

**FY 2009 Enacted Budget
July 2, 2008 - Updated**

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As Passed the Legislature
Detailed List of General Fund Changes by Agency

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|--|------------------------------|------------------------|
| OPERATING SPENDING CHANGES | | |
| DOA - Arizona Department of Administration | | |
| DOA - ENSCO | (4,556,300) | |
| DOA - Rent Adjustment/Other | | (316,000) |
| DOA - Agencywide Fund Shifts | | (617,600) |
| DOA - GAO Fund Shift | | (403,800) |
| DOA - Vacancy Savings | | (147,400) |
| DOA - Lump Sum Reduction (+\$6.7M in Fund Sweeps) | | (200,000) |
| | | |
| OAH - Office of Administrative Hearings | | |
| OAH - Standard/Technical | 69,400 | |
| OAH - Enacted Adjustment | (69,400) | |
| OAH - Operating Budget Reduction | | (4,500) |
| | | |
| AGR - Department of Agriculture | | |
| AGR - Standard/Technical | 586,100 | |
| AGR - Enacted Adjustment | (364,100) | |
| AGR - Vacancy Savings/Overtime | | |
| AGR - Lump Sum Reduction | | |
| AGR - Fee Proposal | | (1,100,000) |
| | | |
| AXS - AHCCCS | | |
| AXS - Formula Growth | 245,582,000 | |
| AXS - Redetermination Savings | | (9,083,600) |
| AXS - Redetermination Workers | | 1,700,000 |
| AXS - KidsCare Parents | (9,628,700) | 8,792,300 |
| AXS - Freeze Reimbursement Rates | | (12,462,500) |
| AXS - Eliminate One-time 2-1-1 Equipment | (600,000) | |
| AXS - 2-1-1 Call Center Program | | (1,543,000) |
| AXS - 211 Transfer | | (1,279,400) |
| AXS - Eliminate One-time Healthcare Group Subsidy | (8,000,000) | 5,000,000 |
| AXS - Eliminate One-time HPV Vaccine | (2,685,300) | |
| AXS - Enacted Outlier Methodology Revision | (5,664,200) | |
| AXS - Tobacco Tax Revenue Offset | 26,418,000 | |
| AXS - Tobacco Settlement | (22,000,000) | |
| AXS - Eliminate Adult Dental Services | | (1,700,000) |
| AXS - Temporary Medical Coverage Program Suspend | | (8,350,000) |
| AXS - Hospital Residency Loan Program | | (1,000,000) |
| AXS - Rollback FY 08 Claims Computer System Increase | | (500,000) |
| AXS - Lump Sum Reduction | | (1,000,000) |
| AXS - ALTCS County Reversions | | (17,830,500) |
| AXS - Require Extra Maricopa/Pima Contributions | | (27,962,800) |
| | | |
| ART - Arizona Commission on the Arts | | |
| ART - Standard/Technical | 39,500 | |
| ART - Enacted Adjustment | (39,500) | |
| ART - Opening Door Grants | | (200,000) |
| | | |
| ATT - Attorney General | | |
| ATT - Standard/Technical | 2,327,300 | |
| ATT - Enacted Adjustment | (3,269,000) | |
| ATT - Operating Budget Reduction | | (750,000) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|---|------------------------------|------------------------|
| BIO - Biomedical Research Commission | | |
| BIO - Rollback FY 08 Cord Blood Banks Increase | | (1,000,000) |
| | | |
| CPD - State Capital Postconviction Defender Office | | |
| CPD - Standard/Technical | 16,200 | |
| CPD - Enacted Adjustment | (16,200) | |
| CPD - Reduce Expert Witness Fees | | (15,000) |
| CPD - Caseload | | 150,000 |
| | | |
| CHA - State Board for Charter Schools | | |
| CHA - Standard/Technical | 37,600 | |
| CHA - Enacted Adjustment | (78,500) | |
| CHA - Postpone 3 FTE Positions | | (262,400) |
| | | |
| COM - Department of Commerce | | |
| COM - Standard/Technical | 202,900 | |
| COM - Enacted Adjustment | (202,900) | |
| COM - Rollback FY 08 International Trade Funding Increase | | (350,000) |
| COM - Rollback FY 08 GADA Increase | | (2,000,000) |
| COM - Rollback CEDC Fund Shift | | (750,000) |
| COM - Operating Reduction | | (774,400) |
| COM - Transfer DES Research Administration | | 486,200 |
| COM - Suspend Military Airport Dollars | | (4,800,000) |
| COM - Motion Picture Reallocation | | (337,700) |
| | | |
| CCO - Arizona Community Colleges | | |
| CCO - Operating State Aid Formula | 689,000 | |
| CCO - Community College Reductions | | (5,497,600) |
| CCO - Capital Outlay State Aid Formula | (20,000) | |
| CCO - Equalization Aid Formula | 5,497,600 | |
| CCO - Suspend Capital Outlay | | (20,034,000) |
| CCO - Rollback Northland Public Safety Funding | | (500,000) |
| CCO - Out of County Reimbursement Savings | | (200,000) |
| | | |
| COR - Corporation Commission | | |
| COR - Standard/Technical | 314,900 | |
| COR - Enacted Adjustment | (314,900) | |
| COR - Fund Shift | | (546,000) |
| COR - Operating Budget Reduction | | (546,000) |
| | | |
| DOC - Department of Corrections | | |
| DOC - 4,000 New State Beds - Start-up | 1,070,700 | (1,070,700) |
| DOC - 4,000 New State Beds - Debt Service | 10,398,700 | (10,398,700) |
| DOC - 2,000 New Private Beds | 18,333,000 | (4,000,000) |
| DOC - Water and Wastewater Projects | 345,300 | (345,300) |
| DOC - Annualize 2,060 Provisional Beds | 11,547,300 | |
| DOC - Population Growth | 5,400,700 | |
| DOC - Health Care | 4,593,200 | |
| DOC - Equipment and Van Pool One-time Funding | (947,200) | |
| DOC - Lump Sum Reduction | | (1,000,000) |
| | | |
| JUS - Arizona Criminal Justice Commission | | |
| JUS - Enacted Adjustment - County Meth | 2,000,000 | |
| JUS - Rollback FY 09 County Meth Monies | | (2,000,000) |
| JUS - Enacted Adjustment - Info System | (100,000) | |
| JUS - Rollback FY 08 Information System Increase | | (800,000) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|---|------------------------------|------------------------|
| JUS - Operating Budget Reduction | | (130,000) |
| SDB - AZ State Schools for the Deaf and the Blind | | |
| SDB - Standard/Technical | 1,386,600 | |
| SDB - Enacted Adjustment | (1,329,100) | |
| DES - Department of Economic Security | | |
| DES - Lease-Purchase Savings | (443,200) | |
| DES - DD Title 19 Long Term Care | 34,400,000 | |
| DES - Eliminate One-time Funding | (8,100) | |
| DES - General Assistance Caseload | (900,000) | (100,000) |
| DES - Redetermination Shift | | (1,700,000) |
| DES - Reduce Unused Healthy Families Funding | | (3,000,000) |
| DES - Adoption - Academic Tutoring | | (300,000) |
| DES - Rollback FY 08 Independent Living Stipend Increase | | (500,000) |
| DES - Summer Youth Employment and Training | | (500,000) |
| DES - Vocational Rehabilitation | | (500,000) |
| DES - Lump Sum Reduction | | (5,250,000) |
| DES - DD Early Intervention Services | | 3,500,000 |
| DES - Marriage and Communication Skills | | (1,200,000) |
| DES - Adoption/Permanent Guardianship | | (300,000) |
| DES - Research Administration Transfer | | (486,100) |
| DES - DD Provider Rate Freeze | | (7,000,000) |
| DES - TANF Offset | | (1,562,800) |
| ADE - Arizona Department of Education | | |
| ADE - Standard/Technical | 0 | |
| ADE - Basic State Aid and Other Formula Growth | 159,310,700 | (39,310,700) |
| ADE - TNT Adjustment | (16,138,200) | |
| ADE - Teach America One-time Funding | (1,000,000) | |
| ADE - Physical Education One-time Funding | (110,000) | |
| ADE - Professional Development One-time Funding | (150,000) | |
| ADE - Reading Grants - Non-Title I One-time Funding | (1,000,000) | |
| ADE - Technology Grants One-time Funding | (1,000,000) | |
| ADE - Rollover | | (330,000,000) |
| ADE - TAPBI - 85% new students, No Recoup | | 0 |
| ADE - Cap JTED State Aid at FY 08 Level | | (7,566,900) |
| ADE - Eliminate Remaining 50% of Rapid Decline | | (1,500,000) |
| ADE - Rollback FY 08 Teacher Training Increase | | (1,000,000) |
| ADE - Operating Budget Reduction | | (2,200,000) |
| ADE - Disabled Pupil Scholarship Program | | (2,500,000) |
| ADE - Displaced Foster Care Students | | (2,500,000) |
| ADE - Move Master Teach Program to NAU | | (2,000,000) |
| ADE - SEI Funding - Enacted | | 40,653,800 |
| ADE - Reallocations for SEI - Enacted | | (14,300,000) |
| EMA - Department of Emergency & Military Affairs | | |
| EMA - Standard/Technical | 251,300 | |
| EMA - Enacted Adjustment | (298,400) | |
| EMA - Lump Sum Reduction | | (200,000) |
| EMA - 211 Transfer | | 104,200 |
| EMA - Reduce Emergency Fund | | (500,000) |
| DEQ - Department of Environmental Quality | | |
| DEQ - Standard/Technical | 417,700 | |
| DEQ - Enacted Adjustment | (667,700) | |
| DEQ - Set WOARF at \$10 Million | | (2,000,000) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|--|------------------------------|------------------------|
| DEQ - Lump Sum Reduction | | (1,000,000) |
| DEQ - Other Fund Shift | | (5,000,000) |
| DEQ - Fee Proposal | | (600,000) |
| | | |
| OEO - Governor's Office of Equal Opportunity | | |
| OEO - Standard/Technical | 15,600 | |
| OEO - Lump Sum Reduction | | (13,000) |
| OEO - Enacted Adjustment | (15,600) | |
| | | |
| EQU - State Board of Equalization | | |
| EQU - Standard/Technical | 19,400 | |
| EQU - Enacted Adjustment | (19,400) | |
| EQU - Operating Budget Reduction | | (14,000) |
| | | |
| EXE - Board of Executive Clemency | | |
| EXE - Standard/Technical | 66,100 | |
| EXE - Enacted Adjustment | (66,100) | |
| EXE - Reduce Staff | | (60,000) |
| | | |
| BAN - Dept of Financial Institutions | | |
| BAN - Automation Project Completion | (75,000) | |
| BAN - Operating Reduction | | (200,000) |
| BAN - Membership Dues | | |
| | | |
| BFS - Department of Fire, Building & Life Safety | | |
| BFS - Standard/Technical | 132,600 | |
| BSF - Enacted Adjustment | (158,100) | |
| BSF - Operating Reductions | | (300,000) |
| | | |
| GEO - Arizona Geological Survey | | |
| GEO - Standard/Technical | 78,000 | |
| GEO - Enacted Adjustment | (78,000) | |
| GEO - Operating Reductions [Fissure Footnote] | | (60,000) |
| | | |
| GTA - Government Information Technology Agy | | |
| GTA - Arizona E-Health Initiative | | (100,000) |
| GTA - 211 Transfer | | 1,175,200 |
| GTA - Public Safety Communications | | 880,600 |
| GTA - Lump Sum Reduction | | (500,000) |
| | | |
| GOV - Office of the Governor | | |
| GOV - Standard/Technical | 342,100 | |
| GOV - Enacted Adjustment | (342,100) | |
| GOV - Lump Sum Reduction | | (367,900) |
| | | |
| OSP - Gov's Ofc of Strategic Planning & Budgeting | | |
| OSP - Standard/Technical | 103,700 | |
| OSP - Enacted Adjustment | (103,700) | |
| OSP - Lump Sum Reduction | | (115,700) |
| | | |
| DHS - Department of Health Services | | |
| DHS - Eliminate One-time Equipment | (37,100) | |
| DHS - Title XIX Caseload | 50,200,000 | |
| DHS - IMD Waiver | (2,000,000) | |
| DHS - Lease-Purchase Payment | 1,635,100 | (1,635,100) |
| DHS - Reduce Community Health Centers Funding | | (1,500,000) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|---|------------------------------|------------------------|
| DHS - Health Crisis Fund Deposit | | (500,000) |
| DHS - Consolidate Poison Control Centers | | (250,000) |
| DHS - Reduce Laboratory Services Funding | | (270,000) |
| DHS - Rollback FY 08 Contract Compliance Increase | | (605,000) |
| DHS - Rollback Youth Meth Prevention Funding | | (500,000) |
| DHS - Operating Reduction | | (8,650,000) |
| DHS - Reduce Vaccines | | (2,000,000) |
| DHS - Reduce Abstinence Funding | | (1,500,000) |
| DHS - Suspend Valley Fever | | (284,700) |
| DHS - Eliminate Women's Services | | (501,500) |
| DHS - AZ Community Treatment & Protection Center | | (1,000,000) |
| DHS - County Nutrition | | (330,300) |
| DHS - Crisis Intervention | | (250,000) |
| DHS - Suspend Health Start | | (226,600) |
| DHS - Fund Shift (Hospital Land Earnings) | | (800,000) |
| DHS - Increase Fees | | (600,000) |
| DHS - Suspend Modular Dental Buildings | | (200,000) |
| | | |
| AZH - Arizona Historical Society | | |
| AZH - Standard/Technical | 122,500 | |
| AZH - Enacted Adjustment | (122,500) | |
| AZH - Lump Sum Reduction | | (65,000) |
| AZH - Grant Funding Reduction | | (15,000) |
| | | |
| PAZ - Prescott Historical Society | | |
| PAZ - Standard/Technical | 46,700 | |
| PAZ - Enacted Adjustment | (46,700) | |
| PAZ - Lump Sum Reduction | | (15,000) |
| | | |
| CIA - Arizona Commission of Indian Affairs | | |
| CIA - Standard/Technical | 14,400 | |
| CIA - Enacted Adjustment | (14,400) | |
| CIA - Operating Reduction | | (5,000) |
| | | |
| INS - Department of Insurance | | |
| INS - Standard/Technical | 435,000 | |
| INS - Enacted Adjustment | (435,000) | |
| INS - Operating Budget Reduction | | (435,500) |
| | | |
| SPA - Judiciary - Supreme Court | | |
| SPA - Eliminate One-time Funding | (23,000) | |
| SPA - Eliminate AZ Reports (w/Stat Chg) | | (65,000) |
| SPA - Elder Law Hotline | | (100,000) |
| SPA - Lump Sum Reduction | | (798,000) |
| | | |
| COA - Judiciary - Court of Appeals | | |
| COA - Eliminate One-time Funding | (39,000) | |
| COA - Lump Sum Reduction | | (135,000) |
| | | |
| SUP - Judiciary - Superior Court | | |
| SUP - 2 New Judgeships | 179,200 | |
| SUP - Correctional Officer Retirement Plan Administration | | (46,300) |
| SUP - GPS Tracking Fees | | (120,000) |
| SUP - Juvenile Diversion | | (174,000) |
| SUP - Adult Probation | | (168,000) |
| SUP - Lump Sum Reduction | | (212,000) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|---|------------------------------|------------------------|
| DJC - Department of Juvenile Corrections | | |
| DJC - Lump Sum Reduction | | (1,054,200) |
| DJC - Other Reduction | | (3,137,700) |
| DJC - Offset GF w/State Charitable Fund | | (1,700,000) |
| DJC - Fund Shift | | (1,500,000) |
| | | |
| LAN - State Land Department | | |
| LAN - Standard/Technical | 631,000 | |
| LAN - Enacted Adjustment | (1,411,700) | |
| LAN - Trust Management | | (2,190,500) |
| LAN - CAP Fee | | (125,000) |
| LAN - NRCD Redistribution of Funding | | (40,000) |
| LAN - Increase Fees | | (600,000) |
| LAN - FY 08 Navigable Stream Shift | | (200,000) |
| | | |
| LEM - Law Enforcement Merit System Council | | |
| LEM - Standard/Technical | 5,100 | |
| LEM - Enacted Adjustment | (5,100) | |
| LEM - Operating Reduction | | (2,000) |
| | | |
| Legislature | | |
| AUD - Auditor General | | |
| AUD - Standard/Technical | 599,600 | |
| AUD - Enacted Adjustment | (899,600) | |
| AUD - Fraud Audit & Investigations (Contracted) | | |
| AUD - Lump Sum Reduction | | (939,600) |
| | | |
| HOU - House of Representatives | | |
| HOU - Standard/Technical | 421,700 | |
| HOU - Enacted Adjustment | (421,700) | |
| HOU - Lump Sum Reduction | | (618,100) |
| | | |
| JLBC - Joint Legislative Budget Committee | | |
| JLBC - Standard/Technical | 92,300 | |
| JLBC - Enacted Adjustment | (92,300) | |
| JLBC - Lump Sum Reduction | | (152,100) |
| | | |
| LEG - Legislative Council | | |
| LEG - Standard/Technical | 141,000 | |
| LEG - Enacted Adjustment | (141,000) | |
| LEG - Lump Sum Reduction | | (285,900) |
| | | |
| LIBR - AZ State Library, Archives & Public Records | | |
| LIBR - Standard/Technical | 251,300 | |
| LIBR - Enacted Adjustment | (251,300) | |
| LIBR - Lump Sum Reduction | | (389,400) |
| | | |
| SEN - Senate | | |
| SEN - Standard/Technical | 283,300 | |
| SEN - Enacted Adjustment | (283,300) | |
| SEN - Lump Sum Reduction | | (426,600) |
| | | |
| LIQ - Department of Liquor Licenses & Control | | |
| LIQ - Standard/Technical | 112,100 | |
| LIQ - Enacted Adjustment | (112,100) | |
| LIQ - Operating Reduction | | (30,900) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|--|------------------------------|------------------------|
| LIQ - Vacancy Savings | | (181,100) |
| MSL - Board of Medical Student Loans | | |
| MSL - Lump Sum Reduction | | (379,000) |
| MIN - State Mine Inspector | | |
| MIN - One-time Equipment | (132,000) | |
| MIN - Operating Budget Reduction | | (188,000) |
| MMR - Department of Mines & Mineral Resources | | |
| MMR - Standard/Technical | 110,900 | |
