

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HOUSE BILL 2781

AN ACT

MAKING APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS; PROVIDING FOR CERTAIN REPORTING REQUIREMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Subject to applicable laws, the sums or sources of revenue
 3 set forth in this act are appropriated for the fiscal years indicated and
 4 only from the funding sources listed for the purposes and objects specified
 5 and the performance measures are indicated as legislative intent. If monies
 6 from funding sources in this act are made unavailable, no other funding
 7 source shall be used.

8 Sec. 2. BOARD OF ACCOUNTANCY

	<u>2007-08</u>	<u>2008-09</u>
9 FTE positions	13.0	13.0
10 Lump sum appropriation	\$ 2,289,500**	\$ 2,290,200
11 Fund sources:		
12 Board of accountancy fund	\$ 2,289,500	\$ 2,290,200
13 Performance measures:		
14 Average calendar days to resolve a complaint	180	180
15 Average calendar days to renew a license	1.0	1.0
16 Customer satisfaction rating (Scale 1-8)	7.0	7.0

17 Sec. 3. ACUPUNCTURE BOARD OF EXAMINERS

	<u>2007-08</u>	<u>2008-09</u>
18 FTE positions	1.0	1.0
19 Lump sum appropriation	\$ 125,500**	\$ 125,500
20 Fund sources:		
21 Acupuncture board of examiners		
22 fund	\$ 125,500	\$ 125,500
23 Performance measures:		
24 Average calendar days to resolve a complaint	90	90
25 Average calendar days to renew a license	5	5
26 Customer satisfaction rating (Scale 1-8)	7.0	7.0

27 Sec. 4. DEPARTMENT OF ADMINISTRATION

	<u>2007-08</u>
28 <u>State general fund</u>	
29 FTE positions	301.3
30 Operating lump sum appropriation	\$ 20,250,200
31 ENSCO	7,289,400
32 Arizona financial information	
33 system	1,032,400
34 Statewide telecommunications	
35 management contract lease	
36 payment	851,800
37 Utilities	<u>625,700</u>
38 Total - general fund	\$ 30,049,500

1 Performance measures:
2 Per cent of ADOA services receiving a good
3 (6) or better rating from customers,
4 based on annual survey (Scale 1-8) 75
5 Per cent of procurement plan award dates
6 met for the RFP process 77
7 Customer satisfaction with establishing
8 contracts (Scale 1-8) 5.5
9 Customer satisfaction with administering
10 contracts (Scale 1-8) 5.0
11 Customer satisfaction rating for the
12 operation of AFIS (Scale 1-8) 7.5
13 Average capitol police response time to
14 emergency calls (in minutes and seconds) 1:40
15 The department may collect an amount of not to exceed \$1,762,600 from
16 other funding sources, excluding federal funds, to recover pro rata costs of
17 operating AFIS II. Any amounts left unspent from the Arizona financial
18 information system line item shall revert to the state general fund.
19 Air quality fund
20 Lump sum appropriation \$ 575,100
21 Performance measures:
22 Customer satisfaction with all travel reduction
23 services (Scale 1-8) 6.5
24 The amounts appropriated for the state employee transportation service
25 subsidy shall be used for up to a one hundred per cent subsidy of charges
26 payable for transportation service expenses as provided in section 41-786,
27 Arizona Revised Statutes, of nonuniversity state employees in a vehicle
28 emissions control area as defined in section 49-541, Arizona Revised
29 Statutes, of a county with a population of more than four hundred thousand
30 persons.
31 Capital outlay stabilization fund
32 FTE positions 56.7
33 Operating lump sum appropriation \$ 5,503,700
34 Utilities 5,733,800
35 Relocation 60,000
36 Total - capital outlay stabilization
37 fund \$ 11,297,500
38 Performance measures:
39 Customer satisfaction rating for building
40 maintenance (Scale 1-8) 6.5
41 Monies in the relocation line item are exempt from the provisions of
42 section 35-190, Arizona Revised Statutes, relating to lapsing of
43 appropriations, until December 31, 2008.

1 The appropriation for the automation operations fund is an estimate
 2 representing all monies, including balance forward, revenue and transfers
 3 during fiscal year 2007-2008. These monies are appropriated to the
 4 department of administration for the purposes established in section 41-711,
 5 Arizona Revised Statutes. The appropriation shall be adjusted as necessary
 6 to reflect receipts credited to the automation operations fund for automation
 7 operation center projects. Expenditures for all additional automation
 8 operation center projects above the \$24,028,200 appropriation shall be
 9 subject to review by the joint legislative budget committee, following
 10 approval of the government information technology agency. Expenditures for
 11 each additional project shall not exceed the specific revenues of that
 12 project.

