strategic Planning and Budgeting (OSP)	(69,400)
Department of Health Services	(4,907,300)
Arizona Historical Society	(80,000)
Prescott Historical Society	(15,000)
Arizona Commission of Indian Affairs	(5,000)
Department of Insurance	(435,500)
Judiciary – Supreme Court	(447,800)
Judiciary – Court of Appeals	(45,000)
Judiciary – Superior Court	(653,500)
Department of Juvenile Corrections	(1,054,200)
State Land Department	(1,200,000)
Law Enforcement Merit System Council	(2,000)
Legislature – Auditor General	(563,700)
Legislature – House of Representatives	(370,000)
Legislature – Joint Legislative Budget Committee	(90,000)
Legislature – Legislative Council	(171,000)
Legislature – Arizona State Library, Archives and Public Records	(233,000)
Legislature – Senate	(256,000)
Department of Liquor Licenses and Control	(150,000)
Department of Mines and Mineral Resources	(25,000)
Arizona State Parks Board	(345,000)
Arizona Pioneers' Home	(63,000)
Department for Postsecondary Education	(3,700,000)
Department of Public Safety	(1,121,100)
Arizona Department of Racing	(150,000)
Radiation Regulatory Agency	(80,000)
State Real Estate Department	(230,800)

Department of Revenue	(2,393,300)
School Facilities Board	(8,000,000)
Secretary of State	(138,000)
State Board of Tax Appeals	(6,300)
Office of Tourism	(1,000,000)
Department of Transportation	(2,000)
State Treasurer	(169,000)
Arizona Board of Regents	(875,000)
Universities – All Campuses	(14,700,000)
Arizona State University – Main Campus	(5,250,000)
University of Arizona – Main Campus	(5,250,000)
Department of Weights and Measures	(100,000)

- Limits the State Board of Education's share of the Department of Education's appropriation reduction to \$500,000.
- Permits the Department of Economic Security to shift existing full-time equivalent positions from other divisions to the division of benefits and medical eligibility.
- Allows the Department of Education to use monies appropriated in fiscal years prior to FY 2007-08 to offset appropriations reductions.
- States that the appropriation reduction made to the Department of Public Safety may not be taken against the appropriations made for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM).
- Prohibits the Department of Health Services (DHS) appropriation limitation to be taken against the appropriation for abstinence funding.
- For the remainder of FY 2007-08, allows DHS to make SLI transfers related to the FY 2007-08 behavioral health supplemental upon approval of Governor's Office of Strategic Planning and Budgeting. Requires DHS to notify JLBC of transfers.

Transfers of Fund Monies

- Transfers funding from state budget units to the General Fund in FY 2007-08 as follows:

FY 2007-08 Fund Transfers	
Accountancy Board Fund	\$2,056,000
Acupuncture Board Fund	100,000
Certificate of Participation Fund	1,266,700
Construction Insurance Fund	4,170,200
Motor Vehicle Pool Revolving Fund	3,237,500
Retiree Accumulated Sick Leave Fund	3,483,900
Department of Administration – Risk Management Revolving Fund	6,614,400
State Employee Suggestion Program Award Fund	63,100
Management Services Division Plan Deposits Fund	44,400
Arizona Grain Research Fund	80,000
Arizona Citrus Research Council Fund	40,000