| MMR - Enacted Adjustment | (110,900) | |
| MMR - Operating Budget Reduction | | (40,000) |
| NAV - AZ Navigable Steam Adjudication Comm. | | |
| NUR - State Board of Nursing | | |
| NUR - Standard/Technical | 1,300 | |
| NUR - Enacted Adjustment | (1,300) | |
| OSH - Occupational Safety & Health Review Board | | |
| SPB - Arizona State Parks Board | | |
| SPB - Standard/Technical | 312,200 | |
| SPB - Enacted Adjustment | 187,800 | |
| SPB - Operating Budget Reduction | | (250,000) |
| PER - Personnel Board | | |
| PER - Standard/Technical | 12,900 | |
| PER - Enacted Adjustment | (12,900) | |
| PIO - Arizona Pioneers' Home | | |
| PIO - Standard/Technical | 24,000 | |
| PIO - Enacted Adjustment | (24,000) | |
| PIO - Fund Shift | | (1,236,000) |
| POS - Commission for Postsecondary Education | | |
| POS - Standard/Technical | 6,500 | |
| POS - Enacted Adjustment | (6,500) | |
| POS - Private Postsecondary Grants | | (400,000) |
| POS - Postsecondary Grant Program | | (2,650,000) |
| DPS - Department of Public Safety | | |
| DPS - Elimination of One-time Equipment | (218,700) | |
| DPS - Shift Highway Patrol to HURF/Highway | | (106,000,000) |
| DPS - Local Law Enforcement Reimbursement for DPS Lab | | (7,800,300) |
| DPS - Lump Sum Reduction (No sworn officer, only admin cuts) | | (1,200,000) |
| DPS - Officer Pay | | 1,274,100 |
| DPS - Public Safety Commission Shift to ADOA | | (1,161,100) |
| DPS - Peace Officer Cancer Insurance | | 119,500 |
| DPS - Arrestee DNA Testing | | (600,000) |
| RAC - Arizona Department of Racing | | |
| RAC - Standard/Technical | 103,200 | |
| RAC - Enacted Adjustment | (103,200) | |
| RAC - Operating Reduction | | (217,600) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|---|------------------------------|------------------------|
| RAD - Radiation Regulatory Agency | | |
| RAD - Standard/Technical | 63,600 | |
| RAD - Enacted Adjustment | (9,000) | |
| RAD - Increase Fees | | (400,000) |
| RAD - Operating Reduction | | (122,900) |
| | | |
| ARP - Arizona Rangers' Pensions | | |
| ARP - Enacted Adjustment | 300 | |
| | | |
| REA - State Real Estate Department | | |
| REA - Standard/Technical | 251,000 | |
| REA - Enacted Adjustment | (175,500) | |
| REA - Operating Reduction | | (461,000) |
| | | |
| REV - Department of Revenue | | |
| REV - Standard/Technical | 2,504,600 | |
| REV - Enacted Adjustment | (4,242,900) | |
| REV - Small City Grants - One-time Funding | (850,000) | |
| REV - Operating Budget Reduction | | (400,000) |
| | | |
| SFB - School Facilities Board | | |
| SFB - New School Debt Service | 7,301,200 | |
| SFB - Utility Grants - One-time Funding | (2,500,000) | |
| SFB - Building Renewal | | (66,283,500) |
| SFB - New Construction Reassessment | | (187,000,000) |
| SFB - Temporary Approp to be Reimbursed with Bond Proceeds (\$117M) | | 0 |
| SFB - Lease-Purchase Financing | | (183,000,000) |
| | | |
| SOS - Secretary of State | | |
| SOS - Standard/Technical | 125,700 | |
| SOS - Enacted Adjustment | (242,300) | |
| SOS - Lump Sum Reduction | | (138,000) |
| | | |
| TAX - State Board of Tax Appeals | | |
| TAX - Standard/Technical | 12,700 | |
| TAX - Enacted Adjustment | (12,700) | |
| TAX - Operating Reduction | | (6,300) |
| | | |
| TOU - Office of Tourism | | |
| TOU - Enacted Adjustment | 972,800 | |
| TOU - Further Budget Reduction | | (1,600,000) |
| | | |
| DOT - Department of Transportation | | |
| DOT - Standard/Technical | 0 | |
| DOT - Operating Reduction | | (2,000) |
| | | |
| TRE - State Treasurer | | |
| TRE - One-time Funding | (213,200) | |
| TRE - Operating Reduction | | (332,000) |
| | | |
| UNI - Universities | | |
| UNI - Arizona Board of Regents | | |
| UNI - Universitywide Lump Sum Reduction | | (50,000,000) |
| | | |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|---|------------------------------|--------------------------|
| UNI - ASU - Main Campus | | |
| UNI - ASU Main Enrollment Formula | 3,944,300 | |
| UNI - ASU Biomedical Campus Phx | (5,250,000) | |
| | | |
| UNI - ASU - East Campus | | |
| UNI - ASU East Enrollment Formula (H: Campus Combined) | 6,093,400 | |
| | | |
| UNI - ASU - West Campus | | |
| UNI - ASU West Enrollment Formula (H: Campus Combined) | 3,191,900 | |
| | | |
| UNI - Northern Arizona University | | |
| UNI - NAU Enrollment Growth | 6,499,800 | |
| UNI - NAU - Move Master Teacher Program from ADE | | 2,000,000 |
| | | |
| UNI - UA - Main Campus | | |
| UNI - UA Main Enrollment Formula (H: Campus Combined) | 1,117,800 | |
| UNI - UA Main - Rollback FY 08 Biomedical Campus Design | (5,250,000) | |
| | | |
| UNI - UA - Health Sciences Center | | |
| UNI - UA - HSC Enrollment Formula (H: Campus Combined) | (108,400) | |
| | | |
| VSC - Department of Veterans' Services | | |
| VSC - Standard/Technical | 177,300 | |
| VSC - Enacted Adjustment | (1,064,200) | |
| | | |
| WAT - Department of Water Resources | | |
| WAT - Standard/Technical | 648,100 | |
| WAT - Enacted Adjustment | 93,100 | |
| WAT - Rollback New Water Protection Fund Deposit | | (2,000,000) |
| WAT - Shift Assured & Adequate Water Program Costs | | (400,000) |
| WAT - Water Banking Shift | | (4,000,000) |
| WAT - Rollback FY 08 Adjudication Support Increase | | (500,000) |
| | | |
| WEI - Department of Weights & Measures | | |
| WEI - Standard/Technical | 59,200 | |
| WEI - Enacted Adjustment | (70,600) | |
| WEI - Operating Budget Reduction | | (100,000) |
| | | |
| OTH - Other | | |
| OTH - Unallocated '08 Adjustments | (536,500) | |
| OTH - 21st Century Fund Deposit - Enacted | 0 | |
| COM - Delay FY 08 Arizona 21st Century Fund | | (2,500,000) |
| OTH - Employer Retirement Contribution | | 9,033,400 |
| OTH - IT Pro Rata Increase | | 375,000 |
| DOA - Utilities (Rent Surcharge) | 1,060,000 | |
| OTH - FY 08 Supplemental - AHCCCS/DHS | (64,072,300) | |
| OTH - Administrative Adjustments | (40,800,000) | |
| OTH - Revertments | (1,429,500) | |
| OTH - Accounting Options | | (50,000,000) |
| OTH - Hiring Freeze - General Fund | | (5,309,300) |
| OTH - Hiring Freeze - Other Fund Transfers | | (4,690,700) |
| | | |
| TOTAL - OPERATING SPENDING CHANGES | \$405,807,800 | (\$1,223,769,500) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|---|------------------------------|--------------------------|
| FUND TRANSFERS - CAPITAL SPENDING | | |
| One-time ADOA System FY '08 Funding | (14,227,500) | |
| Renovate Old Health Lab for Ag Lab - ('09 Enacted: \$2.2M) | | (2,207,000) |
| Move Southern Arizona Veterans' Home Funding to FY 09 | 10,000,000 | |
| TOTAL - CAPITAL SPENDING | (\$4,227,500) | (\$2,207,000) |
| TOTAL - ALL SPENDING CHANGES | \$401,580,300 | (\$1,225,976,500) |
| FUND TRANSFERS (One-time) | | |
| SBA - State Board of Accountancy | | |
| SBA - Accountancy Board Fund | | (1,016,700) |
| ACU - Board of Acupuncture Examiners | | |
| ACU - Acupuncture Board Fund | | (88,300) |
| DOA - Arizona Department of Administration | | |
| DOA - Certificate of Participation Fund | | (750,000) |
| DOA - Construction Insurance Fund | | (11,628,800) |
| DOA - Motor Vehicle Pool Revolving Fund | | (3,770,800) |
| DOA - Motor Vehicle Pool Revolving Fund (Operating Savings) | | (1,022,700) |
| DOA - Retiree Accumulated Sick Leave Fund | | (7,597,300) |
| DOA - Risk Management Revolving Fund | | (15,486,600) |
| DOA - Risk Management Revolving Fund (Operating Savings) | | (850,400) |
| DOA - Capital Outlay Stabilization Fund (w/Bldg Renewal) | | (1,500,000) |
| DOA - Special Employee Health Insurance Trust Fund (Operating Savings) | | (453,800) |
| DOA - Emergency Telecommunication Services Revolving Fund | | (25,085,500) |
| AGR - Department of Agriculture | | |
| AGR - Consultation & Training Fund | | (250,000) |
| AGR - Agriculture Seed Law Fund | | (15,000) |
| AGR - State Chemist Pesticide Fund | | (25,000) |
| APP - State Board of Appraisal | | |
| APP - Board of Appraisal Fund | | (590,000) |
| ATT - Attorney General | | |
| ATT - Anti-Racketeering Revolving Fund | | (302,100) |
| ATT - Prosecuting Attorney Council | | (95,000) |
| BAR - Board of Barbers | | |
| BAR - Board of Barbers Fund | | (406,000) |
| BCE - State Board of Chiropractic Examiners | | |
| BCE - Chiropractic Board Fund | | (66,800) |
| CCE - Citizens Clean Elections Commission | | |
| CCE - Citizens Clean Elections Commission | | (14,000,000) |
| COM - Department of Commerce | | |
| COM - CEDC Fund | | (1,100,000) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|--|------------------------------|------------------------|
| COM - GADA Revolving Fund | | (2,000,000) |
| COM - Job Training Fund | | (10,300,000) |
| COM - Military Installation Fund | | (3,000,000) |
| | | |
| ROC - Registrar of Contractors | | |
| ROC - Registrar of Contractors Fund | | (2,000,000) |
| ROC - Residential Contractors' Recovery Fund | | (6,600,000) |
| | | |
| COR - Corporation Commission | | |
| COR - Utility Regulation Revolving Fund | | (2,632,600) |
| COR - Securities Regulatory Fund | | (1,200,000) |
| COR - Investment Management Fund | | (500,000) |
| COR - Public Access Fund | | (339,300) |
| | | |
| DOC - Department of Corrections | | |
| DOC - Transition Office Fund | | (339,600) |
| DOC - Transition Program Drug Treatment Fund | | (100,000) |
| DOC - Alcohol Abuse Treatment Fund | | (1,300,000) |
| | | |
| COS - Board of Cosmetology | | |
| COS - Board of Cosmetology Fund | | (1,803,800) |
| | | |
| JUS - Arizona Criminal Justice Commission | | |
| JUS - ACJC | | (100,000) |
| JUS - State Aid to County Attorneys Fund | | (1,550,000) |
| JUS - State Aid to Indigent Defense Fund | | (1,550,000) |
| | | |
| HEA - Commission for the Deaf and the Hard of Hearing | | |
| HEA - Telecommunication Fund for the Deaf | | (1,044,600) |
| | | |
| DEN - Board of Dental Examiners | | |
| DEN - Dental Board Fund | | (1,489,000) |
| | | |
| DES - Department of Economic Security | | |
| DES - Spinal and Head Injuries Trust Fund | | (395,200) |
| DES - Economic Security Special Administration Fund | | (2,900,000) |
| DES - Public Assistance Collections Fund | | (186,900) |
| DES - Utility Assistance Fund | | (550,000) |
| | | |
| ADE - Arizona Department of Education | | |
| ADE - Special Education Fund (Lower Enrollment) | | (4,234,000) |
| ADE - Internal Services Fund | | (500,000) |
| ADE - Assistance for Education | | (100,000) |
| ADE - Golden Rule Special Plate Fund | | (274,600) |
| | | |
| EMA - Department of Emergency & Military Affairs | | |
| EMA - State Armory Property Fund | | (44,600) |
| | | |
| DEQ - Department of Environmental Quality | | |
| DEQ - Air Quality Fund | | (1,100,000) |
| DEQ - Indirect Cost Recovery Fund | | (2,000,000) |
| DEQ - Recycling Fund | | (3,000,000) |
| DEQ - Underground Storage Tank Revolving Fund | | (12,000,000) |
| DEQ - WQARF | | (4,000,000) |
| DEQ - Emissions Inspection Fund | | (2,500,000) |
| DEQ - Solid Waste Fee Fund | | (400,000) |
| DEQ - Voluntary Vehicle Repair | | (750,000) |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|--|------------------------------|------------------------|
| DEQ - Water Quality Fee Fund | | (850,000) |
| DEQ - Drinking Water Fund | | (5,000,000) |
| DEQ - Clean Water Revolving Fund | | (10,700,000) |
| | | |
| BAN - Dept of Financial Institutions | | |
| BAN - Arizona Escrow Guaranty Fund | | (450,000) |
| BAN - Receivership Revolving Fund | | (500,000) |
| | | |
| EMB - Board of Funeral Directors and Embalmers | | |
| EMB - Funeral Directors & Embalmers Fund | | (491,700) |
| | | |
| FIS - Arizona Game and Fish Department | | |
| FIS - Watercraft License Fund - Operating Reduction | | (2,000,000) |
| FIS - Publication Fund | | (100,000) |
| FIS - Off-Highway Vehicle Fund - Operating Reduction | | (200,000) |
| | | |
| GTA - Government Information Technology Agy | | |
| GTA - State Web Portal Fund | | (100,000) |
| | | |
| DHS - Department of Health Services | | |
| DHS - Intergovernmental Agreements | | (1,000,000) |
| DHS - Emergency Medical Services Operating Fund | | (1,000,000) |
| DHS - Indirect Cost Fund | | (4,000,000) |
| DHS - Substance Abuse Treatment Fund | | (750,000) |
| DHS - Internal Services Fund | | (50,000) |
| DHS - Vital Records Electronic Systems Fund | | (100,000) |
| DHS - Hearing & Speech Professionals Fund | | (25,000) |
| DHS - Poison Control Fund | | (4,600) |
| DHS - AZ Prescription Drug Advisory Fund | | (10,000) |
| DHS - Arizona Medical Board Fund | | (25,800) |
| | | |
| HOU - Department of Housing | | |
| HOU - Housing Program Fund | | (583,700) |
| HOU - Housing Trust Fund | | (8,237,400) |
| | | |
| IND - Industrial Commission | | |
| IND - Industrial Commission Administrative Fund | | (10,000,000) |
| | | |
| INS - Department of Insurance | | |
| INS - Insurance Examiners' Revolving Fund | | (750,000) |
| | | |
| JUD - Judiciary | | |
| JUD - Juvenile Delinquent Reduction Fund | | (5,500,000) |
| JUD - Arizona Lengthy Trial Fund | | (750,000) |
| JUD - Appellate Fees | | (123,000) |
| JUD - Drug Treatment and Education Fund | | (500,800) |
| | | |
| DJC - Department of Juvenile Corrections | | |
| DJC - Criminal Justice Enhancement Fund | | (150,000) |
| | | |
| LIQ - Department of Liquor Licenses & Control | | |
| LIQ - Liquor License Special Collections Fund | | (670,000) |
| | | |
| LOT - Arizona State Lottery Commission | | |
| LOT - State Lottery Fund | | (4,543,600) |
| | | |
| NAT - Naturopathic Physician Examiners Board | | |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|---|------------------------------|------------------------|
| NAT - Naturopathic Physician Examiners Board Fund | | (618,000) |
| NUR - Nursing Board | | |
| NUR - Nursing Board Fund | | (1,004,900) |
| OCC - Board of Occupational Therapy Examiners | | |
| OCC - Occupational Therapy Fund | | (239,500) |
| OPT - State Board of Optometry | | |
| OPT - Optometry Board Fund | | (185,600) |
| OST - Arizona Board of Osteopathic Examiners | | |
| OST - Osteopathic Board Fund | | (541,100) |
| PAR - Parents Commission on Drug Ed & Prevention | | |
| PAR - Drug Treatment and Education Fund | | |
| SPB - Arizona State Parks Board | | |
| SPB - Off-Highway Vehicle Recreation Fund | | (1,086,000) |
| SPB - State Lake Improvement Fund | | (6,353,500) |
| PHA - Arizona State Board of Pharmacy | | |
| PHA - Board of Pharmacy Fund | | (549,700) |
| PRI - Board for Private Postsecondary Education | | |
| PRI - Private Postsecondary Education Fund | | (142,400) |
| PSY - State Board of Psychologist Examiners | | |
| PSY - State Board of Psychologist Examiners Fund | | (563,000) |
| DPS - Department of Public Safety | | |
| DPS - Auto Fingerprint Identification Fund | | (500,000) |
| DPS - DNA Identification System Fund (garage deferral) | | (2,500,000) |
| DPS - Highway Patrol Fund | | (2,000,000) |
| DPS - Records Processing Fund | | (301,600) |
| RAC - Arizona Department of Racing | | |
| RAC - Breeders Award | | (113,500) |
| RAC - Racing/Betterment | | (200,000) |
| REA - State Real Estate Department | | |
| REA - Condominium Recovery Fund | | (5,000) |
| REA - Real Estate Recovery Fund | | (202,500) |
| REV - Department of Revenue | | |
| REV - Liability Set-off Fund | | (850,000) |
| PES - Structural Pest Control Commission | | |
| PES - Structural Pest Control Commission Fund | | (554,900) |
| TEC - State Board of Technical Registration | | |
| TEC - Technical Registration Fund | | (978,700) |
| TOU - Office of Tourism | | |
| TOU - Tourism Fund | | (4,500,000) |
| DOT - Department of Transportation | | |