13 Risk management fund

14	FTE positions	96.0
15	Operating lump sum appropriation	\$ 9,506,300
16	Risk management losses and premiums	46,726,200
17	Workers' compensation losses and	
18	premiums	26,460,200
19	External legal services	5,592,200
20	Nonlegal related expenditures	<u>3,153,900</u>
21	Total - risk management fund	\$ 91,438,800

22 Highway user revenue fund

23	Highway hazards assessments	\$ 150,000
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24 The highway hazards assessments line item is to be used to contract for
 25 an outside review of the state's highways for potential hazards. The
 26 department shall submit a report with recommendations to the joint
 27 legislative budget committee by April 30, 2008.

28 Performance measures:

29	Workers' compensation incidence rates/100	
30	FTE positions	4.1
31	Customer satisfaction with self-insurance	
32	(Scale 1-8)	6.8

33 Personnel division fund

34	FTE positions	139.0
35	Operating lump sum appropriation	\$ 13,761,200
36	Human resources information solution	
37	certificate of participation	<u>4,239,100</u>
38	Total - personnel division fund	\$ 18,000,300

39 Performance measures:

40	Customer satisfaction with employee training	
41	(Scale 1-8)	6.1

1	<u>Special employee health insurance</u>		
2	<u>trust fund</u>		
3	FTE positions		39.0
4	Operating lump sum appropriation	\$	5,430,000
5	Health savings account plan design		<u>100,000</u>
6	Total - special employee health		
7	insurance trust fund	\$	5,530,000

8 Performance measures:
 9 Customer satisfaction with benefit plans
 10 (Scale 1-8) 6.2

11	<u>State surplus materials revolving</u>		
12	<u>fund</u>		
13	FTE positions		16.0
14	Operating lump sum appropriation	\$	1,222,100
15	State surplus property sales		
16	proceeds		<u>3,000,000</u>
17	Total - state surplus materials		
18	revolving fund	\$	4,222,100

19 All state surplus property sales proceeds received by the department in
 20 excess of \$3,000,000 are appropriated. Before the expenditure of any state
 21 surplus property sales proceeds in excess of \$3,000,000, the department shall
 22 report the intended use of the monies to the joint legislative budget
 23 committee.

24	<u>Federal surplus materials revolving</u>		
25	<u>fund</u>		
26	FTE positions		7.0
27	Lump sum appropriation	\$	<u>429,600</u>
28	Total appropriation - department of		
29	administration		\$205,936,600
30	Fund sources:		
31	State general fund	\$	30,049,500
32	Other appropriated funds		175,887,100

33	Sec. 5. OFFICE OF ADMINISTRATIVE HEARINGS			
34			<u>2007-08</u>	<u>2008-09</u>
35	FTE positions		15.0	15.0
36	Lump sum appropriation	\$	1,228,400	\$ 1,228,400
37	Fund sources:			
38	State general fund	\$	1,213,900	\$ 1,213,900
39	Healthcare group fund		14,500	14,500
40	Performance measures:			
41	Average days from request for hearing to			
42	transmission of decision to the agency		70	70
43	Evaluations rating the administrative law			
44	judge "excellent" or "good" in impartiality		97	97

1 The office of administrative hearings shall enter into interagency
 2 service agreements to provide services pursuant to title 41, chapter 6,
 3 article 10, Arizona Revised Statutes.

4 Sec. 6. DEPARTMENT OF AGRICULTURE

	<u>2007-08</u>	<u>2008-09</u>
5		
6 FTE positions	249.2	249.2
7 Operating lump sum appropriation	\$ 15,139,000	\$ 15,357,900
8 Agricultural employment relations		
9 board	23,300	23,300
10 Animal damage control	65,000	65,000
11 Red imported fire ant	<u>23,200</u>	<u>23,200</u>
12 Total appropriation - department of		
13 agriculture	\$ 15,250,500	\$ 15,469,400
14 Fund sources:		
15 State general fund	\$ 11,895,500	\$ 12,117,500
16 Aquaculture fund	9,200	9,200
17 Arizona protected native plant fund	186,500	186,500
18 Citrus, fruit and vegetable		
19 revolving fund	1,044,900	1,044,900
20 Commercial feed fund	293,200	293,200
21 Agricultural consulting and		
22 training fund	103,400	103,400
23 Dangerous plants, pests and		
24 diseases fund	40,000	40,000
25 State egg inspection fund	869,800	866,700
26 Fertilizer materials fund	298,500	298,500
27 Livestock custody fund	79,400	79,400
28 Pesticide fund	376,900	376,900
29 Seed law fund	53,200	53,200
30 Performance measures:		
31 Per cent of industry stakeholders rating		
32 the department's quality of communication		
33 excellent or good	95	95
34 Per cent of meat and poultry product tests		
35 in compliance with bacteria, drug and		
36 chemical residue requirements	95	95
37 Per cent of inspections within the state		
38 interior resulting in pest interceptions	7.0	7.0
39 Overall customer satisfaction rating for		
40 laboratory services (per cent)	98	98