Seed Law Fund	25,000
Aquaculture Fund	20,000
Arizona Iceberg Lettuce Research Council Fund	41,400
Commodity Promotion Fund	30,000
Pesticide Fund	15,000
Fertilizer Materials Fund	300,000
Children's Health Insurance Program Fund	1,506,200
Board of Appraisal Fund	537,900
Anti-Racketeering Revolving Fund	500,000
Prosecuting Attorney Council Fund	1,000,000
Board of Barbers Fund	400,000
Chiropractic Board Fund	100,000
Job Training Fund	13,000,000
Military Installation Fund	300,000
Registrar of Contractors' Fund	2,066,300
Utility Regulation Revolving Fund	1,680,300
Department of Corrections – Revolving Transition Fund	800,000
Department of Corrections – Transition Office Fund	800,000
Department of Corrections – Transition Program Drug Treatment Fund	1,300,000
Department of Corrections – CJEF Distributions Fund	1,000,000
Board of Cosmetology Fund	3,091,800
Arizona Criminal Justice Commission – DUI Abatement Fund	1,200,000
Arizona Criminal Justice Commission – Victims Compensation Fund	2,000,000
Telecommunication Fund for the Deaf	5,553,600
Dental Board Fund	4,200,000
Spinal and Head Injuries Trust Fund	2,000,000
Arizona Training Program – Phoenix Fund	1,600,000
Department of Economic Security – Mesa Land Fund	400,000
Special Education Fund	15,500,000
Department of Education – Internal Services Fund	525,100
English Learner Class Personnel Bonus Fund	200,000
State Armory Property Fund	100,000
Department of Environmental Quality – Recycling Fund	1,097,100
Clean Air In-Lieu Fee Account and Arizona Clean Air Fund Balance Fund	5,088,700
Underground Storage Tank Revolving Fund	28,419,700
Water Quality Assurance Revolving Fund	3,000,000
Arizona Escrow Guaranty Fund	1,000,000
Funeral Directors & Embalmers Fund	100,000
Game and Fish Watercraft License Fund	4,732,700
Game and Fish Department – Off-Highway Vehicle Recreation Fund	395,000
Game and Fish Fund	2,827,600
Livestock/Breeders Award Fund	2,000,000

Department of Health Services – Intergovernmental Agreements	17,189,900
Emergency Medical Services Operating Fund	6,200,000
Department of Health Services – Indirect Cost Fund	6,100,000
Substance Abuse Treatment Fund	1,500,000
Department of Health Services – Indirect Cost Recovery Fund	10,500
Serious Mental Illness Fund	43,400
Department of Health Services – Internal Services Fund	107,800
Vital Records Electronic Systems Fund	500,000
Hearing and Speech Professionals Fund	400,000
Medical Services Stabilization Fund	138,700
Tobacco Tax and Health Care Fund – Health Education Account	2,000,000
Housing Program Fund	2,775,900
Housing Trust Fund	10,244,000
Housing Development Fund	364,000
Industrial Commission Administrative Fund	3,530,900
Juvenile Delinquent Reduction Fund	1,552,900
Judicial Collection Enhancement Fund	1,500,000
Supreme Court CJEF Disbursement Fund	1,500,000
Arizona Lengthy Trial Fund	1,000,000
Criminal Justice Enhancement Fund	300,000
State Education System for Committed Youth	500,000
Liquor License Special Collections Fund	500,000
State Lottery Fund	5,996,400
Arizona Medical Board Fund	1,350,000
Medical Student Loan Fund	179,000
Naturopathic Physician Examiners Board Fund	1,000,000
Nursing Board Fund	75,000
Osteopathic Board Fund	250,000
Drug Treatment and Education Fund	2,000,000
Off-Highway Vehicle Recreation Fund	1,500,000
State Lake Improvement Fund	4,100,000
Board of Pharmacy Fund	2,500,000
Physical Therapy Board Fund	100,000
Auto-Fingerprint Identification Fund	300,000
DNA Identification System Fund	600,000
Department of Public Safety Licensing Fund	500,000
Highway Patrol Fund	700,000
County Fair Racing Fund	125,000
Breeders Award Fund	150,000
Condominium Recovery Fund	5,000
Real Estate Recovery Fund	225,000
Estate and Unclaimed Property Fund	1,132,800
Liability Set-off Fund	1,000,000

School Improvement Revenue Bond Debt Service Fund	1,000,000
Economic Strength Project Fund	2,000,000
Motor Vehicle Liability Insurance Enforcement Fund	5,400,000
State Aviation Fund	18,100,000
Transportation Department Equipment Fund	3,100,000
Vehicle Inspection and Title Enforcement Fund	1,100,000
Funding Given to Department of Environmental Quality for State Trust Land Settlement	2,025,500
Budget Stabilization Fund	487,000,000

- Limits the transfer from the Game and Fish Fund to monies deposited in the fund pursuant to legal settlements, and prohibits the transfer of monies associated with license fees.