| | 09 Baseline Change to '08 | Senate 09 Engrossed |
|--|------------------------------|------------------------|
| DOT - Economic Strength Project Fund | | (1,000,000) |
| DOT - Motor Vehicle Liability Insurance Enforcement Fund | | (4,000,000) |
| DOT - State Aviation Fund | | (18,300,000) |
| DOT - Transportation Department Equipment Fund | | (3,100,000) |
| DOT - Vehicle Inspection and Title Enforcement Fund | | (1,750,000) |
| DOT - Local Transportation Assistance Fund II | | (12,000,000) |
| DOT - Vehicle License Tax | | (8,390,600) |
| | | |
| VME - Veterinary Medical Examining Board | | |
| VME - Veterinary Medical Fund | | (609,500) |
| | | |
| WAT - Department of Water Resources | | |
| WAT - Arizona Water Banking Fund | | (5,500,000) |
| | | |
| Other | | |
| OTH - Budget Stabilization Fund Transfer | | (20,000,000) |
| | | |
| TOTAL - FUND TRANSFERS | 0 | (316,690,600) |
| | | |
| REVENUE CHANGES | | |
| REV - Ongoing Revenue | (125,158,500) | |
| REV - One-time Revenue | (367,447,000) | |
| OTH - ALTCS Revisions - State Share | | 17,830,500 |
| OTH - Local Contributions | | 29,748,400 |
| OTH - Defensive Driving Fee Increase | | 10,800,000 |
| SFB - Prior Year Bond Proceeds | | 344,000,000 |
| | | |
| TOTAL - REVENUE CHANGES | (\$492,605,500) | \$402,378,900 |
| | | |
| ENDING BALANCE | (\$1,867,102,600) | \$1,945,046,000 |