1	Sec. 7. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM	
2		<u>2007-08</u>
3	<u>Administration</u>	
4	FTE positions	3,179.0
5	Operating lump sum appropriation	\$ 67,765,600
6	DOA data center charges	5,717,500
7	Indian advisory council	227,000
8	DES eligibility	53,698,200
9	DES title XIX pass-through	345,300
10	Healthcare group administration	
11	and reinsurance	16,360,000
12	Office of administrative hearings	269,700
13	KidsCare - administration	9,139,200
14	Proposition 204 - AHCCCS	
15	administration	11,029,700
16	Proposition 204 - DES	
17	eligibility	38,780,100
18	DES eligibility system upgrade	2,600,000
19	2-1-1 system	3,400,000
20	Claims computer system replacement	<u>2,090,900</u>
21	Total appropriation and expenditure	
22	authority - administration	\$211,423,200
23	Fund sources:	
24	State general fund	\$ 95,639,800
25	Budget neutrality compliance	
26	fund	2,683,100
27	Children's health insurance	
28	program fund	6,985,400
29	Health care group fund	8,360,000
30	Expenditure authority	97,754,900
31	Performance measures:	
32	Per cent of applications processed on time	95
33	Customer satisfaction rating for eligibility	
34	determination clients (Scale 1-8)	6.0

35 It is the intent of the legislature that the appropriation for the
36 department of administration data center charges be used only for the payment
37 of charges incurred by the department for the use of computing services
38 provided by the department of administration data center.

39 The amounts appropriated for the department of economic security
40 eligibility line item shall be used for intergovernmental agreements with the
41 department of economic security for the purpose of eligibility determination
42 and other functions. The general fund share may be used for eligibility
43 determination for other programs administered by the division of benefits and
44 medical eligibility based on the results of the Arizona random moment
45 sampling survey.

1 The Arizona health care cost containment system administration shall
 2 report to the joint legislative budget committee by January 1 of each year on
 3 the agency's use of the cost savings that result from entering into an
 4 agreement with another state as outlined in Laws 1999, chapter 313, section
 5 27. The report shall also include detail on the source of all revenues and
 6 expenditure of monies from the intergovernmental service fund.

7 The Arizona health care cost containment system administration shall
 8 report by September 30 of each year to the joint legislative budget committee
 9 on the services that receive reimbursement from the federal government under
 10 the medicaid direct service claiming program. The report shall include
 11 information on the type of services, how those services meet the definition
 12 of medical necessity and the total amount of federal dollars that the schools
 13 have received under the medicaid direct service claiming program.

14 Notwithstanding sections 35-190 and 35-191, Arizona Revised Statutes,
 15 the \$8,000,000 general fund appropriation included in the healthcare group
 16 administration and reinsurance line item may be used to pay claims with dates
 17 of service before July 1, 2007.

18 Acute care

19	Capitation	\$1,889,804,700
20	Reinsurance	108,132,500
21	Fee-for-service	497,366,500
22	Medicare premiums	91,928,600
23	Graduate medical education	44,156,600
24	Hospital loan residency program	1,000,000
25	Temporary medical coverage	10,326,400
26	Dual eligible part D copay subsidy	1,029,700
27	Disproportionate share payments	30,350,000
28	Critical access hospitals	1,700,000
29	Breast and cervical cancer	2,131,400
30	Ticket to work	8,043,600
31	Proposition 204 - capitation	1,007,858,800
32	Proposition 204 - reinsurance	109,441,000
33	Proposition 204 - fee-for-service	175,536,600
34	Proposition 204 - medicare	
35	premiums	28,532,300
36	Proposition 204 - county hold	
37	harmless	4,825,600
38	KidsCare - children	125,684,700
39	KidsCare - parents	50,296,300
40	Rural hospital reimbursement	12,158,100
41	Medicare clawback payments	<u>27,022,000</u>
42	Total appropriation and expenditure	
43	authority - acute care	\$4,227,325,400

