

MAJOR FOOTNOTE CHANGES

The Baseline would include the following major additions, deletions or modifications of footnotes. This list does not include footnotes pertaining to one-time reports or appropriations or footnote changes conforming to enacted policy.

Arizona Department of Administration

- Adds footnote requiring the department to report to JLBC on information technology and automation project oversight positions in the department by October 1, 2016.

Arizona Department of Administration - Automation Projects Fund

- Adds footnote extending permission to spend FY 2015 appropriations for the Department of Child Safety Children's Information Library and Data Source system project through the end of FY 2017.
- Adds footnote extending permission to spend FY 2015 appropriations for the Department of Corrections' Adult Inmate Management System project through the end of FY 2017.

AHCCCS

- Adds footnote requiring the agency to transfer \$1,200,000 to the Department of Health Services in FY 2017 for the costs of prescription medications for seriously mentally ill patients at the Arizona State Hospital.
- Adds footnote requiring the agency to report changes in capitation rates for reimbursement of the Affordable Care Act health insurer fee. The agency was previously required to submit these changes for JLBC review.

Attorney General - Department of Law

- Adds footnote requiring the agency to submit for review by JLBC an expenditure plan for its FY 2017 Internet Crimes Against Children appropriation by June 1, 2016.

Department of Child Safety

- Adds footnote in DES requiring transfers of resources between DCS and DES in both FY 2016 and FY 2017, resulting in no net change in total DCS resources. In exchange for receiving \$6,752,300 from DES' FY 2016 TANF Block Grant appropriation and \$3,971,700 from DES' FY 2017 TANF Block Grant appropriation, DCS will transfer DES a corresponding amount of General Fund.
- Adds footnote requiring all expenditures for Attorney General legal services to be funded only from the Attorney General Legal Services line item.
- Deletes footnote concerning backlog Request for Proposals.

Potential Other Footnotes

- The JLBC Staff recommends that the Legislature consider a footnote requiring JLBC review before any transfer of resources among DCS line items.

Arizona Commerce Authority

- Adds footnote requiring the agency to submit for JLBC review a report on progress made in implementing recommendations in the 2015 Auditor General report.

Arizona Criminal Justice Commission

- Adds footnote requiring the commission to report to JLBC by August 31, 2016 on noncompliance with Anti-Racketeering Revolving Fund statutory reporting requirements.

Department of Economic Security

- Adds footnote requiring transfers of resources between DCS and DES in both FY 2016 and FY 2017, resulting in no net change in total DES resources. In exchange for receiving \$6,752,300 from DES' FY 2016 TANF Block Grant appropriation and \$3,971,700 from DES' FY 2017 TANF Block Grant appropriation, DCS will transfer DES a corresponding amount of General Fund.
- Deletes footnote concerning the proportional reduction of General Fund dollars to DES and DCS for every Federal TANF Block Grant dollar received in excess of their appropriation.

Arizona Department of Education

- Adds footnote indicating that the amount appropriated for Basic State Aid from the Permanent State School Fund for FY 2017 shall be reduced by \$(172,444,700) if Proposition 123 is not approved by voters.
- Deletes footnote concerning the intended use of monies appropriated to the K-3 Reading line item, as the Baseline would incorporate funding for that line item into other programs.
- Adds footnote indicating that the department's operating budget includes \$500,000 for technical assistance and state level administration of the K-3 Reading program established by A.R.S. § 15-211.

Potential Other Footnotes

- The JLBC Staff recommends the Legislature consider whether to add footnote indicating that the amount appropriated for Basic State Aid from the state General Fund for FY 2017 shall be reduced from the amount shown in the General Appropriation Act if Proposition 123 is not approved by voters (amount of decrease will depend on data available in spring of 2016).

State Land Department

- Adds footnote reducing the department's General Fund appropriation by \$(7,303,600) and appropriating \$7,303,600 from the Trust Land Administration Fund in FY 2017 if SCR 1018 permitting Land Department self-funding is enacted at the November 2016 general election.

Department of Revenue

- Adds footnote requiring JLBC review of any transfers to or from the Income Tax Fraud Prevention line item.
- Adds footnote requiring the department to report the results of private fraud prevention investigation services during FY 2016 to JLBC by November 1, 2016.

School Facilities Board

- Deletes footnote requiring the agency to transfer \$1,000,000 from the Building Renewal Grants line item to the Emergency Deficiencies Correction Fund in FY 2015.

Arizona Department of Transportation

- Adds footnote requiring third-party review of the Motor Vehicle Division (MVD) legacy automation system replacement project.
- Adds footnote requiring the department to report on the cost to link local governments, state agencies, and other users to the new Motor Vehicle Division automation system.
- Adds footnote requiring the department to report the amount of savings generated from the renegotiation of the Service Arizona contract to the JLBC Director.
- Adds footnote requiring all expenditures for Attorney General legal services to be funded only from the Attorney General Legal Services line item.

Universities

- Adds footnote requiring JLBC Staff to use the overall appropriated operating budget General Fund/tuition split for each University when allocating each university's specific statewide adjustments.

Potential Other Footnotes

- The Arizona Board of Regents requested FY 2017 state funding based on the number of resident students enrolled at each campus instead of using a performance funding model as required by the FY 2016 General Appropriation Act. The JLBC Staff recommends that the Legislature consider whether to accept this new resident student funding model, reforming the existing performance funding model, or eliminating the performance funding model altogether.