Categories

| | |
|---|---------------------|
| Fund Transfers | 339,446,000 |
| HURF/Highway Shift | 106,000,000 |
| K-12 Rollover | 330,000,000 |
| Rainy Day Fund | 20,000,000 |
| Agency Reductions | 343,175,700 |
| SEI Funding | (26,353,800) |
| SFB Building Renewal | 66,283,500 |
| SFB Deferral | 187,000,000 |
| SFB Debt Financing | 527,000,000 |
| Accounting Options | 50,000,000 |
| Baseline Restoration/Caseload Adj. | 2,494,600 |
| Total Shortfall Solutions | 1,945,046,000 |
| Total Shortfall Estimate Prior to Solutions | (1,867,102,600) |

**As Passed the Legislature
Detailed List of Other Fund Changes by Agency**

| | 09 Baseline Change to '08 | 09 Senate OF Engrossed |
|---|------------------------------|---------------------------|
| OPERATING SPENDING CHANGES | | |
| SBA - State Board of Accountancy | | |
| SBA - Standard/Technical | 67,400 | |
| SBA - Enacted Adjustment | (66,700) | |
| ACU - Board of Acupuncture Examiners | | |
| ACU - Standard/Technical | 5,000 | |
| ACU - Enacted Adjustment | (5,000) | |
| DOA - Arizona Department of Administration | | |
| DOA - Standard/Technical | | |
| DOA - HRIS COP Debt Service Increase | 114,900 | |
| DOA - Risk Mgmt | (1,354,900) | |
| DOA - Risk Mgmt - Highway Hazards | (150,000) | |
| DOA - Workers' Comp | 3,652,100 | |
| DOA - One-time Equipment | (1,259,000) | |
| DOA - Health Savings Account Study | (100,000) | |
| DOA - Employee Bus Subsidy | 275,000 | |
| DOA - Fleet Vehicle | 949,900 | |
| DOA - Utilities - COSF | 1,466,100 | |
| DOA - Archives Utilities | | 150,000 |
| DOA - Burke Settlement | | 532,000 |
| DOA - Database Management | | |
| OAH - Office of Administrative Hearings | | |
| OAH - Enacted Adjustment | 0 | |
| AGR - Department of Agriculture | | |
| AGR - Standard/Technical | 126,600 | |
| AGR - Enacted Adjustment | (129,700) | |
| AXS - AHCCCS | | |
| AXS - Caseload and Capitation Growth | 14,069,200 | |
| AXS - KidsCare Parents Statutory Expiration | (42,610,500) | 28,051,300 |
| AXS - HCG Administrative Costs | (1,947,700) | |
| AXS - TMC Premium Collection Adjustment | (1,002,500) | 2,273,300 |
| AXS - Tobacco Tax Revenue Offset | (18,967,500) | |
| AXS - County Transfer to BNCF | | 17,830,500 |
| AXS - Require Maricopa & Pima Counties to Pay 100% of ALTCS Growth - Deposit to and Appropriate from BNCF | | 27,962,800 |
| APP - State Board of Appraisal | | |
| APP - Standard/Technical | 29,900 | |
| APP - Enacted Adjustment | (29,900) | |
| ATT - Attorney General | | |
| ATT - Standard/Technical | 2,907,600 | |
| ATT - Enacted Adjustment | (2,955,600) | |
| ATT - Consumer Fraud Fund | 1,700,000 | |
| ATA - Automobile Theft Authority | | |
| ATA - Standard/Technical | 145,800 | |

| | 09 Baseline Change to '08 | 09 Senate OF Engrossed |
|--|------------------------------|---------------------------|
| ATA - Enacted Adjustment | 261,700 | |
| | | |
| BAR - Board of Barbers | | |
| BAR - Standard/Technical | 11,800 | |
| BAR - Enacted Adjustment | (28,400) | |
| | | |
| BHE - Board of Behavioral Health Examiners | | |
| BHE - Standard/Technical | 55,100 | |
| BHE - Enacted Adjustment | (70,200) | |
| | | |
| BIO - Biomedical Research Commission | | |
| BIO - Enacted Adjustment | 0 | |
| | | |
| BCE - State Board of Chiropractic Examiners | | |
| BCE - Standard/Technical | 19,100 | |
| BCE - Enacted Adjustment | (17,500) | |
| | | |
| COM - Department of Commerce | | |
| COM - Standard/Technical | 67,900 | |
| COM - Enacted Adjustment | (67,900) | |
| COM - CEDC Fund Shift | | 750,000 |
| | | |
| ROC - Registrar of Contractors | | |
| ROC - Standard/Technical | 368,500 | |
| ROC - Enacted Adjustment | (3,689,200) | |
| | | |
| COR - Corporation Commission | | |
| COR - Standard/Technical | 870,600 | |
| COR - Enacted Adjustment | (874,100) | |
| COR - STARPAS Automation Upgrade | 338,300 | |
| COR - Utility Fund Increase (offset GF) | | 546,000 |
| COR - Annual Reports Staffing | 53,100 | |
| | | |
| DOC - Department of Corrections | | |
| DOC - Leap Year Funding | (576,600) | |
| DOC - New State Beds | 2,822,000 | |
| DOC - Education Adjustment | (731,500) | |
| DOC - Inmate Transportation Vehicle Replacement | (2,000,000) | |
| DOC - Fund Shift - Penitentiary Land Fund & State Charitable Land Fund (\$670,500 from PFL to SCLF) | 0 | |
| | | |
| COS - Board of Cosmetology | | |
| COS - Standard/Technical | 58,500 | |
| COS - Enacted Adjustment | (150,200) | |
| | | |
| JUS - Arizona Criminal Justice Commission | | |
| JUS - Standard/Technical | 19,300 | |
| JUS - Enacted Adjustment | (174,400) | |
| | | |
| SDB - AZ State Schools for the Deaf and the Blind | | |
| SDB - Enacted Adjustment | 377,800 | |
| | | |
| HEA - Comm for the Deaf & the Hard of Hearing | | |
| HEA - Standard/Technical | 60,800 | |
| HEA - Enacted Adjustment | (60,800) | |
| | | |

| | 09 Baseline Change to '08 | 09 Senate OF Engrossed |
|---|------------------------------|---------------------------|
| DEN - Board of Dental Examiners | | |
| DEN - Standard/Technical | 39,000 | |
| DEN - Enacted Adjustment | (73,200) | |
| | | |
| PRC - Drug & Gang Prevention Resource Center | | |
| PRC - Standard/Technical | 26,000 | |
| PRC - Enacted Adjustment | (26,000) | |
| | | |
| DES - Department of Economic Security | | |
| DES - Enacted Utility Assistance Fund Adjustment | (500,000) | |
| DES - State-Only Provider Rates | 2,521,900 | (1,054,400) |
| DES - DES Eligibility System | | 5,468,000 |
| DES - New CPS Staff | | 5,400,000 |
| DES - Child Care Backfill | | 5,500,000 |
| DES - Declining CCDF Fund Balance | | (5,500,000) |
| DES - Redetermination Shift | | 1,700,000 |
| DES - Adoption/Guardianship | | 9,200,000 |
| DES - Children Services | | 13,800,000 |
| DES - CPS Staff Annualization | | 1,300,000 |
| DES - Eligibility Workers | | 3,100,000 |
| DES - Special Admin Fund Reduction | | (621,000) |
| DES - TANF Contingency Offset | | 1,562,800 |
| | | |
| ADE - Arizona Department of Education | | |
| ADE - Teacher Certification | 188,800 | |
| | | |
| EMA - Department of Emergency & Military Affairs | | |
| EMA - Enacted Adjustment | 0 | |
| | | |
| DEQ - Department of Environmental Quality | | |
| DEQ - Standard/Technical | 676,700 | |
| DEQ - Enacted Adjustment | (699,800) | |
| DEQ - Indirect Cost Fund Shift | | 2,000,000 |
| DEQ - Clean Water Revolving Fund Shift | | 5,000,000 |
| | | |
| COL - Arizona Exposition and State Fair Board | | |
| COL - Standard/Technical | 291,900 | |
| COL - Enacted Adjustment | (291,900) | |
| | | |
| BAN - Dept of Financial Institutions | | |
| | | |
| EMB - Board of Funeral Directors and Embalmers | | |
| EMB - Standard/Technical | 13,300 | |
| EMB - Enacted Adjustment | (13,300) | |
| | | |
| FIS - Arizona Game and Fish Department | | |
| FIS - Standard/Technical | 765,200 | |
| FIS - Enacted Adjustment | (1,316,400) | |
| FIS - Watercraft License Fund | | (2,000,000) |
| | | |
| GAM - Department of Gaming | | |
| GAM - Standard/Technical | 304,700 | |
| GAM - Enacted Adjustment | 694,800 | |
| | | |
| GTA - Government Information Technology Agy | | |