1	Fund sources:	
2	State general fund	\$1,022,039,100
3	Children's health insurance	
4	program fund	139,391,900
5	Tobacco tax and health care	
6	fund - medically needy	
7	account	78,306,100
8	Tobacco products tax fund -	
9	emergency health services	
10	account	29,264,100
11	Temporary medical coverage fund	1,976,400
12	Expenditure authority	2,956,347,800
13	Performance measures:	
14	Per cent of well child visits in the first	
15	15 months of life (EPSDT)	87
16	Per cent of children's access to primary	
17	care provider	85
18	Per cent of women receiving annual cervical	
19	screening	60
20	Member satisfaction as measured by	
21	percentage of enrollees that choose	
22	to change health plans	2.0
23	The \$30,350,000 appropriation for disproportionate share payments for	
24	fiscal year 2007-2008 made pursuant to section 36-2903.01, subsection P,	
25	Arizona Revised Statutes, includes \$4,202,300 for the Maricopa County	
26	Healthcare District and \$26,147,700 for private qualifying disproportionate	
27	share hospitals.	
28	Of the \$4,825,600 appropriated for the proposition 204 county hold	
29	harmless line item, \$234,200 is allocated to Graham county, \$3,817,800 to	
30	Pima county, \$234,400 to Greenlee county, \$159,700 to La Paz county, \$214,800	
31	to Santa Cruz county and \$164,700 to Yavapai county to offset a net loss in	
32	revenue due to the implementation of proposition 204, and shall be used for	
33	indigent health care costs.	
34	<u>Long-term care</u>	
35	Program lump sum appropriation	\$1,099,329,800
36	Medicare clawback payments	20,428,900
37	Dual eligible part D copay	
38	subsidy	470,300
39	Board of nursing	<u>209,700</u>
40	Total appropriation and expenditure	
41	authority - long-term care	\$1,120,438,700
42	Fund sources:	
43	State general fund	\$ 145,675,800
44	Expenditure authority	974,762,900

1 Performance measures:

2 Per cent of members utilizing home and
3 community based services (HCBS) 67
4 Per cent of ALTCS eligibility as measured by
5 quality control sample 99

6 Any federal funds that the Arizona health care cost containment system
7 administration passes through to the department of economic security for use
8 in long-term administration care for the developmentally disabled shall not
9 count against the long-term care expenditure authority above.

10 Pursuant to section 11-292, subsection B, Arizona Revised Statutes, the
11 county portion of the fiscal year 2007-2008 nonfederal portion of the costs
12 of providing long-term care system services is \$242,744,500. This amount is
13 included in the expenditure authority fund source.

14 Total appropriation and expenditure
15 authority - Arizona health
16 care cost containment system \$5,559,187,300
17 Appropriated fund sources:
18 State general fund \$1,263,354,700
19 Budget neutrality compliance fund 2,683,100
20 Children's health insurance
21 program fund 146,377,300
22 Health care group fund 8,360,000
23 Tobacco products tax fund -
24 emergency health services
25 account 29,264,100
26 Tobacco tax and health care
27 fund - medically needy account 78,306,100
28 Temporary medical coverage fund 1,976,400
29 Expenditure authority \$4,028,865,600

30 Performance measures:

31 Per cent of people under age 65 that
32 are uninsured 17

33 Before making fee-for-service program or rate changes that pertain to
34 hospital, nursing facility or home and community based services rates or for
35 any of the other fee-for-service rate categories that have increases that, in
36 the aggregate, are two per cent above and \$1,500,000 from the state general
37 fund greater than budgeted medical inflation in fiscal year 2007-2008, the
38 Arizona health care cost containment system administration shall report its
39 expenditure plan for review by the joint legislative budget committee.

40 The Arizona health care cost containment system administration shall
41 report to the joint legislative budget committee by March 1 of each year on
42 the preliminary actuarial estimates of the capitation rate changes for the
43 following fiscal year along with the reasons for the estimated changes. For
44 any actuarial estimates that include a range, the total range from minimum to
45 maximum shall be no more than two per cent. Before implementation of any

1 changes in capitation rates, the Arizona health care cost containment system
 2 administration shall report its expenditure plan for review by the joint
 3 legislative budget committee. Before the administration implements any
 4 changes in policy affecting the amount, sufficiency, duration and scope of
 5 health care services and who may provide services, the administration shall
 6 prepare a fiscal impact analysis on the potential effects of this change on
 7 the following year's capitation rates. If the fiscal analysis demonstrates
 8 that these changes will result in additional state costs of \$500,000 or
 9 greater for a given fiscal year, the administration shall submit the policy
 10 changes for review by the joint legislative budget committee.

11 For the contract year beginning October 1, 2007, the administration may
 12 expend funds for federally-matched preventive adult dental services of up to
 13 \$1,000 per ALTCS member and federally-matched hospice services to non-ALTCS
 14 members.

