

Director: Robert Halliday

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	FY 2009 ACTUAL	FY 2010 ESTIMATE	FY 2011 APPROVED
OPERATING BUDGET			
<i>Full Time Equivalent Positions</i>	2,114.8	2,091.8	2,081.8 ^{1/}
Personal Services	108,251,900	107,349,800	106,329,100
Employee Related Expenditures	54,577,400	56,139,400	56,725,500
Professional and Outside Services	568,200	979,100	979,100
Travel - In State	316,100	484,900	484,900
Travel - Out of State	158,300	192,700	192,700
Other Operating Expenditures	26,894,500	22,063,000	22,063,000
Equipment	7,086,200	2,410,600	2,410,600
OPERATING SUBTOTAL	197,852,600	189,619,500	189,184,900
SPECIAL LINE ITEMS			
GIITEM	18,207,900	21,387,500	21,138,000 ^{2/3/}
Motor Vehicle Fuel	3,935,500	3,935,500	3,935,500
DNA Testing	748,500	980,000	980,000 ^{4/}
Photo Radar Enforcement	6,738,100	22,533,600	11,064,800 ^{5/}
5th Special Session Reduction	0	(4,247,800)	(4,247,800)
7th Special Session Reduction	0	0	(2,774,700)
AGENCY TOTAL	227,482,600	234,208,300	219,280,700 ^{6/7/}
FUND SOURCES			
General Fund	54,589,000	43,569,200	43,070,300
<u>Other Appropriated Funds</u>			
Automated Fingerprint Identification System Fund	3,262,500	3,020,900	3,012,700
Crime Laboratory Assessment Fund	5,101,900	5,115,600	872,500
Crime Laboratory Operations Fund	0	9,620,000	11,127,200
Criminal Justice Enhancement Fund	3,292,100	2,863,100	2,886,500
Deoxyribonucleic Acid (DNA) Identification System Fund	3,760,900	4,020,500	3,987,500
Highway Patrol Fund	19,290,200	18,554,100	18,679,000
Highway User Revenue Fund	84,949,500	78,626,200	79,215,700
Motorcycle Safety Fund	0	205,000	205,000
Parity Compensation Fund	3,539,500	3,023,300	1,823,300
Photo Enforcement Fund	6,738,100	22,533,600	11,064,800
Risk Management Fund	292,800	296,200	296,200
Safety Enforcement and Transportation Infrastructure Fund	1,615,600	1,504,600	1,518,800
State Highway Fund	41,050,500	41,256,000	41,521,200
SUBTOTAL - Other Appropriated Funds	172,893,600	190,639,100	176,210,400
SUBTOTAL - Appropriated Funds	227,482,600	234,208,300	219,280,700
Other Non-Appropriated Funds	47,407,600	32,422,200	31,380,700
Federal Funds	37,807,900	44,606,500	36,255,200
TOTAL - ALL SOURCES	312,698,100	311,237,000	286,916,600

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.

Operating Budget

The budget includes \$189,184,900 and 1,910 FTE Positions for the operating budget in FY 2011. These amounts consist of:

	FY 2011
General Fund	\$18,606,300
Automated Fingerprint Identification System (AFIS) Fund	3,257,700
Crime Laboratory Assessment Fund (CLAF)	1,287,300
Crime Laboratory Operations Fund (CLOF)	14,681,900
Criminal Justice Enhancement Fund (CJEF)	3,118,600
Deoxyribonucleic Acid (DNA) Identification System Fund	3,333,600
Highway Patrol Fund	19,952,200
Highway User Revenue Fund (HURF)	79,215,700
Motorcycle Safety Fund	205,000
Parity Compensation Fund	2,068,400
Risk Management Fund	296,200
Safety Enforcement and Transportation Infrastructure Fund (SETIF)	1,640,800
State Highway Fund	41,521,200

These amounts fund the following adjustments:

Statewide Adjustments

The budget includes an increase of \$765,400 in FY 2011 for statewide adjustments. This amount consists of:

General Fund	(249,400)
AFIS Fund	(8,200)
CLAF	38,800
CJEF	23,400
DNA Identification System Fund	(33,000)
Highway Patrol Fund	124,900
HURF	589,500
SETIF	14,200
State Highway Fund	265,200

(Please see the General Provisions section.)

CJEF Shift from CLAF to CLOF

The budget includes a decrease of \$(4,281,900) from CLAF and a corresponding increase of \$4,281,900 to CLOF. This represents the shifting of 9% of CJEF revenues to CLOF that in prior fiscal years, session law appropriated to CLAF.