| | 09 Baseline Change to '08 | 09 Senate OF Engrossed |
|---|------------------------------|---------------------------|
| GTA - Standard/Technical | 85,200 | |
| GTA - IT Fund Increase | | 870,300 |
| GTA - Enacted Adjustment | 1,217,600 | |
| | | |
| DHS - Department of Health Services | | |
| DHS - Nursing Care Incentive Grants - One-time Funding | (400,000) | |
| DHS - Newborn Screening Program - One-time Funding | (661,000) | 661,000 |
| DHS - Child Fatality Review | | 147,200 |
| DHS - Fund Shift (Health Crisis Fund) | | 500,000 |
| DHS - Fund Shift (Hospital Land Earnings) | | 973,600 |
| | | |
| AZH - Arizona Historical Society | | |
| AZH - Enacted Adjustment | 500 | |
| | | |
| HOM - Board of Homeopathic Medical Examiners | | |
| HOM - Standard/Technical | 4,300 | |
| HOM - Enacted Adjustment | (6,000) | |
| HOM - Auditor General's Performance Audit/Other | 22,400 | |
| | | |
| HOU - Department of Housing | | |
| HOU - Standard/Technical | 46,100 | |
| HOU - Enacted Adjustment | 12,000 | |
| | | |
| IND - Industrial Commission | | |
| IND - Standard/Technical | 603,900 | |
| IND - Enacted Adjustment | (616,800) | |
| | | |
| INS - Department of Insurance | | |
| INS - Enacted Adjustment | (200,000) | |
| | | |
| SPA - Judiciary - Supreme Court | | |
| SPA - Criminal Case Processing - Eliminate One-time Funding | (1,000,000) | |
| | | |
| SUP - Judiciary - Superior Court | | |
| SUP - Standard/Technical | 0 | |
| | | |
| DJC - Department of Juvenile Corrections | | |
| DJC - Fund Shift | | 3,200,000 |
| | | |
| LAN - State Land Department | | |
| LAN - Enacted Adjustment | 0 | |
| LAN - NRCD Redistribution of Funding | 0 | 40,000 |
| | | |
| LIBR - AZ State Library, Archives & Public Records | | |
| LIBR - Standard/Technical | 18,100 | |
| LIBR - Enacted Adjustment | (18,100) | |
| | | |
| LOT - Arizona State Lottery Commission | | |
| LOT - Standard/Technical | 285,500 | |
| LOT - Enacted Adjustment | 304,900 | |
| LOT - Performance Pay | | 750,000 |
| LOT - Revised Forecast | 723,400 | |
| | | |
| MED - Arizona Medical Board | | |
| MED - Standard/Technical | 281,400 | |

| | 09 Baseline Change to '08 | 09 Senate OF Engrossed |
|--|------------------------------|---------------------------|
| MED - Enacted Adjustment | (281,400) | |
| | | |
| MSL - Board of Medical Student Loans | | |
| MSL - Enacted Adjustment | 0 | |
| | | |
| MIN - State Mine Inspector | | |
| | | |
| NAT - Naturopathic Physician Examiners Board | | |
| NAT - Standard/Technical | 24,700 | |
| NAT - Enacted Adjustment | (27,300) | |
| | | |
| NUR - State Board of Nursing | | |
| NUR - Standard/Technical | 142,000 | |
| NUR - Enacted Adjustment | (354,600) | |
| NUR - Nursing Assistant Investigations | | 561,300 |
| | | |
| NCI - Nursing Care Inst. Administrators Board | | |
| NCI - Standard/Technical | 18,300 | |
| NCI - Enacted Adjustment | (18,300) | |
| | | |
| OCC - Board of Occupational Therapy Examiners | | |
| OCC - Standard/Technical | 7,100 | |
| OCC - Enacted Adjustment | (7,100) | |
| | | |
| DIS - State Board of Dispensing Opticians | | |
| DIS - Standard/Technical | 5,300 | |
| DIS - Enacted Adjustment | (7,300) | |
| | | |
| OPT - State Board of Optometry | | |
| OPT - Standard/Technical | 9,100 | |
| OPT - Enacted Adjustment | (9,100) | |
| | | |
| OST - Arizona Board of Osteopathic Examiners | | |
| OST - Standard/Technical | 34,200 | |
| OST - Enacted Adjustment | (34,200) | |
| | | |
| SPB - Arizona State Parks Board | | |
| SPB - Standard/Technical | 352,600 | |
| SPB - Enacted Adjustment | (852,600) | |
| | | |
| PHA - Arizona State Board of Pharmacy | | |
| PHA - Standard/Technical | 65,500 | |
| PHA - Enacted Adjustment | (674,300) | |
| | | |
| PHY - Board of Physical Therapy Examiners | | |
| PHY - Standard/Technical | 13,900 | |
| PHY - Enacted Adjustment | (44,100) | |
| | | |
| PIO - Arizona Pioneers' Home | | |
| PIO - Standard/Technical | 203,800 | |
| PIO - Fund Shift | | 1,236,000 |
| PIO - Enacted Adjustment | (99,600) | |
| | | |
| POD - State Board of Podiatry Examiners | | |
| POD - Standard/Technical | 5,600 | |

| | 09 Baseline Change to '08 | 09 Senate OF Engrossed |
|--|------------------------------|---------------------------|
| POD - Enacted Adjustment | (5,500) | |
| | | |
| POS - Commission for Postsecondary Education | | |
| POS - Standard/Technical | 14,100 | |
| POS - Enacted Adjustment | (14,100) | |
| POS - Additional LEAP Grants | 900,000 | |
| | | |
| PRI - Board for Private Postsecondary Education | | |
| PRI - Standard/Technical | 18,200 | |
| PRI - Enacted Adjustment | (18,200) | |
| | | |
| PSY - State Board of Psychologist Examiners | | |
| PSY - Standard/Technical | 15,500 | |
| PSY - Enacted Adjustment | (7,900) | |
| PSY - Operating Expenses | 13,500 | |
| | | |
| DPS - Department of Public Safety | | |
| DPS - One-time Equipment | (183,700) | |
| DPS - DNA Testing (defer garage) | 1,000,000 | (2,000,000) |
| DPS - Concealed Carry Weapons Unit Staffing | 298,600 | |
| DPS - HURF/Highway Shift | | 106,000,000 |
| | | |
| RAC - Arizona Department of Racing | | |
| RAC - Enacted Adjustment | 0 | |
| | | |
| RAD - Radiation Regulatory Agency | | |
| RAD - Standard/Technical | 9,900 | |
| RAD - Enacted Adjustment | (9,900) | |
| | | |
| RUC - Residential Utility Consumer Office | | |
| RUC - Standard/Technical | 39,200 | |
| RUC - Enacted Adjustment | (39,200) | |
| | | |
| RES - Board of Respiratory Care Examiners | | |
| RES - Standard/Technical | 11,200 | |
| RES - Enacted Adjustment | (12,900) | |
| | | |
| RET - Arizona State Retirement System | | |
| RET - Standard/Technical | 634,200 | |
| RET - ERE Correction | 267,700 | |
| RET - Enacted Adjustment | 44,900 | |
| | | |
| REV - Department of Revenue | | |
| REV - Standard/Technical | 67,500 | |
| REV - Enacted Adjustment | (61,400) | |
| | | |
| SFB - School Facilities Board | | |
| | | |
| SOS - Secretary of State | | |
| SOS - Standard/Technical | 5,400 | |
| SOS - Enacted Adjustment | (11,005,400) | |
| | | |
| SBO - State Boards' Office | | |
| SBO - Standard/Technical | 20,000 | |

| | 09 Baseline Change to '08 | 09 Senate OF Engrossed |
|--|------------------------------|---------------------------|
| SBO - Enacted Adjustment | (20,000) | |
| | | |
| PES - Structural Pest Control Commission | | |
| PES - Standard/Technical | 118,200 | |
| PES - Enacted Adjustment | (219,500) | |
| | | |
| TEC - State Board of Technical Registration | | |
| TEC - Standard/Technical | 54,200 | |
| TEC - Enacted Adjustment | (66,400) | |
| | | |
| DOT - Department of Transportation | | |
| DOT - One-Time Costs | (2,012,600) | |
| DOT - Third Party Workload | 204,000 | |
| DOT - Highway Maintenance Workload | 3,219,000 | |
| | | |
| TRE - State Treasurer | | |
| TRE - Remote Access | (32,500) | |
| | | |
| UNI - Universities | | |
| UNI - ASU - Main Campus | | |
| UNI - Enrollment Growth (H: Campus Combined) | 2,449,700 | |
| | | |
| UNI - ASU - East Campus | | |
| UNI - Enrollment Growth (H: Campus Combined) | 3,812,800 | |
| | | |
| UNI - ASU - West Campus | | |
| UNI - Enrollment Growth (H: Campus Combined) | 2,035,100 | |
| | | |
| UNI - Northern Arizona University | | |
| UNI - Enrollment Growth | 3,916,400 | |
| | | |
| UNI - UA - Main Campus | | |
| UNI - Enrollment Growth (H: Campus Combined) | 705,200 | |
| | | |
| UNI - UA - Health Sciences Center - ED | | |
| UNI - Enrollment Growth (H: Campus Combined) | (95,700) | |
| | | |
| VSC - Department of Veterans' Services | | |
| VSC - Standard/Technical | 473,600 | |
| VSC - Enacted Adjustment | (473,600) | |
| | | |
| VME - Veterinary Medical Examining Board | | |
| VME - Standard/Technical | 19,700 | |
| VME - Enacted Adjustment | (29,200) | |
| | | |
| WAT - Department of Water Resources | | |
| WAT - Standard/Technical | 24,200 | |
| WAT - Water Banking Shift | | 6,900,000 |
| WAT - Enacted Adjustment | (24,200) | |
| | | |
| WEI - Department of Weights & Measures | | |
| WEI - Standard/Technical | 39,200 | |
| WEI - Taxi Enforcement | 199,200 | |
| WEI - Enacted Adjustment | (41,600) | |
| | | |

| | 09 Baseline Change to '08 | 09 Senate OF Engrossed |
|--|------------------------------|---------------------------|
| OTH - Other | | |
| OTH - Unallocated '08 Adjustments | (2,191,900) | |
| OTH - FY 08 Supplementals | (942,700) | |
| OTH - Lease-Purchase/PLTO | (150,000) | |
| OTH - PSPRS Retirement Increase | | 1,660,600 |
| OTH - Utilities (Rent Surcharge) | 280,000 | |
| OTH - IT Pro Rata Increase | | 227,700 |
| | | |
| TOTAL - OPERATING SPENDING CHANGES | (\$43,096,200) | \$244,679,000 |
| | | |
| CAPITAL SPENDING CHANGES | | |
| | | |
| <u>Building Renewal</u> | | |
| One-time '08 Building Renewal | (13,341,300) | |
| Arizona Department of Administration | 6,100,000 | |
| Arizona Exposition and State Fair Board | 1,794,300 | |
| Game & Fish Department | 531,000 | |
| Arizona Lottery Commission | 68,000 | |
| Arizona Department of Transportation | 4,208,900 | |
| <u>New Projects</u> | | |
| ADOT One-time Road Projects | (239,801,800) | |
| ADOT Statewide Highway Construction | 92,420,000 | |
| ADOT Controlled Access Highways | 114,467,000 | |
| ADOT Debt Service | 98,695,000 | |
| ADOT Highway Fund Deposit to STAN | (62,000,000) | |
| ADOT Airport Planning & Development - '09 | 31,200,000 | |
| ADOT Airport Planning & Development - '08 One-time | (25,306,000) | |
| ADOT Non-Road One-time '08 Projects | (23,783,900) | |
| ADOT De-Icer Buildings | 1,825,000 | |
| ADOT Far Southeast Valley Maintenance Yard | 4,350,000 | (2,000,000) |
| ADOT Vehicle Wash Systems | 2,075,000 | |
| ADOT Oil/Asphalt Storage Tanks | 1,389,000 | |
| DOA Tucson Office Building Renovations | (1,500,000) | |
| DOA Fire Systems | 491,000 | |
| Game & Fish One-time '08 Projects | (2,400,000) | |
| Game & Fish Boat Shade Canopies | 120,000 | |
| Game & Fish Boat Registration Kiosks | 240,000 | |
| Game & Fish Shooting Range Access | 150,000 | |
| Game & Fish Preventative Maintenance | 30,000 | |
| Game & Fish Microwave Communications System | 207,000 | |
| Game & Fish Headquarters Construction | 80,000 | |
| Game & Fish Yuma Regional Office Remodel/Expansion | 954,000 | |
| Game & Fish Mesa Regional Office Paving Project | 250,000 | |
| | | |
| | | |
| TOTAL - CAPITAL SPENDING CHANGES | (\$6,487,800) | (\$2,000,000) |
| | | |
| TOTAL - ALL OTHER FUND CHANGES | (\$49,584,000) | \$242,679,000 |
| | | |

Budget Procedures BRB
HB 2462 - Senate Engrossed

Department of Commerce

Motion Picture Production

- As permanent law, amends A.R.S. § 41-1517 subsection U to indicate the Department of Commerce may, subject to legislative authorization, allocate \$337,700 of the motion picture income tax credits for up to 6.0 FTE Positions dedicated solely for the purposes of A.R.S. § 41-1517, and A.R.S. § 41-1517.01. Authorizes the Department of Commerce to allocate and use these monies in FY 2009.