15 Sec. 8. BOARD OF APPRAISAL

	<u>2007-08</u>	<u>2008-09</u>
16 FTE positions	4.5	4.5
17 Lump sum appropriation	\$ 593,700**	\$ 593,700
18 Fund sources:		
19 Board of appraisal fund	\$ 593,700	\$ 593,700
20 Performance measures:		
21 Average calendar days to resolve a complaint	130	130
22 Customer satisfaction rating (Scale 1-8)	7.5	7.5

24 Sec. 9. ARIZONA COMMISSION ON THE ARTS

	<u>2007-08</u>	<u>2008-09</u>
25 FTE positions	11.5	11.5
26 Operating lump sum appropriation	\$ 625,000	\$ 625,000
27 Community service projects	<u>1,463,100</u>	<u>1,463,100</u>
28 Total appropriation - Arizona commission		
29 on the arts	\$ 2,088,100	\$ 2,088,100
30 Fund sources:		
31 State general fund	\$ 2,088,100	\$ 2,088,100
32 Performance measures:		
33 Customer satisfaction rating (Scale 1-8)	7.5	7.5

35 Sec. 10. ATTORNEY GENERAL - DEPARTMENT OF LAW

	<u>2007-08</u>	<u>2008-09</u>
36 FTE positions	644.9	644.9
37 Operating lump sum appropriation	\$ 47,122,300	\$ 46,581,000
38 State grand jury	160,000	160,000
39 Victims' rights	3,266,000	3,266,000
40 Risk management interagency		
41 service agreement	<u>9,226,800</u>	<u>9,189,700</u>
42 Total appropriation - attorney general -		
43 department of law	\$ 59,775,100	\$ 59,196,700

1	Fund sources:		
2	State general fund	\$ 21,813,300	\$ 21,282,900
3	Antitrust enforcement revolving		
4	fund	232,200	232,200
5	Attorney general legal services		
6	cost allocation fund	6,193,600	6,193,600
7	Collection enforcement revolving		
8	fund	4,577,700	4,574,700
9	Consumer fraud revolving fund	2,128,300	2,128,300
10	Interagency service agreements		
11	fund	12,337,200	12,329,300
12	Risk management revolving fund	9,226,800	9,189,700
13	Victims' rights fund	3,266,000	3,266,000

14	Performance measures:		
15	Solicitor general - number of days to respond		
16	to a request for a legal opinion	55	55
17	Customer satisfaction rating for client		
18	agencies (Scale 1-8)	7.3	7.3
19	Per cent of victims' rights award recipients		
20	satisfied with the victims' rights program	90	90

21 The \$160,000 appropriated for state grand jury expenses is for costs
 22 incurred pursuant to section 21-428, subsection C, Arizona Revised Statutes.
 23 It is the intent of the legislature that state grand jury expenses be limited
 24 to the amount appropriated and that a supplemental appropriation will not be
 25 provided.

26 The attorney general shall notify the president of the senate, the
 27 speaker of the house of representatives and the joint legislative budget
 28 committee before entering into a settlement of \$100,000 or more that will
 29 result in the receipt of monies by the attorney general or any other person.
 30 The attorney general shall not allocate or expend these monies until the
 31 joint legislative budget committee reviews the allocations or expenditures.
 32 Settlements that pursuant to statute must be deposited in the state general
 33 fund need not be reviewed by the joint legislative budget committee. This
 34 paragraph does not apply to actions under title 13, Arizona Revised Statutes,
 35 or other criminal matters.

36 In addition to the \$12,337,200 appropriated from the interagency
 37 service agreements fund in fiscal year 2007-2008 and \$12,329,300 in fiscal
 38 year 2008-2009, an additional \$800,000 and 11 FTE positions are appropriated
 39 from the interagency service agreements fund in fiscal year 2007-2008 and
 40 fiscal year 2008-2009 for new or expanded interagency service agreements.
 41 The attorney general shall report to the joint legislative budget committee
 42 whenever an interagency service agreement is established that will require
 43 expenditures from the additional amount. The report shall include the name
 44 of the agency or entity with which the agreement is made, the dollar amount
 45 of the contract by fiscal year and the number of associated FTE positions.

1 All revenues received by the antitrust enforcement revolving fund in
 2 excess of \$232,200 are appropriated. Expenditures from the fund may not
 3 exceed \$750,000 in fiscal year 2007-2008 and fiscal year 2008-2009. Before
 4 the expenditure of any antitrust enforcement revolving fund receipts in
 5 excess of \$232,200 in fiscal year 2007-2008 and fiscal year 2008-2009, the
 6 attorney general shall submit the intended uses of the monies for review by
 7 the joint legislative budget committee.

