

Director: Colonel Roger Vanderpool

JLBC Analyst: Martin Lorenzo III

	FY 2004 Actual	FY 2005 Estimate	FY 2006 Approved
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	1,858.0	1,872.0	1,901.8 ^{1/}
Personal Services	80,366,800	88,145,100	91,833,500
Employee Related Expenditures	24,472,500	27,462,900	37,240,300
Professional and Outside Services	1,429,300	1,009,200	1,024,400
Travel - In State	383,800	601,500	635,500
Travel - Out of State	183,800	109,900	109,100
Other Operating Expenditures	22,878,900	21,402,200	22,569,800
Equipment	10,356,900	14,960,900	13,981,000
OPERATING SUBTOTAL	140,072,000	153,691,700	167,393,600
SPECIAL LINE ITEMS			
Fingerprint Board	268,700	0	0
GITEM	4,271,700	4,641,200	5,055,900 ^{2/3/}
Statewide Interoperability Design	0	5,000,000	1,258,100
Sworn Officer Salary Adjustments	0	0	3,000,000 ^{4/}
Ch. 307 DUI Assessments; DPS Equipment; Bonuses	0	0	6,897,000 ^{5/}
AGENCY TOTAL	144,612,400	163,332,900	183,604,600^{6/7/}
FUND SOURCES			
General Fund	29,581,400	31,839,000	44,582,100
<u>Other Appropriated Funds</u>			
Arizona Deoxyribonucleic Acid (DNA) Identification System Fund	1,530,000	2,550,700	2,582,900
Arizona Highway Patrol Fund	16,335,100	20,447,000	19,817,600
Automated Fingerprint Identification System Fund	2,152,900	2,204,200	2,449,400
County Transportation Contribution Fund	8,206,800	13,006,800	0
Crime Laboratory Assessment Fund	3,957,800	3,952,000	4,473,100
Criminal Justice Enhancement Fund	2,297,200	2,365,800	2,600,100
Fingerprint Clearance Card Fund	268,700	0	0
Highway User Revenue Fund	48,698,000	52,216,300	63,189,100
Motorcycle Safety Fund	80,000	205,000	205,000
Risk Management Fund	0	296,200	296,200
Safety Enforcement and Transportation Infrastructure Fund	1,022,100	1,226,800	1,352,100
Sex Offender Monitoring Fund	331,000	343,000	355,500
State Highway Fund	30,151,400	32,680,100	41,701,500
SUBTOTAL - Other Appropriated Funds	115,031,000	131,493,900	139,022,500
SUBTOTAL - Appropriated Funds	144,612,400	163,332,900	183,604,600^{8/}
Other Non-Appropriated Funds	29,723,700	32,900,100	30,347,300
Federal Funds	25,712,900	40,985,500	25,622,900
TOTAL - ALL SOURCES	200,049,000	237,218,500	239,574,800

1/ Includes 70.8 General Fund FTE Positions funded from Special Line Items in FY 2006.

2/ The amount shown does not include \$3,897,000 appropriated to GITEM by Laws 2005, Chapter 307.

3/ It is the intent of the Legislature that monies appropriated to the GITEM Special Line Item shall not be allocated by the Department of Public Safety to any county with a population greater than 750,000 or to any city or town located within a county with a population greater than 750,000. (General Appropriation Act footnote)

4/ Distribution of the monies appropriated for Sworn Officer Salary Adjustments shall be determined by the department. (General Appropriation Act footnote)

5/ The appropriation is exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations.

6/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.

7/ The Department of Public Safety shall submit an expenditure report to the Joint Legislative Budget Committee for review before expending any lease-purchase proceeds for the microwave communications upgrade. The department shall also submit a Project Investment Justification for review and approval by the Government Information Technology Agency before expending any monies. (General Appropriation Act footnote)

8/ Any monies remaining in the Department of Public Safety joint account on June 30, 2006 shall revert to the funds from which they were appropriated. The reverted monies shall be returned in direct proportion to the amounts appropriated. (General Appropriation Act footnote)

AGENCY DESCRIPTION — The Department of Public Safety (DPS) is responsible for the enforcement of state criminal laws and traffic regulations. In addition to the Highway Patrol, DPS operates and maintains statewide communications systems, state crime laboratories and an automated fingerprint identification network, and performs aviation missions, special investigations, and other law enforcement activities.