Twenty-First Century Competitive Initiative Fund

- As session law, amends Laws 2007, Chapter 260, Section 6, and changes the existing appropriation of \$25.0 million from the General Fund to the Twenty-First Century Competitive Initiative Fund in FY 2009 and FY 2011, to \$22.5 million and \$27.5 million, respectively. The existing appropriation in FY 2010 remains unchanged at \$25.0 million.
- As session law, amends Laws 2007, Chapter 260, Section 6, and allows for non-state cash or auditable cash equivalent Governmental investments, in addition to private or philanthropic cash or auditable cash equivalent investments. Limits contributions from Governmental investments and other auditable cash equivalent contributions to no more than 50% of the match requirement.

Correctional Officers Retirement Plan

Employer and Member Contributions

- As permanent law, amends A.R.S. § 38-891 and changes the date member contributions for the Correctional Officer Retirement Plan increases, from 7.96% to 8.41%, to the general effective date. Laws 2008, Chapter 234 previously set the rate increase to become effective July 1, 2009.

Department of Emergency and Military Affairs

Declaration of Disaster Liability Limits

- As session law, reduces the aggregate amount of liabilities that may be incurred under any emergency declared by the Governor pursuant to A.R.S. § 35-192 from \$4.0 million to \$3.5 million.

Government Information Technology Agency

Information Technology Fund

- As permanent law, increases the pro rata share of technology costs charged to agencies from .15 to .20. Retroactive to, from, and after June 30, 2008.

Arizona State Retirement System

Information Technology Appropriation Lapsing Extension

- As session law, amends the FY 2006 General Appropriation Act to extend the lapsing date of the Information Technology Plan appropriations from June 30, 2008 to June 30, 2009.

Secretary of State

Professional Employer Organizations

- As session law, suspends the requirement that the Secretary of State register Professional Employer Organizations pursuant to A.R.S. § 23-563 until July 1, 2010. Retroactive to, from, and after February 29, 2008.

Department of Weights and Measures

Civil Penalties

- As permanent law, amends A.R.S. § 41-2115 and increases the civil penalties assessed by the Department of Weights and Measures. Exempts the department from the rule making process for a period of 1 year for the purpose of raising fees.

Other

Accounting Procedure

- As session law, specifies that any non-lapsing monies appropriated from the General Fund that remain unexpended or unencumbered at the close of FY 2009 shall be counted as part of the closing balance.

County Revenue Sources

- As session law, allows counties to meet statutory funding requirements from any source of county

revenue designated by the county, including funds of any county wide special taxing districts in which the Board of Supervisors serves as the Board of Directors.

Federal Funds

- As session law, continues to require unrestricted federal funds received between May 1, 2008 and June 30, 2009 to be deposited in the General Fund for the payment of essential government services. Retroactive to April 30, 2008.

Fees For Services

- As session law, allows the Director of the Department of Public Safety, Department of Agriculture, Department of Environmental Quality, Department of Health Services, State Land Department, and Radiation Regulatory Agency to increase fees in FY 2009 for services provided. Appropriates monies generated from the increased fees in FY 2009 and exempts the agencies from the rule making process for a period of one year for the purpose of raising fees.
- As session law, specifies that any county expenditures resulting from these fee-for-service increases shall not be included in the counties expenditure limitation.

Vehicle License Tax

- As permanent law, amends A.R.S. § 28-5801 and A.R.S. § 28-5808 by expanding the use of vehicle license tax monies by counties to include, any transportation related use as determined by the Board of Supervisors. Current law limits the use to the same use as Highway User Revenue Fund monies.

Criminal Justice BRB
HB 2210 - Senate Engrossed

Attorney General

Consumer Fraud Revolving Fund

- As session law, permit the Attorney General's office to use monies available in the Consumer Fraud Revolving Fund for any operating cost incurred by the Department of Law, including costs associated with the Tobacco Master Settlement Agreement arbitration. 33

Department of Corrections

Budget Structure

- As session law, require the Department of Corrections to report actual FY 2008, estimated FY 2009, and requested FY 2010 expenditures as delineated in the FY 2009 General Appropriations Act when the department submits its FY 2010 budget request pursuant to A.R.S. § 35-133. 30

Transition Office Fund

- As session law, permit the Department of Corrections to use monies appropriated to the Transition Office Fund for operating expenses related to the Transition Program. Retroactive to, from and after July 1, 2007. 34

Judiciary

Defensive Driving Surcharge

- As permanent law, add a \$45 surcharge for all persons who elect to take a Defensive Course in lieu of paying the civil traffic violation fine. Monies from this surcharge are deposited into the General Fund. The surcharge is expected to generate \$10.8 million in revenue for the General Fund. 17

Filing Fees

- As permanent law, increase various filing fees charged by the clerk of the Superior Court and Justices of the Peace by 44%. In the future, allow the Supreme Court to increase these fees annually in an amount not to exceed the percentage increase in the average consumer price index. Add the Elected Officials' Retirement Plan Fund as a beneficiary of Justice of the Peace filing fees by reducing the percentage distribution to current beneficiaries. The percentage distribution of fees to the Elected Officials' Retirement Plan Fund (EORP) will be the same for both the Superior Court and the Justice of the Peace Courts at 23.79% for a county with a population of more than 500,000 persons and 15.3% for a county with a population of 500,000 persons or less. 9, 11, 22
- As permanent law, permit the Supreme Court to increase various filing fees charged by the Supreme Court and the Court of Appeals. 7

Global Positioning System User Fees

- As permanent law, require all offenders who are must use global positioning system (GPS) monitoring as a condition of their probation to pay a GPS user fee to offset the cost of the monitoring device. 8, 10

Reports of Decisions Distribution

- As permanent law, eliminate the requirement for the Supreme Court to print, bind and distribute the court's report of opinions to various libraries and other entities. Bound copies may still be purchased by requesting entities. 5

Time Payment Fee

- Repeal Laws 2006, Chapter 369 so as to continue the time payment fee at a cost of \$20. Chapter 369 reduces the time payment fee from \$20 to \$12 beginning January 1, 2010. 6, 28-29

Department of Public Safety

Photo Radar Enforcement

- As permanent law, create a state photo radar system and establish the Photo Enforcement Fund that will receive photo citation and notice of violation revenue. 16, 23, 37
- All issued citations or notices of violation will incur a fine of \$165, which is not subject to any surcharges except for Clean Elections.
- State photo enforcement citations or notices of violation will not be included in calculations for Judicial Productivity Credits (JPC's).
- Permit a notice of violation to be issued prior to filing a citation in court and allow the citation to be issued by a person that is paid to act on behalf of the department.
- Photo enforcement citations resulting from the state photo radar system will not be reported to the Department of Transportation and will not result in points incurred on a driver's license.
- Retroactive to July 1, 2008.

| | |
|---|------------------------------|
| <ul style="list-style-type: none"> As session law, appropriate Photo Enforcement Fund revenue to the Department of Public Safety for department expenditures (\$2.2 million), to the Administrative Office of the Courts for processing citations (\$4.1 million), and to the Department of Public Safety for payment of private photo radar vendors (\$20.4 million). | 35 |
| <i>Public Safety Communications Commission Transfer</i> | |
| <ul style="list-style-type: none"> As permanent law, transfer the Public Safety Communications Commission to operate under the Government Information Technology Agency rather than the Department of Public Safety. | 24-27 |
| <i>Public Safety Vehicle Retrofit</i> | |
| <ul style="list-style-type: none"> As permanent law, redirect the first \$3 million of revenue generated by additional Driving Under the Influence (DUI) assessments to the Public Safety Equipment Fund rather than the General Fund and is to be used for officer safety equipment. Establish the Public Safety Equipment Fund in the Department of Public Safety. Since FY 2006, DPS has received \$3 million from these DUI assessments through the General Fund for highway patrol equipment expenses. | 1-4, 12-15, 18-21, 23, 38 |
| <ul style="list-style-type: none"> As session law, require the department to redirect the first \$500,000 of the \$3 million received into the Department of Public Safety Public Safety Equipment Fund to the Arizona Criminal Justice Commission for distribution to local law enforcement agencies to retrofit public safety vehicles for fire prevention resulting from rear-end collisions in FY 2009. Monies are to be distributed on a first-come, first-served basis with a maximum allocation of \$1,000 per vehicle. | 36 |
| <i>Redirect CJEF Revenues</i> | |
| <ul style="list-style-type: none"> As session law, continue to redirect 9% of CJEF revenues, formerly deposited into the General Fund, to DPS to fund the department's crime lab operations in FY 2009. | 31 |
| State Treasurer | |
| <i>Justice of the Peace Salaries</i> | |
| <ul style="list-style-type: none"> As session law, continue to fund the state share of Justice of the Peace (JP) salaries at 38.5% in FY 2009. | 32 |

Education BRB
HB 2211 - Senate Engrossed

Arizona Department of Education

Formula Adjustments

- As permanent law, increase by 2% the formula funding “base level” in A.R.S. § 15-901(B2), the “Additional Assistance” amounts per pupil in A.R.S. § 15-185(B4) and the transportation funding amounts per route mile in A.R.S. § 15-945.
- As session law, suspend the Rapid Decline funding formula for FY 2009.
- As session law for FY 2009, fund state aid for JTEDs at 91% of the amount that otherwise would be provided by law. (A 92% adjustment factor is being used in FY 2008. The FY 2009 factor is slightly lower due to ongoing JTED enrollment growth.)
- As session law for FY 2009, continue to “hold harmless” a JTED if the 91% adjustment factor otherwise would cause it to receive less state aid in FY 2009 than in FY 2008, apart from reductions due to changes in student counts, property values and other technical factors.

TAPBI

- As session law, prohibit ADE from recouping past overpayments.

Tax Rates

- As session law, specify the official K-12 QTR for FY 2009, as adjusted for compliance with the Truth in Taxation law (A.R.S. § 41-1276) and the business property tax changes instituted by Laws 2005, Chapter 302.

E-Learning Pilot

- As permanent law, repeal the \$3 million appropriation for E-Learning from Laws 2006, Chapter 375, as amended by Laws 2007, Chapter 264, and revert any unexpended monies.

Rollover

- As session law, defer \$602.6 million in Basic State Aid payments for FY 2009 until FY 2010. Appropriate \$602.6 million in FY 2010 for these deferred Basic State Aid payments and \$886,200 for related interest costs in FY 2010.
- As session law, require school districts to include in the FY 2009 revenue estimates that they use for computing their FY 2009 tax rates the rollover monies that they will receive for FY 2009 in July 2009.

ADM Audits

- As session law, continue to authorize the Department of Education or Auditor General to conduct Average Daily Membership audits of school districts and charter schools.

Desegregation Cap

- As session law, continue “soft cap” on desegregation expenditures for FY 2009 (permits increases only for enrollment growth and inflation).

Teacher Performance Pay

- As permanent law, for each fiscal year in which the legislature appropriates sufficient monies for teacher performance pay, the amount appropriated to the Classroom Site Fund for teacher performance pay shall equal the base level multiplied by the prior year statewide weighted student count multiplied by a percentage that will be increased in 6 “stages” to 5.5% by June 30, 2018.
- As permanent law, give school districts that currently participate in Career Ladder or the Optional Performance Incentives Program (OPIP) the option to either continue their current program or join the new program (but not both).
- As session law, specify intent language for the program.