The monies that CLOF receives are utilized to fund crime laboratory operations at DPS-operated crime laboratories, whereas, funds in CLAF are allocated to both DPS and

- 1/ Includes 171.8 GF FTE Positions funded from Special Line Items in FY 2011.
- 2/ Of the \$21,138,000 appropriated to GIITEM, \$2,603,400 shall be used for the multijurisdictional task force known as the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM). If the Department of Public Safety uses any of the monies appropriated for GIITEM for an agreement or contract with a city, town, county or other entity to provide services for the GIITEM program, the city, town, county or other entity shall provide not less than 25% of the cost of the services and the Department of Public Safety shall provide not more than 75% of Personal Services and Employee Related Expenditures for each agreement or contract but may fund all capital related equipment. Recognizing that states have inherent authority to arrest for any immigration violation, there continues to be a benefit with a 287G, including additional training and a partnership with immigration and customs enforcement and the federal government. The distribution of these monies are contingent on the Department of Public Safety making all reasonable efforts to enter into a 287G memorandum of understanding with the United States Department of Homeland Security. The \$2,603,400 shall be used for functions relating to immigration enforcement, including border security and border personnel, including any previously authorized allocations made in Laws 2008, Chapter 285, Section 14, as amended by Laws 2009, 1st Special Session, Chapter 1, Section 2. As state or local law enforcement officers come into any lawful contact with a suspected illegal alien or with a gang or suspected gang member the use of these monies is contingent on law enforcement agencies making every reasonable effort to determine the person's legal status and taking appropriate action that will not jeopardize an ongoing investigation. The \$2,603,400 is exempt from the provisions of A.R.S. § 35-190, relating to the lapsing of appropriations. The department shall submit an expenditure plan to the Joint Legislative Budget Committee for review before expending any monies not identified in the department's previous expenditure plans. Within 30 days after the last day of each calendar quarter, the department shall provide a summary of quarterly and year-to-date expenditures and progress to the Joint Legislative Budget Committee including any prior year appropriations that were nonlapsing. (General Appropriation Act footnote, as adjusted for statewide allocations)
- 3/ Of the \$21,138,100 appropriated to GIITEM, \$9,400,900 shall be used for 100 Department of Public Safety GIITEM personnel. The additional staff shall include at least 50 sworn Department of Public Safety positions to be used for immigration enforcement and border security and 50 Department of Public Safety positions to assist GIITEM in various efforts, including: 1) arresting illegal aliens, 2) responding to or assisting any county sheriff or attorney in investigating complaints of employment of illegal aliens, 3) investigating crimes of identity theft in the context of hiring illegal aliens and the unlawful entry into the country and 4) taking enforcement action, as permitted under federal law and the United States Constitution. As state and local law enforcement officers come into contact with gang or suspected gang members the use of these monies is contingent on law enforcement agencies verifying the immigration status of these individuals and taking appropriate action that will not jeopardize an ongoing investigation. The department shall submit an expenditure plan to the Joint Legislative Budget Committee for review before expending any monies not identified in the department's previous expenditure plans. Within 30 days after the last day of each calendar quarter, the department shall provide a summary of quarterly and year-to-date expenditures and progress to the Joint Legislative Budget Committee including any prior year appropriations that were nonlapsing. (General Appropriation Act footnote, as adjusted for statewide allocations)
- 4/ Laws 2007, Chapter 261 appropriation for FY 2011, as reduced from \$3,440,000 to \$980,000 in Laws 2010, 7th Special Session, Chapter 6.
- 5/ For FY 2011, within 30 days after the last day of each calendar quarter, the department shall report to the Joint Legislative Budget Committee the following quarterly and year-to-date photo radar enforcement information: 1. The total number of issued citations or notices of violation, paid citations or notices of violation, notices of violation that were referred to courts and mobile or stationary cameras in operation. 2. The total amount of citation and notice of violation revenue generated, including how much revenue was distributed for Department of Public Safety staff expenses, for Department of Public Safety vendor payments to the Administrative Office of the Courts for processing of citations and to the state General Fund. (General Appropriation Act footnote)
- 6/ General Appropriation Act funds are appropriated as an Operating Lump Sum with Special Line Items by Agency.
- 7/ Any monies remaining in the Department of Public Safety joint account on June 30, 2011 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)

political subdivisions for the operation of crime laboratories.

The budget includes a reduction of \$(3,554,700) from CLOF and an increase of \$4,281,900 from CLOF as a result of the shift of 9% of CJEF revenues from CLAF. In FY 2010, crime laboratory operations were overfunded by an estimated \$3,300,100, which, when coupled with these cuts, should allow DPS sufficient funding to continue crime laboratory operations at or near the FY 2010 level.

Parity Compensation Fund Spending Realignment

The budget includes a decrease of \$(1,200,000) from the Parity Compensation Fund in FY 2011 for Parity Compensation Fund spending realignment. This reduction brings the fund’s appropriation in line with current revenues.