8 Sec. 11. AUTOMOBILE THEFT AUTHORITY

	<u>2007-08</u>	<u>2008-09</u>
9 FTE positions	6.0	6.0
10 Lump sum appropriation	\$ 646,900	\$ 646,900
11 Automobile theft authority grants	4,708,500	5,116,000
12 Reimbursable programs	<u>50,000</u>	<u>50,000</u>
13 Total appropriation - auto theft authority	\$ 5,405,400	\$ 5,812,900
14 Fund sources:		
15 Automobile theft authority fund	\$ 5,405,400	\$ 5,812,900
16 Performance measures:		
17 Felony auto theft arrests by auto theft		
18 task force	330	330
19 Per cent of stolen vehicles recovered		
20 (calendar year)	67.0	67.0
21 Number of vehicles stolen statewide		
22 (calendar year)	55,000	55,000
23 Customer satisfaction rating (Scale 1-3,		
24 1 highest)	1.0	1.0

25 All automobile theft authority fund receipts received by the automobile
 26 theft authority in excess of \$5,405,400 in fiscal year 2007-2008 and
 27 \$5,812,900 in fiscal year 2008-2009 are appropriated to the automobile theft
 28 authority. Before the expenditure of any automobile theft authority fund
 29 monies in excess of \$5,405,400 in fiscal year 2007-2008 and \$5,812,900 in
 30 fiscal year 2008-2009, the automobile theft authority shall submit the
 31 intended use of the monies for review by the joint legislative budget
 32 committee.

33 The automobile theft authority shall submit a report to the joint
 34 legislative budget committee for review before expending any monies for the
 35 reimbursable programs line item. The agency shall also show sufficient funds
 36 collected to cover the expenses indicated in the report.

37 Sec. 12. BOARD OF BARBERS

	<u>2007-08</u>	<u>2008-09</u>
38 FTE positions	4.0	4.0
39 Lump sum appropriation	\$ 334,700**	\$ 318,100
40 Fund sources:		
41 Board of barbers fund	\$ 334,700	\$ 318,100

1	Performance measures:		
2	Average calendar days to resolve a complaint	21	21
3	Average calendar days to renew a license	2	2
4	Customer satisfaction rating (Scale 0-100)	90	90
5	Sec. 13. BOARD OF BEHAVIORAL HEALTH EXAMINERS		
6		<u>2007-08</u>	<u>2008-09</u>
7	FTE positions	17.0	17.0
8	Lump sum appropriation	\$ 1,339,300**	\$ 1,324,200
9	Fund sources:		
10	Board of behavioral health		
11	examiners fund	\$ 1,339,300	\$ 1,324,200
12	Performance measures:		
13	Average days to resolve a complaint	287	287
14	Average days to renew a license	50	50
15	Customer satisfaction rating (Scale 1-8)	6.0	6.0
16	Sec. 14. STATE CAPITAL POSTCONVICTION PUBLIC DEFENDER OFFICE		
17		<u>2007-08</u>	<u>2008-09</u>
18	FTE positions	7.0	7.0
19	Lump sum appropriation	\$ 721,700	\$ 721,700
20	Fund sources:		
21	State general fund	\$ 721,700	\$ 721,700
22	Sec. 15. STATE BOARD FOR CHARTER SCHOOLS		
23		<u>2007-08</u>	<u>2008-09</u>
24	FTE positions	10.0	13.0
25	Lump sum appropriation	\$ 1,091,900	\$ 1,051,000
26	Fund sources:		
27	State general fund	\$ 1,091,900	\$ 1,051,000
28	Performance measures:		
29	Customer satisfaction survey (Scale 1-8)	7.5	7.5
30	In addition to collecting data for the adopted performance measures,		
31	the state board for charter schools shall conduct a survey of parents of		
32	charter school pupils in order to establish parent quality ratings for every		
33	charter school in this state.		
34	Sec. 16. STATE BOARD OF CHIROPRACTIC EXAMINERS		
35		<u>2007-08</u>	<u>2008-09</u>
36	FTE positions	5.0	5.0
37	Lump sum appropriation	\$ 504,400**	\$ 506,000
38	Fund sources:		
39	Board of chiropractic examiners		
40	fund	\$ 504,400	\$ 506,000