PERFORMANCE MEASURES	FY 2003	FY 2004	FY 2006
	Actual	Actual	Approved
• % of scientific analysis cases over 30 calendar days old	7.2	7.3	2.5
• % of system reliability of the Arizona Automated Fingerprint Identification Network (AZAFIN)	98	98	98
• Clandestine labs dismantled	113	53	50

Comments: The agency reports that, in prior years, clandestine lab totals included Highway Patrol hazardous material responses. The FY 2004 actual data now reflects only clandestine lab data.

Operating Budget

The budget provides \$167,393,600 for the operating budget in FY 2006. This amount consists of:

	<u>FY 2006</u>
General Fund	\$31,371,100
Arizona Deoxyribonucleic Acid (DNA) Identification System Fund	2,582,900
Arizona Highway Patrol Fund	19,817,600
Automated Fingerprint Identification System Fund	2,449,400
Crime Laboratory Assessment Fund	4,473,100
Criminal Justice Enhancement Fund (CJEF)	2,600,100
Highway User Revenue Fund (HURF)	60,189,100
Motorcycle Safety Fund	205,000
Risk Management Fund	296,200
Safety Enforcement and Transportation Infrastructure Fund	1,352,100
Sex Offender Monitoring Fund	355,500
State Highway Fund	41,701,500

The approved amount includes an increase of \$10,769,600 in FY 2006 for statewide adjustments. This amount consists of:

General Fund	\$2,725,000
Arizona Deoxyribonucleic Acid Identification System Fund	32,200
Arizona Highway Patrol Fund	1,408,400
Automated Fingerprint Identification System Fund	9,700
Crime Laboratory Assessment Fund	91,700
Criminal Justice Enhancement Fund	69,700
Highway User Revenue Fund	3,777,100
Safety Enforcement and Transportation Infrastructure Fund	125,300
Sex Offender Monitoring Fund	12,500
State Highway Fund	2,518,000

(Please see the Statewide Adjustments section at the end of this Appropriations Report for details.)

Vacant FTE Position Reduction

The approved amount includes a decrease of \$(37,800) and (6) FTE Positions from the General Fund in FY 2006 for the elimination of vacant FTE Positions. By reducing the number of vacant FTE Positions, the budget reduced the amount of money appropriated for health, dental, and life insurance. These monies are passed through directly to the Arizona Department of Administration for statewide insurance costs and will not affect the amount of monies the agency has for other purposes. All other funding for these vacant positions had been previously eliminated.

Out-of-State Travel Reduction

The approved amount includes a decrease of \$(17,300) from the General Fund in FY 2006 for a 25% reduction in the agency's FY 2004 out-of-state travel funding.

Staffing and Compensation Issues

Additional Highway Patrol Officers

The approved amount includes an increase of \$3,456,400 from HURF in FY 2006 for 28 additional Highway Patrol Officers. The approved amount includes funding for 24 Officers and 4 Sergeants. The budget funds 12 currently vacant positions and adds authorization for 16 additional FTE Positions from HURF. This increase will allow the Highway Patrol to increase visibility on the highways and address increased workloads on existing freeways. In addition, the additional officers address the need for the department to begin patrolling SR 303 on July 1, 2005 due to the recent passage of Proposition 400 which provides the necessary funding for the Arizona Department of Transportation to construct a 6-lane freeway through the SR 303 corridor. To date, enforcement for the 21 miles of roadway currently built has been provided by the Maricopa County Sheriff's Office.

Crime Laboratory Personnel

The approved amount includes an increase of \$1,050,600 and 11 FTE Positions in FY 2006 for crime laboratory personnel. This amount consists of:

Highway User Revenue Fund	\$487,100
Crime Laboratory Assessment Fund	398,900
Criminal Justice Enhancement Fund	164,600

This recommendation includes the addition of 11 FTE Positions, 5 allocated to HURF, 4 to the Crime Lab Assessment Fund and the remaining 2 to CJEF. The approved amount will address the growth in crime lab submissions of 55.8% between 1999 and 2004. The approved amount will also enable DPS to address a projected 9% growth in submissions during FY 2006.