Fund Reversions

- Reverts the unexpended and unencumbered balances of various appropriations to the state General Fund as outlined:

FY 2007-08 Fund Reversions	
Veteran's Nursing Home	\$35,823.73
Environmental Assessment – Phoenix Area	8,849.29
Occupational Safety and Health Review Board	127.67
Department of Economic Security Statewide Building Renewal	20.24
Arizona Office in Sonora	7,782.62
Border Volunteer Corps	34,704.67
Department of Juvenile Corrections Statewide Building Renewal	3,793.72
Department of Commerce – NAFTA CANAMEX Corridor	19,874.45
Department of Commerce – NAFTA Coordination	37,776.78
Governor's Telecommunications Policy Office	504.12
Building Renewal – Mesa Armory	1,325.20
State Hospital Condensate Receiver	4,700.00
Building Renewal – Cholla Facility	11,655.00
Building Renewal – Coolidge Impact Study	4,948.26
Department of Health Services – Building Renewal	30.00
Department of Education – Family Literacy Program	1,373.25
State Board of Nursing – Fingerprinting Costs	90,197.96
Department of Economic Security – Summer Youth Program	32,446.40
Department of Education School Safety Program	2,043.81
Department of Education Accountability Measures	50.00
Governor's Arizona-Sonora Study	5,200.00
Department of Economic Security – Hopi Senior Center	22,096.88
Governor's Executive Order for September Terrorism Incident Emergency	106,916.95
Occupational Safety and Health Review Board Lump Sum Appropriation	6,947.00
State Treasurer Property Tax Refund	0.20
AHCCCS Emergency Services	73.06
English Learner FTE	2,388.84
English Learner FTE	2,634.01

English Learner Pilot	342.40
Department of Commerce – Military Installation	24,830.46
Department of Liquor Licenses and Control – Data Processing	1,250,000.00
Department of Health Services Nonrenal Disease Management	100,000.00

Supplemental Appropriations and Additional Provisions

- Grants an additional \$25,257,400 in expenditure authority by Department of Health Services.
- Appropriates \$675,000 from the Postsecondary Education Fund in FY 2007-08 to the Commission for Postsecondary Education for increases in the leveraging educational assistance partnership.
- Appropriates \$267,700 from the State Retirement System Administration Account in FY 2007-08 to the Arizona State Retirement System for increases in employee related expenditures.
- Appropriates \$4,734,700 from the state General Fund in FY 2007-08 to the Arizona Health Care Cost Containment System (AHCCCS), and provides AHCCCS an additional expenditure authority of up to \$44,929,800.
- Reduces FY 2007-08 appropriation to AHCCCS from the Tobacco Tax and Health Care Fund – Medically Needy Account by (\$13,152,200) and (\$4,163,800) from the Tobacco Products Tax Fund – Emergency Health Services Account due to a shortfall in tobacco tax revenues.
- Requires the transfer of \$5,500,800 from counties with populations of than two million or more persons and \$1,526,000 from counties with populations of less than two million persons in FY 2007-08 to AHCCCS Administration for deposit into the Budget Neutrality Compliance Fund.
- Appropriates \$7,026,800 from the Budget Neutrality Compliance Fund in FY 2007-08 to AHCCCS.
- Appropriates \$200,000 to the Arizona Navigable Stream Adjudication Commission from the state GF in FY 2007-08 for operating expenses. The appropriation is exempt from lapsing.
- Appropriates \$40,000 to the State Land Department from the Environment Special Plate Fund in FY 2007-08 for the natural resources conservation districts special line item.
- Appropriates \$328,200 to the State Board of Nursing from the Board of Nursing Fund in FY 2007-08 to investigate certified nursing assistants.
- Appropriates \$17,500,000 from the federal Temporary Assistance for Needy Families (TANF) block grant to the Department of Economic Security for supplemental funding for Child Protective Services staff, adoption services, eligibility workers, and children services.