1	Performance measures:		
2	Average calendar days to renew a license	13	13
3	Per cent of complaints resolved within 180		
4	days with no hearing required	60	60
5	Per cent of survey responses which indicate		
6	that staff was knowledgeable and courteous		
7	in public communications	98	98
8	Sec. 17. DEPARTMENT OF COMMERCE		
9		<u>2007-08</u>	<u>2008-09</u>
10	FTE positions	79.9	79.9
11	Operating lump sum appropriation	\$ 4,317,200	\$ 4,317,200
12	Arizona trade office in Sonora	25,000	25,000
13	International trade offices	2,044,800	2,044,800
14	Economic development matching funds	104,000	104,000
15	Main street	130,000	130,000
16	REDI matching grants	45,000	45,000
17	Rural economic development	323,900	323,900
18	Advertising and promotion	659,200	659,200
19	Motion picture development	337,700	337,700
20	CEDC commission	275,200	275,200
21	National law center/free trade	200,000	200,000
22	Oil overcharge administration	176,000	176,000
23	Minority and women owned business	121,300	121,300
24	Small business advocate	119,100	119,100
25	Apprenticeship services	179,200	179,200
26	Greater Arizona development		
27	authority	<u>2,000,000</u>	<u>2,000,000</u>
28	Total appropriation - department of		
29	commerce	\$ 11,057,600	\$ 11,057,600
30	Fund sources:		
31	State general fund	\$ 8,190,200	\$ 8,190,200
32	Bond fund	139,500	139,500
33	CEDC fund	2,276,700	2,276,700
34	Oil overcharge fund	176,000	176,000
35	State lottery fund	275,200	275,200
36	Performance measures:		
37	Number of workers trained	25,000	25,000
38	Per cent of job training fund monies		
39	distributed to small businesses	25	25
40	Customer satisfaction rating for business		
41	development program (percentage rating		
42	services as good or excellent)	88	88

1 Of the \$2,276,700 appropriated from the CEDC fund, \$250,000 shall be
 2 utilized for implementation of cross-industry business/infrastructure
 3 development projects and related project coordination in support of regional
 4 technology councils and high technology clusters operating in Arizona.

5 Sec. 18. ARIZONA COMMUNITY COLLEGES

	<u>2007-08</u>
6	
7	<u>Equalization aid</u>
8	Cochise \$ 4,669,700
9	Graham 13,146,500
10	Navajo 4,305,200
11	Yuma/La Paz <u>1,372,400</u>
12	Total - equalization aid \$ 23,493,800
13	<u>Operating state aid</u>
14	Cochise \$ 8,401,400
15	Coconino 3,334,600
16	Gila 620,500
17	Graham 5,370,400
18	Maricopa 57,528,300
19	Mohave 4,196,900
20	Navajo 4,412,300
21	Pima 19,593,500
22	Pinal 6,052,000
23	Yavapai 4,820,400
24	Yuma/La Paz <u>5,722,700</u>
25	Total - operating state aid \$120,053,000
26	<u>Capital outlay state aid</u>
27	Cochise \$ 1,060,600
28	Coconino 423,800
29	Gila 133,400
30	Graham 510,100
31	Maricopa 11,204,000
32	Mohave 591,200
33	Navajo 1,505,700
34	Pima 3,198,900
35	Pinal 797,600
36	Yavapai 703,900
37	Yuma/La Paz <u>924,800</u>
38	Total - capital outlay state aid \$ 21,054,000
39	Rural county reimbursement subsidy <u>\$ 1,200,000</u>
40	Total appropriation - Arizona community
41	colleges \$165,800,800
42	Fund sources:
43	State general fund \$165,800,800

1 Performance measures:
 2 Per cent of students who transfer to Arizona
 3 public universities without loss of credits 96
 4 Number of applied baccalaureate programs
 5 collaboratively developed with universities 8
 6 Of the \$1,200,000 appropriated to the rural county reimbursement
 7 subsidy line item, Apache county will receive \$559,200, Greenlee county
 8 \$459,300, and Santa Cruz county \$181,500.
 9 Of the \$1,505,700 Navajo community college receives in capital outlay
 10 state aid, \$1,000,000 shall be used to construct a public safety and
 11 emergency services training facility in Navajo county to be operated and
 12 controlled by the Northland pioneer community college. The appropriation is
 13 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 14 relating to the lapsing of appropriations.
 15 It is the intent of the legislature that in fiscal year 2008-2009,
 16 Navajo community college district shall receive \$1,000,000 in state general
 17 fund monies for construction of a public safety training facility operated
 18 and controlled by Northland pioneer community college.
 19 Sec. 19. REGISTRAR OF CONTRACTORS

	<u>2007-08</u>	<u>2008-09</u>
21 FTE positions	144.8	144.8
22 Operating lump sum appropriation	\$ 10,468,200	\$ 10,324,000
23 Office of administrative hearings		
24 costs	964,300	964,300
25 Incentive pay	113,700	113,700
26 Information management system	<u>3,683,000</u>	<u>506,500</u>
27 Total appropriation - registrar of		
28 contractors	\$ 15,229,200**	\$ 11,908,500
29 Fund sources:		
30 Registrar of contractors fund	\$ 15,229,200	\$ 11,908,500
31 Performance measures:		
32 Average calendar days from receipt of		
33 complaint to jobsite inspection	23	23
34 Per cent of licensing customers indicating		
35 they received excellent service	93	93
36 Per cent of inspections customers indicating		
37 they received excellent service	91	91
38 Any transfer to or from the amount appropriated for the office of		
39 administrative hearings costs line item shall require review by the joint		
40 legislative budget committee.		