AIMS Task Force

- As session law, create a 7-member task force to examine the use of graduation tests in other states and other testing issues.
- As session law, limit to 1 year the length of any new contract for statewide achievement testing that is executed after June 30, 2008.

School-by-School Reporting

- As permanent law, eliminate remaining statute that requires schools report certain expenditures on a school-by-school basis (technical correction to Laws 2008, Chapter 206).

Excess Utilities

- As permanent law starting in FY 2010, fund 90% of excess utilities costs (computed under a slightly revised formula) through Basic State Aid, rather than through local property taxes (the current practice).

School Facilities Board

Full Day Kindergarten Capital

- As permanent law, consider kindergarteners to be full-time Average Daily Membership (ADM) pupils for purposes of determining minimum school facility adequacy requirements, thereby requiring the SFB to fund new classroom costs for full-day kindergarten.

Sunset Date

- As permanent law, repeal the current sunset date for the School Facilities Board (July 1, 2008) and establish a new sunset date of July 1, 2018.
- As permanent law, include references to lease-to-own funding in the sunset language.

New Construction

- As session law, prohibit the SFB from authorizing or awarding funding for the design or construction of any new school facility, except for full-day kindergarten, or for school site acquisitions.
- As session law, require school districts to submit capital plans during FY 2009, and permit the SFB to review and award new school facilities, subject to future appropriations.
- As session law, require the SFB to provide monies for architectural and engineering fees, project management services and preconstruction services if a school district qualifies for additional space in FY 2009 due to the implementation of full-day kindergarten.

Building Renewal

- As permanent law, establish a Building Renewal Grant Fund to provide grant-based funding for building renewal.
- As session law, suspend the Building Renewal formula for FY 2009.

Debt Financing

- As session law, require the SFB to enter into lease-to-own transactions for up to \$593 million, of which \$344 million shall be recouped from FY 2008 and prior year expenditures, \$8 million shall be used for full-day kindergarten capital costs and \$12 million used for a loan to a union high school district that meets criteria established in the bill.
- As session law, stipulate that the lease-to-own transactions shall mature in not more than 15 years.

Union High School District Loan

- As session law, authorize a loan of up to \$12 million to a union high school district that meets criteria established in the bill.

Bridge Loan

- As session law, appropriate \$117 million to the SFB in FY 2009 to use for new construction until lease-to-own proceeds become available during FY 2009, at which time the loan is repaid.

Community Colleges

Capital Outlay Funding

- As session law, suspend capital outlay funding for FY 2009.

Operating State Aid

- As session law, notwithstanding the operating state aid formula in FY 2009, and specify that the appropriation for operating state aid shall be as provided in the General Appropriation Act.

Equalization Aid

- As session law, notwithstanding the equalization aid formula in FY 2009, and specify that the appropriation for equalization aid shall be as provided in the General Appropriation Act.

Commission for Postsecondary Education

Commission Duties

- As permanent law, modify statute prescribing duties of the Commission.

Sunset Date

- As permanent law, establish a sunset date of July 1, 2010 for the Commission

Universities

Arizona Financial Aid Trust (AFAT)

- As session law, suspend the statutory requirement that the state provide a 2:1 ratio of state funding to student fees deposited into AFAT.

University Debt Financing

- As permanent law, remove current 4% cap on the amount of lottery revenues that can be spent on advertising.
- As permanent law, modify the distribution of Lottery revenues and add the Department of Environmental Quality's Water Supply Development Fund Special Line Item and State Land Department's Community Protection Initiative Fund to the end of a list of recipients of State Lottery Fund monies.
- As permanent law, allow the Lottery to increase customer payout percentages.
- As permanent law, prohibit the Lottery from establishing or operating gaming that uses gaming devices or video lottery terminals.
- As permanent law, create a new University Capital Improvement lease-to-own and Bond Fund under the administration of the Arizona Board of Regents (ABOR) from which to make lease-to-own payments.
- As permanent law, authorize ABOR to enter into lease-to-own and bond transactions up to a combined total of \$1 billion.
- As session law, require ABOR to allocate \$470 million of bond proceeds for construction of the Phoenix biomedical campus.
- As permanent law, require the director of the Arizona State Lottery Commission to report annually by August 15th to the JLBC and OSPB directors regarding employ performance pay distributions.
- As session law, require that the General Fund receive at least \$47 million from Lottery proceeds, plus an additional \$10 million if revenues allow.
- As session law, require incremental Lottery proceeds, up to \$20 million, that remain after all beneficiaries receive required distributions be deposited into the new University Capital Improvement Lease-to-Own and Bond Fund.
- As session law, appropriate \$9.5 million in Lottery revenues in FY 2009 to the Local Transportation Assistance Fund (LTAF II).
- As session law, appropriate \$750,000 for performance pay for Lottery employees.
- As session law, exempt ABOR and the Lottery from related rulemaking requirements for times specified in the bill (1 year for ABOR and until December 31, 2008 for Lottery).
- As session law, exempt monies distributed from the University Capital Improvement Lease-to-Own and Bond Fund from university debt limit calculations and require each university to report what its debt limit would be with or without the exemption.

Health & Welfare BRB
HB 2275 - Senate Engrossed

Arizona Department of Administration

Employee Health Insurance

- As session law, continue to prohibit ADOA from implementing a differentiated health insurance premium in FY 2009 based on the integrated or non-integrated status of the provider beginning October 1, 2008.

AHCCCS

Redetermination

- As permanent law, change the redetermination period for childless AHCCCS recipients age 21 or older from 12 to 6 months. Under current law, Temporary Assistance for Needy Families (TANF) Cash recipients are redetermined every 6 months.

County ALTCS Contributions

- As session law, set county ALTCS contributions at \$256,642,400.
- As session law, require Maricopa County to transfer \$24,168,400 and Pima County to transfer \$3,794,400 into Budget Neutrality Compliance Fund. Permit counties to meet the requirements of this section 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. Exempt contributions from county expenditure limitations.

County Acute Care Contributions

- As session law, set the County Acute Care contribution at \$49,583,000. This amount includes an inflation indexing of the Maricopa County contribution as required by Laws 2005, Chapter 328.

County Transfers

- As session law, instruct AHCCCS to deposit \$17,830,500 of excess county ALTCS funds from FY 2007 and FY 2008 into the Budget Neutrality Compliance Fund.

County Expenditure Limitation

- As session law, exclude Proposition 204 administration costs from county expenditure limitations, retroactive to June 30, 2004.

Disproportionate Share Hospitals (DSH) Withholding

- As session law, establish FY 2009 disproportionate share distributions to the Maricopa County Hospital District, the Arizona State Hospital and private qualifying disproportionate share hospitals.

Disproportionate Share Uncompensated Care (DUC) Pool

- As session law, require the collection of \$2,646,200 in DUC pool contributions from counties other than Maricopa. Exclude these contributions from county expenditure limitations, retroactive to June 30, 2004.

Healthcare Group

- Eliminate 1-person employer groups from coverage. Current participants can remain eligible.
- Reduce the “go bare” period from 180 days to 90 days.
- Prohibit reimbursing a non-contracting hospital (except for an emergency) and set the reimbursement rates for those services at 114% to 125% of AHCCCS rates.
- Require AHCCCS to adjust premiums based on actuarial reviews by an independent actuary.
- Require quarterly financial reports and an annual financial audit to JLBC.
- Limit the increase in the number of employer groups to no more than 5% above the prior year.

KidsCare Parents

- As permanent law, establish KidsCare Parents program with no expiration.

Reimbursement Rates

- As session law, prohibit increases in specified hospital rates in contract year beginning October 1, 2008.

Temporary Medical Coverage Program

- As session law, suspend Temporary Medical Coverage Program, which provides coverage to previously-enrolled AHCCCS members who are receiving federal disability insurance benefits and are not yet eligible for Medicare benefits.

Behavior Analysts*Licensing*

- As permanent law, license behavior analysts through the Board of Psychologist Examiners. Exempt Board from rulemaking requirements for two years after bill's effective date.

Department of Health Services*Health Crisis Fund*

- As session law, for FY 2009, reduce fund balance for Health Crisis Fund from \$1,000,000 to \$500,000.

Restoration to Competency Cost Sharing

- As session law, continue to require Maricopa and Pima Counties and all cities to pay 86% of cost of Restoration to Competency treatment in FY 2009.

Maricopa Integrated Health System*Audit*

- As session law, require the Auditor General to conduct a financial and performance audit of the Maricopa Integrated Health System and report to the Governor, President of the Senate, and Speaker of the House of Representatives by March 15, 2009. Outlines components of report.

Pioneers' Home*Extension*

- As permanent law, extend sunset date for the Pioneers' Home 8 years, to July 1, 2016, retroactive to July 1, 2008. As session law, define purpose of home as providing services to long-term residents and miners of this state.

Revenue BRB
HB 2391 - Senate Engrossed

Department of Public Safety

Highway User Revenue Fund/State Highway Fund Shift

- As session law, suspend the schedule established by A.R.S. § 28-6537 and A.R.S. § 28-6993 governing the level of HURF and State Highway Fund revenues available to fund DPS' Highway Patrol costs, and remove the spending cap in FY 2009.

Department of Revenue

Small City Grants Shift

- As permanent law, establish a minimum annual distribution of Urban Revenue Sharing funds to incorporated cities and towns equal to the amount that would be received by a city or town of 1,500 population. The distribution of Urban Revenue Sharing to other cities and towns shall be reduced by the increased distribution amounts required to meet this minimum distribution to small cities and towns.

Business Reengineering/Integrated Tax System BRITS

- As session law, continue to require JLBC review of any BRITS contract extensions or modifications that increase the contractor's share of gain-sharing proceeds from state revenues during FY 2009. Retroactive to June 30, 2008. Also require JLBC review of use of revenue proceeds for \$1.6 million in DOR data center charges.

Research and Development Income Tax Credit

- As session law, increase the individual and corporate income tax credits for research and development activities from 20% of the first \$2.5 million in qualifying expenses plus 11% of the amount exceeding \$2.5 million, to 22% and 13% respectively for CY 2010. As permanent law, increase the percentages to 24% and 15% respectively beginning in CY 2011. These increases have an effective date beginning in CY 2010, and would extend for 8 years, reverting back to the current credit amounts beginning in CY 2018.

STATEMENT OF GENERAL FUND REVENUES AND EXPENDITURES

| | FY 2008 Enacted | FY 2009 Enacted |
|---------------------------------|----------------------------|----------------------------|
| REVENUES | | |
| Balance Forward | \$377,947,000 | \$1,000,000 |
| Ongoing Revenues | 9,148,865,500 | 9,274,196,900 |
| One-time Revenues ^{1/} | 774,272,000 | 705,269,500 |
| Total Revenues | \$10,301,084,500 | \$9,980,466,400 |
| EXPENDITURES | | |
| Operating Budget Appropriations | 10,138,105,500 | 9,979,823,000 |
| Capital Outlay | \$13,434,500 | \$13,500,000 |
| Statutory Revertments | (13,419,200) | (50,000,000) |
| Administrative Adjustments | 96,000,000 | 55,200,000 |
| Revertments | (85,000,000) | (97,000,000) |
| Total Expenditures | 10,149,120,800 | 9,901,523,000 |
| Ending Balance | 151,963,700 ^{2/} | 78,943,400 |

^{1/} Includes items such as fund transfers and prior year lease purchase financing proceeds.

^{2/} FY 2008 revenues are projected to be less than budgeted. As a result, this ending balance is not expected to be available at the beginning of FY 2009. Laws 2008, Chapter 53 also permits funding to be transferred from the Budget Stabilization Fund as necessary to ensure a \$1 million ending balance for FY 2008.