Radio and Infrastructure Equipment Replacement

The budget continues \$677,300 in FY 2011 for radio and infrastructure equipment replacement. This amount consists of:

General Fund	147,300
CJEF	53,800
HURF	357,200
State Highway Fund	119,000

These amounts are unchanged from FY 2010. The equipment to be replaced includes portable radios, mobile radios, base stations, and telecommunications infrastructure.

GIITEM

The budget includes \$21,138,000 and 171.8 FTE Positions from the General Fund for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) in FY 2011. These amounts fund the following adjustments:

Statewide Adjustments

The budget includes a decrease of \$(249,500) from the General Fund in FY 2011 for statewide adjustments.

The GIITEM Special Line Item is comprised of monies for the following GIITEM functions, including: 1) \$8,793,100 for gang enforcement, investigation, and interdiction, 2) \$9,400,900 for at least 50 sworn DPS positions to be used for immigration enforcement and border security and up to 50 DPS positions to expand GIITEM’s public awareness, investigation, and intelligence efforts, 3) \$2,603,400 for local gang and immigration enforcement grants, 4) \$600,000 for crime analysts associated with the state gang intelligence database (GangNet). *Table 1* identifies the various functions, as well as their corresponding allocations.

Table 1

Allocation of GIITEM Funding

Function/Purpose	FY 2011
Gang Enforcement & Investigation	\$ 8,793,100
DPS Immigration Personnel	9,400,900
Local Immigration Enforcement Grants	2,603,400 ^{1/}
GangNet Upgrade & Crime Analysts	<u>600,000</u>
TOTAL	\$21,397,400 ^{2/}

^{1/} DPS also has prior year non-lapsing monies available for local efforts.

^{2/} This total does not reflect salary reductions as a result of Laws 2010, 7th Special Session, Chapter 1.

Motor Vehicle Fuel

The budget includes \$3,935,500 for Motor Vehicle Fuel in FY 2011. This amount consists of:

General Fund	3,704,200
Highway Patrol Fund	231,300

These amounts are unchanged from FY 2010.

The Motor Vehicle Fuel Special Line Item provides and tracks monies appropriated to DPS for motor vehicle fuel.

DNA Testing

The budget includes \$980,000 from the DNA Identification System Fund for DNA testing in FY 2011. This amount is unchanged from FY 2010. (*Please see Statutory Changes for more information.*)

Background – Laws 2007, Chapter 261 originally appropriated \$1,980,000 in FY 2008, \$2,980,000 in FY 2009, \$3,484,000 in FY 2010, \$3,440,000 in FY 2011, and \$3,520,000 in FY 2012 from the Arizona DNA Identification System Fund to fund the operating costs of the expanded testing provisions, as well as the design and construction of an expanded crime lab in Phoenix. To delay construction of a new parking garage, the revised FY 2009 budget, however, reduced the FY 2009 advance appropriation by \$(2,000,000) and the FY 2010 Criminal Justice Budget Reconciliation Bill (Laws 2009, 3rd Special Session, Chapter 6) reduced the FY 2010 advance appropriation by \$(2,504,000). Funding has remained unchanged at \$980,000 since FY 2009.

Photo Radar Enforcement

The budget includes \$11,064,800 from the Photo Enforcement Fund for photo radar enforcement in FY 2011. This amount funds the following adjustments:

Vendor Payment Reduction

The budget includes a decrease of \$(11,450,200) from the Photo Enforcement Fund in FY 2011 for vendor payment

reduction. This amount represents an over-appropriation of the vendor payment, which is now reflective of current collection trends.

Statewide Adjustments

The budget includes a decrease of \$(18,600) from the Photo Enforcement Fund in FY 2011 for statewide adjustments.

The Governor has decided not to extend the Photo Radar contract as of July 15, 2010. While the fund will lose all revenue in the long-run, the short-term impact is more difficult to gauge as pre-termination fines are still being collected.

Background – In July 2008, DPS awarded a 2-year contract to a private vendor for operation of the photo enforcement cameras. DPS originally planned to oversee 100 speed cameras statewide, including 60 stationary cameras and 40 mobile van systems. As of December 2009, 36 fixed cameras and 42 mobile cameras had been deployed.

Laws 2008, Chapter 286 created the statewide photo enforcement system, as well as the Photo Enforcement Fund, which receives photo citation and notice of violation revenue. Photo radar citations under the statewide photo enforcement system do not result in points incurred on a driver’s license. All issued citations or notices of violation, however, do include a fine of \$165 and a 10% clean elections surcharge (bringing the total payment to \$181.50). Local jurisdictions, however, may also require a further surcharge.