Officer Pay Plan

The approved amount includes an increase of \$455,000 from HURF in FY 2006 for the DPS Officer Pay Plan. The approved amount funds the promotions of 58 Officers approved in FY 2003 to the Officer II classification. The amount incorporates a 95% overall retention rate of Highway Patrol Officers as reported by the agency. The approved amount will also enable DPS to address the projected 9% growth in submissions during FY 2006. These pay adjustments are in addition to any other sworn officer salary adjustments provided in the budget. *(Please see Sworn Officer Salary Adjustments Special Line Item discussion for additional information.)*

Uniform Allowances

The approved amount includes an increase of \$224,000 from HURF in FY 2006 for increased uniform allowance costs. The department provides uniform allowances to individuals required to wear uniforms to defray the cost of purchasing and maintaining the uniforms. The current annual allowances are \$792 for Highway Patrol officers, \$336 for Criminal Investigators and \$198 for civilian personnel. The approved amount increases uniform allowances to \$1,000, \$425, and \$250, respectively

Annualize FY 2005 Officer Positions

The approved amount includes a decrease of \$(963,700) from HURF in FY 2006 to annualize the costs of previously authorized Highway Patrol positions. This reduction eliminates one-time funding associated with 16 new sworn positions authorized by the Legislature in FY 2005.

Equipment Issues

Continue FY 2005 Equipment Funding Level

The approved amount continues the FY 2005 General Fund and Other Appropriated Fund appropriations for replacement equipment. The department's base budget includes \$147,300 from the General Fund and \$7,876,900 from Other Appropriated Funds for replacement equipment.

The approved amount continues funding for the replacement of the following equipment:

- \$6,780,000 from HURF for Highway Patrol vehicles. The approved amount includes the replacement of 180 vehicles and maintains the replacement schedule that provides a vehicle with less than 100,000 miles to every sworn officer in the Highway Patrol Bureau.
- \$147,300 from the General Fund, \$53,800 from CJEF, \$357,200 from HURF, and \$119,000 from the State Highway Fund for radio and infrastructure equipment. The approved amount will continue to fund the replacement of portable radios, mobile radios, base stations, and telecommunications infrastructure.
- \$566,900 from the Highway Patrol Fund for crime laboratory replacement equipment. The equipment to be replaced includes gas chromatographs, specialized cameras, microscopes, forensic light sources, and digital imaging systems.

Microwave Communications Upgrade

Through an agreement signed by the Governor, Speaker of the House and President of the Senate on May 5, 2005, DPS shall receive up to \$1.6 million in non-appropriated federal Homeland Security monies for the microwave communications upgrade.

The agreed upon amount funds the first annual payment of a 10-year financing agreement to replace 1 of 3 segments of the department's analog microwave radio system with a digital system. Each segment of the system operates independently enabling single or multiple digital segments to coexist with the current analog segments. The agreed upon amount funds the replacement of 1 segment, but does not commit funding for the second and third segments. The total 10-year cost for the first segment beginning in FY 2006 is estimated to be \$12.1 million. By funding the first segment replacement, the agreement funds upgraded digital microwave equipment for 25 sites, construction of 5 new sites and the rebuilding of 20 existing sites. If authorized, all 3 segments would be completed by FY 2013 with financing payments extending through FY 2020.

The microwave system is the backbone of the DPS statewide radio system. The radio system provides dispatch control of radio base stations and connects 53 remote radio communication sites and 20 state office locations. In addition, data from the Arizona Criminal Justice System is also sent over the microwave system to criminal justice agencies around the state.

The budget also provides an increase of 1 FTE Position in FY 2006 from the Highway User Revenue Fund for a Project Manager who will oversee the microwave communication system upgrade.

AZAFIS Operating Costs

The approved amount includes an increase of \$235,500 from the Automated Fingerprint Identification System Fund in FY 2006 for the Arizona Automated Fingerprint Identification System (AZAFIS). The approved amount

will continue the FY 2005 appropriation of \$420,000 and provides an additional appropriation of \$235,500 for a total of \$655,500. The approved amount of \$655,500 includes one-time monies of \$579,300 for the replacement of 5 livescan machines and various other pieces of equipment.

Fleet Equipment Replacement

The approved amount includes an increase of \$84,000 from the Highway Patrol Fund in FY 2006 for fleet equipment replacement. The approved amount funds the replacement of 3 vehicle lifts and 2 forklifts utilized to maintain the department's large fleet of vehicles.

Elimination of One-Time Equipment

The approved amount includes a decrease of \$(1,454,500) from the Highway Patrol Fund in FY 2006 for one-time FY 2005 equipment expenditures. The equipment purchased included 2 replacement vehicles for the Concealed Weapon Permit Unit and microwave tower replacement equipment for the DPS radio communication system.

Other Issues

Helicopter Replacement

The approved amount continues the FY 2005 Highway Patrol Fund appropriation of \$1,529,800 for the lease-purchases payment on 2 helicopters being replaced.