- Appropriates \$15,000,000 from the state GF in FY 2007-08 to the Department of Economic Security Division of Developmental Disabilities for supplemental funding for long-term care.
- Grants \$30,000,000 in expenditure authority of federal monies in FY 2007-08 to the Department of Economic Security Division of Developmental Disabilities for supplemental funding for long-term care.
- Transfers \$25,000,000 from the Long-Term Care System Fund to the state General Fund before the end of FY 2007-08.
- Extends the lapsing date on ASRS technology appropriations made in FY 2005-06 through June 30, 2009.
- Appropriates \$500,000 from the Information Technology Fund in FY 2007-08 to GITA for the Statewide Information Security and Privacy Office.
- Reverts to the state GF \$2,000,000 of the \$5,200,000 appropriation from the state GF in FY 2007-08 to the Department of Administration for prison cell locks and door replacement.
- Reverts to the state GF the \$1,000,000 appropriation for the Arizona Welcome Center.
- Reverts to the state General Fund \$100,000 of the \$1,000,000 appropriation from the state General Fund in FY 2006-07 for the hospital residency loan program line item.
- Reverts to the state General Fund \$2,456,000 in appropriations from the state General Fund to the Building Renewal Fund in fiscal years prior to FY 2007-08.
- Reduces the appropriation from the state GF to the Building Renewal Fund in FY 2007-08 by \$43,141,700.
- Reduces the appropriation from the state General Fund to the Arizona Water Protection Fund in FY 2007-08 by \$1,000,000.
- Limits the appropriation from the state General Fund to the Water Quality Assurance Fund in FY 2007-08 to \$13,000,000.
- Suspends the limit on State Highway Fund monies available to fund Department of Public Highway Patrol costs for FY 2007-08.
- Transfers the \$42,000,000 appropriated from the State Highway Fund to the Arizona Department of Transportation for the Statewide Transportation Acceleration Needs Account to the Department of Public Safety for Highway Patrol Costs in FY 2007-08.
- Prohibits the expenditure or encumbrance of the \$42,000,000 appropriation from the state General Fund to the Department of Public Safety for highway patrol costs in FY 2007-08.
- Appropriates \$1,060,000 from the state General Fund and \$280,000 from applicable other appropriated funds (as determined by JLBC) to increase rental rates for state-owned office and storage space. The cost of office space changed from \$19.50 per square foot to \$21.02 per square foot. The cost of storage space changed from \$7.00 per square foot to \$7.62 per square foot. Revenue from the new rental rates shall be collected by the Department of Administration and deposited in the Capital Outlay Stabilization Fund.

- Appropriates \$1,466,100 from the Capital Outlay Stabilization Fund to the Department of Administration in FY 2007-08 for utility costs.
- Prohibits the appropriations of \$5,309,300 from the state GF and \$4,690,700 from other state funds in FY 2007-08 and from nonfederal nonappropriated funds for hiring state employees from being expended or encumbered in hiring state employees. Requires these monies to remain in, be reverted to, or be transferred to the state General Fund.
- Defers until August 1, 2008, \$272,000,000 in basic state aid and additional state aid payment that would be otherwise apportioned to school districts on June 15, 2008. This deferral does not apply to charter schools.
- Appropriates \$272,000,000 in FY 2008-09 from the state GF to the State Board of Education and Superintendent of Public Instruction for basic state aid and additional state aid entitlement for FY 2008-09 for disbursement to counties in amounts equal to FY 2007-08 funding deferral.
- Appropriates \$627,700 in FY 2008-09 from the state General Fund to the State Board of Education and the Superintendent of Public Instruction for costs to school districts associated with the FY 2007-08 funding deferral.
- Allows the governing boards of school districts that incur interest expenses in FY 2007-08 or expect to in FY 2008-09 to budget an estimated amount for those expenses, which will be specifically exempt from the FY 2008-09 revenue control limit.
- If the staff directors of JLBC and OSPB determine the preliminary FY 2007-08 state GF ending balance is less than \$0, requires the State Treasurer to transfer an additional amount equal to the negative ending balance of the GF, plus \$1,000,000 from the Budget Stabilization Fund to the state GF.
- Requires the staff directors of JLBC and OSPB to notify the Governor, the President of the Senate, and the Speaker of the House of Representatives on or before July 29, 2008, whether the preliminary FY 2007-08 state GF ending balance is less than \$0 or greater than \$1,000,000 and if so, the total ending balance amount.
- If the staff directors of JLBC and OSPB determine the preliminary FY 2007-08 state GF ending balance is greater than \$1,000,000, requires the State Treasurer to appropriate the balance above \$1,000,000 to the Department of Education for basic state aid and additional state aid entitlement for FY 2008-09.
- Reverts to the state GF \$1,500,000 from the FY 2006-07 appropriation of \$2,000,000 from the state GF to the Office of Tourism for the Arizona Welcome Center.
- Changes the amount of the FY 2007-08 appropriation from the state General Fund to the Department of Public Safety for the design, construction, and implementation of a microwave communications system upgrade from \$1,500,000 to \$1,000,000.
- Reverts to the state GF \$2,000,000 from the FY 2007-08 appropriation of \$8,000,000 from the state GF to Legislative Council for the Polly Rosenbaum State Archives and History Building.
- Changes the date of the \$10,000,000 appropriation from the state General Fund to the Department of Veterans' Services for construction and establishment of a Veterans' Home facility in Tucson from FY 2006-07 to FY 2008-09. Reverts any amount of this appropriation that is unexpended and unencumbered on June 30, 2010 to the state General Fund.