DPS funding for the system includes \$2,173,000 for DPS staff expenses and \$8,911,100 for DPS payment of private vendor contracts related to operation of the photo cameras and processing citations. In addition to these monies, \$4,056,600 is included in the Supreme Court budget for processing of photo enforcement citations. After payment of expenses, the Photo Enforcement Fund is allowed to retain \$250,000 as a balance at the end of each calendar quarter. All fund balances above that amount are transferred to the General Fund.

In FY 2009, \$23,396,200 in total revenue was collected, of which \$4,879,700 was distributed to the General Fund during the fiscal year. A subsequent transfer of \$5,637,100 was made to the General Fund on July 15, 2009. DPS retained \$3,289,200 as a balance in the Photo Radar Enforcement Fund to allow for the continued operations of the Photo Radar Enforcement Program. These monies will eventually be deposited into the General Fund. In addition, the following amounts were transferred to designated recipients:

Administrative Offices of the Courts	2,530,800
Clean Elections Commission	1,471,700

DPS	1,829,800
Vendor Payments	3,758,000

While DPS was appropriated \$22,534,300 in FY 2009 for administrative expenses and vendor payments, the full amount was not received since the program did not generate as much revenue as originally projected.

Year-to-date (as of March 2010), the Photo Radar program has collected \$32,680,600 in revenue. This compares to a FY 2009 total of \$23,396,200. The program was first implemented in September 2008.

5th Special Session Reduction

The budget includes \$(4,247,800) in FY 2011 to continue the 5th Special Session FY 2010 Lump Sum Reduction. This amount was allocated to the operating budget in the General Appropriation Act pending agency decisions on how to allocate. This amount consists of:

General Fund	(378,200)
Automated Fingerprint ID System Fund	(245,000)
Crime Laboratory Assessment Fund	(414,800)
Crime Laboratory Operations Fund	(780,000)
Criminal Justice Enhancement Fund	(232,100)
DNA ID System Fund	(326,100)
Highway Patrol Fund	(1,504,500)
Parity Compensation Fund	(245,100)
Safety Enforcement and Transportation Infrastructure Fund	(122,000)

7th Special Session Reduction

The budget includes a decrease of \$(2,774,700) from the Crime Laboratory Operations Fund in FY 2011 for the 7th Special Session Lump Sum Reduction.

FTE Position Reduction

Laws 2009, 3rd Special Session, Chapter 11, Section 17 mandated a 5% General Fund FTE Position reduction by February 1, 2010. This provision required DPS to reduce 8 General Fund FTE Positions in FY 2010 and an additional 10 General Fund FTE Positions in FY 2011. These changes have been incorporated in the agency’s budget.

Fund Transfers

The budget includes transfers from this agency’s funds to the General Fund. *(Please see the Fund Transfers section at the back of this report for more details.)*

Additional Legislation

CJEF Redirect

The Criminal Justice Budget Reconciliation Bill (BRB) permanently redirects 9% of CJEF revenues, formerly deposited into the General Fund, to the Crime Laboratory Operations Fund to fund the department's crime lab operations.

HURF and State Highway Fund Cap

The Criminal Justice BRB notwithstanding the statutory spending cap of \$10,000,000 each for HURF and the State Highway Fund (A.R.S. § 28-6537 and A.R.S. § 28-6993).

Judicial Productivity Calculations/Photo Enforcement

The Criminal Justice BRB exempts state photo enforcement citations from being included in judicial productivity credit calculations in FY 2011. Productivity credits are used by the courts to determine when additional facilities are needed.

Parking Garage Funding

The Criminal Justice BRB reduces the FY 2011 advance appropriation from the DNA Identification System Fund of \$3,440,000 to \$980,000 (originally authorized by Laws 2007, Chapter 261). This provision further delays parking garage construction in order to generate savings of \$2,460,000. *(Please see the DNA Testing Special Line Item and the Fund Transfers section for more information.)*

Peace Officers Standards and Training Board

Administrative Costs

The Criminal Justice BRB allows DPS to charge the Peace Officer Standards and Training Board (POST) for administrative support costs incurred by the department. Previously, POST was only required to reimburse DPS for administrative support costs above and beyond those that would be normally incurred through the operation of the board.

Public Safety Equipment Fund Cap

The Criminal Justice BRB reduces the revenues from Driving Under the Influence and Operating Under the Influence assessments received annually by the Public Safety Equipment Fund from \$3,000,000 to \$1,200,000.

Seismic Sensor Pilot Program

Laws 2010, Chapter 74, requires DPS to seek federal grant monies for the implementation of a 1-year pilot, seismic sensor program. The program would install seismic sensors at rural airports and rural areas where illegal drug trafficking, illegal alien traffic, and human smuggling occur.

Sex Offender Monitoring Fund Elimination

The Criminal Justice BRB eliminates the Sex Offender Monitoring Fund and redirects the revenues and remaining balance to the General Fund.