

# COMMITTEE ON APPROPRIATIONS

Representative John Kavanaugh, Chairman  
 Representative Andy Biggs, Vice-Chairman  
 Mike Huckins, Legislative Research Analyst  
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\* Strike-Everything Amendment  
 [E] Emergency Clause  
 [P 105] Proposition 105 Clause  
 [P 108] Proposition 108 Clause  
 [LIV] Line Item Veto

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**HB 2028 – Chapter 5 – \*supplemental reductions; appropriations; FY 2008-2009**

Makes additional appropriation reductions in FY 2008-09 and makes appropriations for FY 2009-10.

***ABOR***

- Reduces the state GF appropriation made to ABOR in FY 2008-09 for the support and maintenance of institutions under its jurisdiction by \$100 million and mandates that ABOR reduce funding to the institutions proportionally based on their respective appropriations.
- Appropriates an additional \$100 million to ABOR in FY 2009-10 and mandates the funding be allocated in two equal payments by August 1, 2009 and September 1, 2009. Requires ABOR to distribute the funding in an amount equal to the additional reduction in FY 2008-09.

***ADE***

- Reduces the state GF appropriation made to ADE in FY 2008-09 for Basic State Aid and Additional State Aid by \$300 million, but excludes charter schools and small school districts that qualify for budget limit exemptions from any reductions.
- States that if Arizona receives ARRA monies, then \$250 million will be reduced from the ADE's FY 2008-09 state General Fund appropriation and will be restored with funds from the ARRA.

**HB 2029 – Chapter 6 – \*school district balances; allocations**

Makes session law changes related to the implementation of the supplemental reductions and appropriations for FY 2008-09.

- Requires ADE, by October 15, 2009, to apportion to each school district the difference between the school district's May 15, 2009 Basic State Aid and Additional State Aid entitlement and the district's FY 2008-09 excess ending cash balance.
- Provides a formula for ADE to calculate districts' FY 2008-09 excess ending cash balances.
- Exempts accommodation school districts from the calculation of excess ending cash balances and requires ADE to apportion, by October 15, 2009, an accommodation school district's May 15, 2009 Basic State Aid and Additional State Aid entitlement.
- Directs ADE, by October 15, 2009, to apportion monies to each affected school district for interest expenses at an assumed interest rate of 2% over an assumed five month interest accumulation period.
- Allows 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 RCL in FY 2009-10.
- Prohibits districts from expending more than the amount received from ADE for interest expenses.
- Instructs school districts to include the monies they will receive from ADE for the FY 2008-09 funding deferral in their revenue estimates for the purpose of computing their tax rates for FY 2009-10.

**HB 2051 – Chapter 1 – \*2008-2009; appropriations; budget revisions**

Restores FY 2008-09 budget reductions to various agencies, repeals fund transfers and makes supplemental appropriations as follows:

**Fund Transfer Restorations**

- Restores the following FY 2008-09 fund transfers:

<b>Agency / Fund</b>	<b>Amount</b>
DEQ – Clean Water Revolving Fund	\$10,700,000
DEQ – Drinking Water Fund	5,000,000
AGR – Arizona Federal-State Inspection Fund	516,100
DHS – Nursing Care Institution Protection Fund	353,700
Arizona Power Authority – General Operating Fund	1,000,000
Arizona Power Authority – General Deposits Fund	1,000,000

**Fund Reduction and Transfer Restorations**

- Restores the following FY 2008-09 fund expenditure reductions and transfers:

<b>Agency / Fund</b>	<b>Amount</b>
AGR – Egg Inspection Fund	\$44,900
AGR – Arizona Federal-State Inspection Fund	171,400

**Personnel Reductions Restorations**

- Reduces the amount reverted to the state GF from other funds for personnel expense reductions in FY 2008-09 from \$10,854,200 to \$9,369,900.

**Supplemental Appropriations**

- Appropriates \$5,559,200 in FY 2008-09 from the state GF and provides an additional \$20,433,800 in federal expenditure authority to AHCCCS to restore funding for Graduate Medical Education services.
- Appropriates \$2,500,800 in FY 2008-09 from the state GF and provides \$9,657,300 additional federal expenditure authority to AHCCCS to restore funding for Rural Hospital Reimbursement.
- Appropriates \$18,200,000 in FY 2008-09 from the Child Care and Development Fund Block Grant (CCDF) to DES to maintain existing child care services with the following provisions:
  - Restricts DES from using the monies to expand program eligibility or to increase provider payments beyond the levels in effect as of January 30, 2009.
  - Specifies that the appropriation to DES is contingent upon receiving at least the same amount in CCDF monies from the ARRA.
- Appropriates the following amounts in FY 2011-12 through FY 2013-14 from the state GF and states the Legislature’s acknowledgment that the exclusive purpose of the funds is to pay claims of policy holders and claimants of insolvent insurers:
  - \$4,659,666 to the Arizona Property and Casualty Insurance Fund.
  - \$5,204,466 to the Life and Disability Insurance Guaranty Fund.