- Exempts \$100,000 of the amount appropriated for Project Challenge in the Department of Emergency and Military Affairs for FY 2007-08 from lapsing.
- Changes the appropriation from the state General Fund to the Department of Administration for renovation of the old health laboratory from two appropriations of \$2,207,000 in each of FY 2007-08 and FY 2008-09 to a single \$1,207,000 appropriation in FY 2007-08.
- Appropriates \$2,207,000 from the state General Fund to the Department of Administration for renovation of the old health laboratory in FY 2008-09.

SB 1096 – Chapter 34 – *appropriation; English language learners

Appropriates \$40,653,833.30 in FY 2008-09 to the Arizona Structured English Immersion Fund for English Language Learner instruction. Of this \$40,653,833.30, \$26,353,833.30 is appropriated from the state General Fund, and \$14,300,000 is transferred from the remaining unexpended and unencumbered balance for ELL weight funding as prescribed in Laws 2007, Chapter 255, and Section 29. Stipulates that monies in the Structured English Immersion Fund are State Aid and shall be apportioned in the same manner as Basic State Aid.

SB 1235 – Chapter 312 – state expenditures; searchable database; transparency

Requires the Department of Administration to establish and maintain an official state internet website that contains a comprehensive database of receipts and expenditures of state monies.

SB 1337 – Chapter 313 – centennial funding; capitol renovation

Reverts and reallocates monies previously appropriated to the Arizona Historical Advisory Commission (AHAC) and Legislative Council in FY 2006-07 and makes changes to the conditions AHAC must meet in order to expend appropriated monies.

- Reverts \$2,000,000 of the FY 2006-07 appropriation to the AHAC to the state General Fund, reducing the total appropriation from \$2,500,000 to \$500,000.
- Reallocates the remaining \$500,000 appropriation as follows:
 - \$50,000 to AHAC to develop and coordinate a statewide plan regarding the state's centennial, for deposit in the Arizona Centennial Account.
 - \$450,000 to Legislative Council for the costs concerning the renovation of the state capital building in commemoration of the centennial.
- Removes the requirement that AHAC receive and account for \$5,000,000 in matching funds through gifts, grants, and donations before the appropriation may be spent.
- Removes the requirement for AHAC expenditures receive an affirmative vote of Legislative Council.
- Repeals the transfer of \$50,000 in FY 2006-07 to AHAC.

SB 1435 – Chapter 315 – appropriations; named claimants

Appropriates \$179,821.19 to the Arizona Department of Administration for payment of various claims made against state agencies during FY 2004-05 and FY 2005-06. Appropriates \$1,739.01 from the state General Fund in FY 2007-08 to the State Mine Inspector for payment of a claim.