County Transportation Contribution Fund Expiration

The approved amount includes an increase of \$6,503,400 and 97 FTE Positions from the General Fund and an increase of \$6,503,400 and 97 FTE Positions from the State Highway Fund. The total increase of \$13,006,800 and 194 FTE Positions is offset by a decrease of \$(13,006,800) and (194) FTE Positions from the County Transportation Contribution Fund in FY 2006 for the expiration of the County Transportation Contribution Fund.

Laws 2003, Chapter 263 created the County Transportation Contribution Fund and directs deposits from counties in FY 2004 and FY 2005 for DPS costs. The fund was created as part of an agreement with the counties during the recent state budget shortfalls. With the expiration of this agreement, the budget shifts these costs from the counties back to the state.

Crime Laboratory Assessment Fund Pass-Through

The approved amount includes an increase of \$30,500 from the Crime Laboratory Assessment Fund (CLAF) in FY 2006 for pass-through monies to local crime labs.

A.R.S. § 41-2415 requires 45% of the revenues deposited into the fund be distributed to crime labs operated by local law enforcement. CLAF receives revenues from a 2.3% allocation of the Criminal Justice Enhancement Fund (CJEF). In addition, Laws 2004, Chapter 281 redirects additional monies into CLAF to fund DPS' crime lab

operations; however, these monies are exempt from distribution to other agencies.

Increased Fuel Cost

The approved amount includes an increase of \$536,900 from HURF in FY 2006 for increased fuel costs. The additional monies are provided to cover a projected 20% increase in fuel costs above the department's expected FY 2005 fuel expenditures.

ACJIS Maintenance and Licensing

The approved amount includes a decrease of \$(667,300) from the Highway Patrol Fund in FY 2006 for network infrastructure upgrade costs for the Arizona Criminal Justice Information System (ACJIS). In FY 2005, DPS was appropriated \$1,221,300 to upgrade the analog network to digital technology. The budget preserves \$554,000 in the department's base appropriation to cover maintenance and licensing costs of the new system.

ACJIS provides real time information exchange between criminal justice agencies within Arizona, other states, and the National Crime Information Center (NCIC), operated by the Federal Bureau of Investigation (FBI). The network upgrade to digital technology meets the security requirements established by the FBI and allows the transfer of data files, images, and fingerprints with criminal justice agencies in the state and to mobile data computers in patrol vehicles.

Special Line Items

Fingerprint Board

The budget provides no funding for the Fingerprint Board in FY 2006 as these monies became non-appropriated in FY 2005.

GITEM

The budget provides \$5,055,900 and 63 FTE Positions from the General Fund for GITEM in FY 2006. This amount does not include \$3,897,000 in General Fund monies appropriated in FY 2006 from Laws 2005, Chapter 307. (*Please see Ch. 307 DUI Assessments; DPS Equipment; Bonuses discussion for additional information.*)

The approved amount includes an increase of \$423,300 from the General Fund in FY 2006 for statewide adjustments.

Vacant FTE Position Reduction

The approved amount includes a decrease of \$(7,600) and (1.2) FTE Positions from the General Fund in FY 2006 for the elimination of vacant FTE Positions. (*Please see Operating Budget discussion for additional information.*)

Out-of-State Travel Reduction

The approved amount includes a decrease of \$(1,000) from the General Fund in FY 2006 for a 25% reduction in the agency's FY 2004 out-of-state travel funding.

This Special Line Item formulates and implements criminal gang enforcement and investigative strategies, interdicts gang members, and collects criminal gang information. GITEM is comprised of officers from DPS.

Statewide Interoperability Design

The budget provides \$1,258,100 from the General Fund for Statewide Interoperability Design Special Line Item in FY 2006.

The approved amount includes an increase of \$20,100 from the General Fund in FY 2006 for statewide adjustments.

Staff Expenditures

The approved amount includes a decrease of \$(3,762,000) from the General Fund in FY 2006 for the Public Safety Communication Commission (PSCC) staff expenditures. Laws 2004, Chapter 275 appropriated \$2,000,000 in FY 2005 from the General Fund for public safety communications systems to address interoperability issues. In addition, Chapter 275 appropriated \$3,000,000 in FY 2005 in non-lapsing monies. Of the \$5,000,000, the budget retains only \$1,238,000 for ongoing design costs of the Statewide Interoperability System whose construction costs are estimated to be as high as \$300 million. In addition, the department will expend any of the remaining \$3,000,000 in non-lapsing FY 2005 monies on detailed design work contracts.