**Miscellaneous**

- Restores \$4,202,300 of federal DSH payments to Maricopa County Special Health Care District.
- Restores \$8,922,200 to AHCCCS for DSH payments to private hospitals.

**HB 2222 – Chapter 44 – \*special license plates**

Creates the *Arizona Professional Football Club* and the *Emergency Medical Services* special license plates, and redirects monies from the *Gold Star Family* special license plate subaccount within the VDF for the construction and maintenance of the Enduring Freedom Memorial.

**HB 2281 – Chapter 79 – appropriations for named claimants**

Appropriates \$255,778.25 to ADOA for the payment of outstanding claims made against state agencies from July 1, 2004 to June 30, 2007 and transfers \$46,617.90 of originating funds to the state GF.

**HB 2482 – Chapter 107 – civil air patrol; federal monies**

Permits the ACAP to receive monies from the U.S. Department of Homeland Security.

**HB 2643 – Chapter 12 [LIV] – \*general appropriations; 2009-2010; trailer**

Modifies state GF and OF appropriations for FY 2009-10 for the operation of state government and makes changes to budget revisions, transfers and supplemental appropriations contained in SB 1188. For complete FY 2009-2010 budget details, refer to <http://www.azleg.gov/jlbc.htm>.

**SB 1027 – Chapter 10 – \*capital outlay; FY 2009-2010**

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

- Reduces the appropriation from the state GF to the Historical Advisory Commission to \$50,000.

***Building Renewal***

- Appropriates the following amounts for major maintenance and repair activities for state buildings in FY 2009-10:
  - **ADOA**
    - \$1,000,000 from the Capital Outlay Stabilization Fund.
  - **ADOT**
    - \$1,000,000 from the SHF.
    - \$50,000 from the State Aviation Fund.
  - **Arizona Exposition and State Fair Board**
    - \$1,832,900 from Arizona Exposition and State Fair Fund.
  - **G&F**
    - \$473,200 from the G&F Fund.

***Capital Projects***

<b>Department</b>	<b>Project</b>	<b>Fund Sources</b>	<b>Amount</b>
<b>G&amp;F</b>	Pinetop Office Canopies	G&F Fund	\$30,000
	Radio Tower	Watercraft Licensing Fund	250,000
	Shooting Range Access Improvements	G&F Fund	150,000
	Statewide Preventative Maintenance	G&F Fund	30,000
	Ben Avery Improvements	G&F Capital Improvement Fund	950,000

G&F	Kingman Office Remodel/Expansion	G&F Capital Improvement Fund	\$889,500
	Pinetop Office Paving Project	G&F Fund	75,000
	Silver Creek Hatchery Remodel/Expansion	G&F Capital Improvement Fund	1,900,000
<b>Total (G&amp;F)</b>			<b>\$4,274,500</b>
ADOT	State Highway Construction	SHF	\$187,850,000
	Airport Planning and Development	State Aviation Fund	27,128,000
<b>Total (ADOT)</b>			<b>\$214,978,000</b>

**General Provisions**

- Appropriates \$400,000 from the state GF in FY 2009-10 to the Arizona Exposition and State Fair Fund to offset losses in pari-mutuel revenues.
- Requires ADOA to report on the status of project-specific FTE positions for capital projects in its annual capital budget request.
- Allows ADOA to allocate FTE positions authorized for specific projects to other projects provided that the funding is cost allocated.
- Stipulates that 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.
- States 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.

**SB 1168 – Chapter 177 – \*storage; firearms; motor vehicles**

Prevents property owners, tenants, employers and businesses from prohibiting the storage or transport of lawfully possessed firearms in locked and privately-owned vehicles parked in a parking lot, parking garage, or other designated parking area.

**SB 1188 – Chapter 11 [LIV] – \*general appropriations; FY 2009-2010**

Makes state GF and OF appropriations for FY 2009-10 for the operation of state government and makes various budget reductions, transfers and supplemental appropriations. For complete FY 2009-2010 budget details, refer to <http://www.azleg.gov/jlbc.htm>.

**SB 1316 – Chapter 73 [E] – nuclear emergency management; appropriations; assessments**

Appropriates the sum of \$1,523,108 in FY 2009-10 and \$1,569,091 in FY 2010-11 from the state GF to the Nuclear Emergency Management Fund (NEMF). Levies an assessment against each consortium of public service corporations and municipal corporations operating a commercial nuclear generation station in an amount equal to that appropriated to the NEMF, plus any interest.