FY 2009 STATE GENERAL FUND BUDGET - A NARRATIVE SUMMARY

General Fund Baseline Revenues

- The FY 2009 budget was based on a General Fund revenue forecast of \$9.98 billion. This revenue level represents an increase of 1.9% over the enacted FY 2008 forecast prior to tax law changes. Given that FY 2008 revenues are expected to be less than forecast, General Fund revenues may need to grow near 5% to reach the \$9.98 billion level.
- The General Fund revenue forecast includes \$(33.5) million in previously enacted tax law changes. The budget also includes new expansion of the research and development income tax credits, which is expected to cost \$5.7 million beginning in FY 2011.
- The budget would generate a projected \$14 million in new fees and fines. Of this amount, \$10.8 million would be deposited into the General Fund and the remainder would be retained by agencies.
- The General Fund would also receive photo radar fines after administrative costs are paid. The expected General Fund deposit is unknown.

General Fund Baseline Spending

- The FY 2009 General Fund budget spends \$9.90 billion.
- FY 2009 General Fund spending would decline by \$(703) million below the original FY 2008 budget, a decrease of (6.6)%. Compared to the revised FY 2008 budget, FY 2009 spending would decline by \$(248) million, or (2.4)%.
- The entire state budget, including both appropriated and non-appropriated funds, is projected to be \$28 billion.

General Fund Balances

- The projected FY 2009 cash balance is \$79 million.
- The state's fiscal condition is also evaluated by the comparison between the state's permanent ongoing revenues and permanent ongoing spending. The preliminary estimate of the FY 2009 structural shortfall is \$(1.3) billion.

Budget Stabilization Fund

- The budget transfers \$20 million of the Budget Stabilization Fund (BSF) to the General Fund in FY 2009.
- In the event of a FY 2008 budget shortfall, Laws 2008, Chapter 53 authorizes the use of the \$192 million remaining in the BSF.
- Of the \$192 million remaining in the BSF, at least \$100 million of the amount will probably be necessary to balance the FY 2008 budget.

Overall Shortfall Reduction Plan

- The budget provides a total of \$1.95 billion to balance the projected FY 2009 cash shortfall. The following amounts show the source of those solutions.
 - ⇒ \$343.2 million in agency spending reductions.
 - ⇒ \$359.4 million in fund transfers, including \$20 million from the Budget Stabilization Fund.
 - ⇒ \$527.0 million in debt financing of school construction, including construction from prior years.
 - ⇒ \$330.0 million in K-12 rollover.
 - ⇒ \$106.0 million to shift DPS costs from the General Fund to the Highway User Revenue Fund (HURF) and State Highway Fund.
 - ⇒ \$187.0 million by decreasing the amount of new school construction and \$66.3 million from reducing building renewal funding for existing schools.
 - ⇒ \$50 million by counting non-lapsing funds in the ending balance.
 - ⇒ \$(23.9) million in other changes.

State Agency Changes

The following summary reflects changes in FY 2009 to the original FY 2008 budget passed in June 2007.

Education

Department of Education

- Direct state assistance to the operations and maintenance of K-12 schools grows by \$107.7 million, or 2.5%, including:
 - ⇒ \$96.3 million for 21,000 new students (2%); an across-the-board 2.0% inflation adjustment; and 15.7% property value growth.
 - ⇒ \$(1.5) million to suspend Rapid Decline funding.

- ⇒ \$40.7 million for the previously enacted Structured English Immersion (SEI) legislation, which represented a net cost of \$26.4 million after a funding reallocation.
- ⇒ \$(5.0) million to suspend private school funding for disabled students and foster care children.
- ⇒ \$(8.5) million for one-time funding and miscellaneous adjustments.
- ⇒ A continued freeze on state aid costs to Joint Technological Education Districts (JTEDs).
- In addition, the K-12 rollover was increased by \$330.0 million for a total rollover of \$602.6 million. This rollover effectively delays 2 months of FY 2009 school payments to FY 2010.
- The state would begin to fund excess utility spending in FY 2010, at a cost of \$60 million. Proposition 301 ends the use of local property taxes for this purpose after FY 2009.

School Facilities Board

- School Facilities Board (SFB) funding would decrease by \$(431.5) million. This amount includes:
 - ⇒ Reducing new construction funding from \$370 million to \$183 million for a savings of \$(187) million to reflect a moratorium on projects not yet under construction due to a slowdown in the housing market. This amount would be further reduced to \$0 due to a shift from cash financing to lease-purchase financing.
 - ⇒ Building renewal funding would be reduced from \$86 million to \$20 million. The Building Renewal Fund is suspended in FY 2009. The \$20 million would be distributed as need-based grants.
- The budget authorizes SFB to enter into 15-year lease-purchase financing of \$593 million. Besides \$183 million for FY 2009 financing, \$344 million is recouped from FY 2008 and prior year expenditures, \$8 million is for full-day kindergarten capital costs, and \$12 million is loaned to a union high school district that meets certain criteria.
- The budget provides \$117 million in cash for FY 2009 new construction projects until lease-purchase proceeds become available during FY 2009, at which time the \$117 million will be repaid to the state General Fund.

Universities

- The Universities' General Fund spending will decrease by \$(37.7) million, or (3.4)%. This amount includes:
 - ⇒ \$20.7 million to fund university enrollment growth.
 - ⇒ \$(10.5) million to shift the design costs of the Phoenix Biomedical Campus buildings to debt financing.
 - ⇒ \$(50.0) million in a university-wide reduction to be allocated by the Arizona Board of Regents.
- The Universities' \$1.1 billion General Fund spending level would fund 113,251 full-time equivalent students in FY 2009.
- The budget also funds a \$1.0 billion bonding plan which includes \$470 million for the University of Arizona's Phoenix biomedical campus. *(For more information please see the Capital Outlay section.)*

Community Colleges

- Community College General Fund will decrease by \$(20.1) million, or (12.0)%.
- This amount includes an increase in rural county Equalization Aid at a cost of \$4.4 million and a decrease in Operating Aid of \$(3.7) million. These increases are \$(5.5) million less than the statutory funding formula.
- Capital Outlay state aid is suspended in FY 2009 for a savings of \$(20.6) million.
- Enrollment declined by (198) full-time equivalent students for a total enrollment of 118,308.

Health and Welfare

AHCCCS

- AHCCCS' General Fund spending would increase by \$156.2 million, or 12.3%. This amount includes:
 - ⇒ \$245.6 million for caseload and inflation increases. Caseloads are projected to grow by 4.5% while provider rates would increase by 6% for inflation and utilization.
 - ⇒ \$4.4 million from the General Fund and an additional \$22 million in tobacco settlement funding to offset declining tobacco tax revenues.
 - ⇒ \$(26.9) million in agency reductions including \$(12.5) million for freezing hospital reimbursement rates, \$(9.1) million for reducing the redetermination period to 6 months for childless adults, and \$(1.7) million for eliminating preventive adult dental services.
 - ⇒ \$(8.4) million for suspension of the Temporary Medical Coverage Program.
 - ⇒ Permanent continuation of the KidsCare Parents Program with a decrease of \$(836,400) from FY 2008.
 - ⇒ A \$(3) million decrease in Healthcare Group subsidy, for a total contribution of \$5 million.
 - ⇒ \$(45.8) million in savings as a result of using additional county funds for the ALTCS Program.

Department of Health Services

- DHS' General Fund spending would increase by \$28.2 million, or 4.8%. This amount includes:
 - ⇒ \$41.9 million for Behavioral Health Services. Caseloads are projected to grow by 4.2%, while provider rates would grow by 3.6% for inflation and utilization.

- ⇒ \$6.3 million for Children’s Rehabilitative Services programs. Caseloads are projected to grow by 2.6% while provider rates would grow by 20.9% for inflation and utilization.
- ⇒ An agencywide lump sum reduction of \$(8.7) million.
- ⇒ \$(11.4) million in specific program reductions.

Department of Economic Security

- DES funding would increase by \$14.1 million, or 1.8%. This amount includes:
 - ⇒ \$27.4 million for 1,113 new clients, or 6.2%, in the Title 19 Developmental Disabilities Long Term Care program. Total caseload would equal 21,073. This amount includes a freeze on DDD Community Provider rates.
 - ⇒ \$3.5 million for the Arizona Early Intervention Program.
 - ⇒ Specific reductions of \$(11.5) million, including \$(1) million for decreasing General Assistance Caseloads, \$(3) million to remove unused funding from the Health Families program, and \$(1.2) million to eliminate the Marriage and Communication Skills program.
 - ⇒ An agencywide lump sum reduction of \$(5.2) million.
- Federal Temporary Assistance for Needy Families spending would increase by \$47.0 million, including:
 - ⇒ \$17.5 million to continue FY 2008 supplemental appropriations for Children Services, eligibility workers, CPS caseworker annualization, and Adoption Services.
 - ⇒ \$29.5 million to upgrade the department’s eligibility determination system, for new CPS caseworkers, Adoption Services, and Permanent Guardianship caseload growth, and to backfill a declining balance in the Child Care Development Block Grant Fund.

Criminal Justice

Department of Corrections

- ADC General Fund spending would increase by \$33.9 million, or 3.7%. This amount includes:
 - ⇒ \$25.9 million to annualize funding for 2,060 previously authorized “rented” provisional beds (\$11.6 million) and new provisional beds (\$14.3 million).
 - ⇒ \$10.0 million for 5.5% inmate population growth and 5.7% health care inflation adjustment.
- The budget funds 180 net new inmates per month and a FY 2009 year-end inmate population of 41,139. The budget defers the opening of 6,000 previously authorized beds (4,000 public; 2,000 private) until FY 2010 due to construction delays.

Judiciary

- Judiciary funding will decrease by \$(1.7) million , or (1.3)%, including:
 - ⇒ \$179,200 for the state share of 2 new Superior Court judgeships.
 - ⇒ \$(1.1) million for a lump sum reduction and \$(673,300) in specific reductions.

Department of Public Safety

- Department of Public Safety (DPS) General Fund spending would decrease by \$(118.6) million or (66.7)%. Excluding fund shifts, the DPS budget would decline by \$(625,000). The \$(118.6) million savings includes:
 - ⇒ \$(106) million to shift highway patrol expenses to the State Highway Fund and Highway User Revenue Fund.
 - ⇒ \$(7.8) million for the department to charge local law enforcement agencies for crime lab services.
 - ⇒ \$(3) million to shift officer safety equipment spending to the new Public Safety Equipment Fund.
 - ⇒ \$(1.2) million to shift the Public Safety Communications Commission to the Government Information Technology Agency.
 - ⇒ \$(1.2) million for an agencywide lump sum reduction of administration costs.
 - ⇒ \$1.3 million for an increase in sworn officer salaries.

Transportation

- The Arizona Department of Transportation’s non-General Fund operating costs would increase by \$1.4 million, or 0.3%, including an increase of \$3.2 million for highway maintenance and a decrease of \$(2) million for one-time equipment.

Capital Outlay

- The budget includes \$13.5 million in General Fund monies for previously approved capital projects, including \$10 million for the Southern Arizona’s Veterans’ Home.
- The budget authorizes \$1.6 billion in new debt financing for capital projects, including:
 - ⇒ \$593 million for the School Facilities Board

- ⇒ \$1 billion for the universities. The debt service payments are to be paid for 20% by Arizona Board of Regents system revenues and 80% by State Lottery revenues. These lottery revenues are to be generated by new games, additional ticket machines, and increased advertising.
- ⇒ \$7.5 million to construct a State Emergency Operations Center.

State Employee Issues

FTE Positions

- The JLBC Baseline would fund an increase of 535 Full-Time Equivalent (FTE) Positions. This 1.0% increase would bring total appropriated FTE Positions to 52,440.

Employee Pay and Salary Issues

- The budget provides \$9.0 million for the employer share of retirement costs.
- The budget excludes funding for new state employee pay increases and the employer share of health insurance.

Urban Revenue Sharing

- Urban Revenue Sharing (URS) distributions for FY 2009 will total \$727.7 million. By statute, URS is normally based on 15% of income tax collections 2 years prior which would equate to \$709.9 million in FY 2009. Statute, however, provides that for FY 2009 only, the URS distribution will consist of a set amount of \$717.1 million, plus a special distribution of \$10.5 million, for a total distribution amount of \$727.7 million.