Additional FTE Positions

The approved amount includes an increase of 9 FTE Positions funded through Laws 2004, Chapter 275. Monies for these positions were included in the base appropriation.

This Special Line Item provides funding for design costs for a newly constructed or expanded statewide public safety communications system. Radio interoperability entails the ability of public safety personnel from one agency to communicate via mobile radio with personnel from other agencies.

Sworn Officer Salary Adjustments

The budget provides \$3,000,000 from the Highway User Revenue Fund for Sworn Officer Salary Adjustments Special Line Item in FY 2006.

This Special Line Item provides funding for salary increases for DPS sworn officers, to be determined by the department, and is in addition to statewide salary increases. In addition to the 1.7% statewide salary increase, this Special Line Item provides monies equating

to an additional average salary increase of 3.8% or \$1,900 per officer.

Laws 2005, Chapter 306 provides additional monies for salary and benefit adjustments for DPS law enforcement personnel. However, in FY 2006 no monies are appropriated for this purpose. (*Please see Ch. 306 Parity; DPS Employee Compensation discussion for additional information.*)

Ch. 307 DUI Assessments; DPS Equipment; Bonuses

Laws 2005, Chapter 307 appropriates \$6,897,000 from the General Fund in FY 2006 for the purchase of equipment as well as provides additional funding for the Gang Intelligence Team Enforcement Mission (GITEM).

Of the \$6,897,000, \$3,000,000 is for the purchase of protective body armor, electronic stun gun devices and other safety equipment. While Section 11 lists the above equipment in order, it does not specify any specific amounts to be spent in any one category. Actual expenditure amounts shall be determined by the department.

The remaining \$3,897,000 is for GITEM. Monies appropriated to GITEM are in addition to the \$5,055,900 included in the GITEM Special Line Item in FY 2006.

Chapter 307 stipulates that monies relating to GITEM in this act are to "encourage multidistrict relations." Chapter 307 also stipulates that use of GITEM monies (including General Appropriation Act funding) by the department for local government services requires the local entity to provide 25% of the cost of the services.

Chapter 307 establishes new assessments charged to individuals convicted of operating vehicles, aircraft and motorized boats while intoxicated. It is the intent of the Legislature that the assessments established by this act be used to offset the cost to the General Fund resulting from this appropriation. Projected revenues resulting from the assessments are estimated to total \$1,000,000 in FY 2006 and \$7,000,000 in FY 2007. Due to the general effective date of Chapter 307, case processing times and the implementation and collections of these additional assessments, revenue is not estimated to be received until the second half of FY 2006.

Additional Legislation

Criminal Justice Budget Reconciliation Bill

The Criminal Justice Budget Reconciliation Bill (BRB) (Laws 2005, Chapter 300) includes a session law provision that continues to redirect 9% of CJEF revenues to DPS to fund the operations of the department's crime lab in FY 2006. This redirection first occurred in FY 1998 and is continued through FY 2006. Prior to FY 1998, these monies were deposited into the General Fund.

The Criminal Justice BRB includes a session law provision that suspends, for FY 2006, the schedule established by A.R.S. § 28-6537 and A.R.S. § 28-6993 reducing the level of HURF and State Highway Fund monies available to fund DPS patrol costs. Suspending this schedule removes the spending cap in FY 2006. Without this change, HURF and State Highway Fund monies available to DPS would be \$10,000,000 per fund in FY 2006.

Ch. 306 Parity; DPS Employee Compensation

Laws 2005, Chapter 306 redirects 1.51% of vehicle license tax (VLT) revenues that would otherwise be deposited into the State Highway Fund to the Parity Compensation Fund for salaries and benefit increases for DPS law enforcement personnel.

Section 2 of Chapter 306 establishes the Parity Compensation Fund (to be administered by DPS) and stipulates that the fund will receive 1.51% of VLT revenues which would otherwise be deposited into the State Highway Fund. Monies deposited into the Parity Compensation Fund are subject to legislative appropriation and are exempt from the provisions of A.R.S. § 35-190, relating to lapsing of appropriations.

In FY 2006, total VLT revenues are estimated to be \$806,845,900. Of this amount, the State Highway Fund will receive \$183,315,000, of which \$2,768,100 (or 1.51%) will be redirected to the Parity Compensation Fund. In FY 2006, no monies from the Parity Compensation Fund are appropriated for expenditure by the department.