1	Sec. 20. CORPORATION COMMISSION		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	321.3	321.3
4	Operating lump sum appropriation	\$ 27,344,800	\$ 27,341,300
5	Corporation filings, same day		
6	service	400,400	400,400
7	Utilities audits, studies,		
8	investigations and hearings	<u>380,000*</u>	<u>380,000*</u>
9	Total appropriation - corporation commission	\$ 28,125,200	\$ 28,121,700
10	Fund sources:		
11	State general fund	\$ 5,542,500	\$ 5,542,500
12	Arizona arts trust fund	48,300	48,300
13	Investment management regulatory		
14	and enforcement fund	889,700	889,700
15	Pipeline safety revolving fund	55,400	0
16	Public access fund	4,261,200	4,332,600
17	Securities regulatory and		
18	enforcement fund	3,822,300	3,822,300
19	Utility regulation revolving fund	13,505,800	13,486,300
20	Performance measures:		
21	Average turnaround time in days for processing		
22	of regular corporate filings	30.0	30.0
23	Average turnaround time in days for processing		
24	of expedited corporate filings	3.0	3.0
25	Number of months required to review applications		
26	received by securities division	1.5	1.5
27	Customer satisfaction rating for corporations		
28	program (Scale 1-8)	7.1	7.1
29	The \$400,400 appropriated from the public access fund for the		
30	corporation filings same day service line item shall revert to the public		
31	access fund at the end of each fiscal year if the commission cannot process		
32	all expedited services within five business days and all regular services		
33	within thirty business days in accordance with sections 10-122, 10-3122 and		
34	29-851, Arizona Revised Statutes.		
35	The corporation commission corporations division shall provide a report		
36	by the end of each fiscal year to the joint legislative budget committee on		
37	the total number of filings received by the corporations division pursuant to		
38	the services listed in sections 10-122, 10-3122 and 29-851, Arizona Revised		
39	Statutes, the total number of filings processed by the corporations division		
40	and the amount of time, in business days, to process each type of service.		

1	Sec. 21. DEPARTMENT OF CORRECTIONS	
2		<u>2007-08</u>
3	FTE positions	9,755.9
4	Correctional officer personal services	\$282,098,600
5	Health care personal services	36,160,700
6	All other personal services	69,987,200
7	Employee-related expenditures	145,010,700
8	Personal services and employee-related	
9	expenditures for overtime/compensatory	
10	time	23,827,000
11	Health care all other operating	
12	expenditures	80,516,200
13	Non-health care all other operating	
14	expenditures	<u>119,210,000</u>
15	Total - operating budget	\$756,810,400
16	Fund sources:	
17	State general fund	\$738,973,100
18	State education fund for	
19	correctional education	1,102,500
20	Alcohol abuse treatment fund	599,300
21	Penitentiary land fund	869,200
22	State charitable, penal and	
23	reformatory institutions	
24	land fund	570,000
25	Corrections fund	366,500
26	Transition office fund	180,000
27	Transition program drug treatment	
28	fund	600,000
29	Prison construction and operations	
30	fund	13,549,800
31	County jail beds	\$ 868,600
32	Fund sources:	
33	State general fund	\$ 866,200
34	Prison construction and	
35	operations fund	2,400
36	Private prison per diem	\$ 83,169,800
37	Fund sources:	
38	State general fund	\$ 52,478,300
39	Corrections fund	28,674,300
40	Penitentiary land fund	1,000,000
41	Prison construction and	
42	operations fund	1,017,200
43	Provisional beds	\$ 91,412,800

1	Fund sources:	
2	State general fund	\$ 87,299,400
3	Prison construction and	
4	operations fund	3,057,200
5	Penitentiary land fund	1,056,200
6	Performance measures:	
7	Escapes from secure facilities	0
8	Number of inmates receiving GED	2,500
9	Number of inmate random positive	
10	urinalysis results	900

11 Twenty-five per cent of land earnings and interest from the state
12 charitable, penal and reformatory institutions land fund shall be distributed
13 to the state department of corrections in compliance with the enabling act
14 and the Constitution of Arizona to be used for the support of state penal
15 institutions.

16 One hundred per cent of land earnings and interest from the
17 penitentiary land fund shall be distributed to the state department of
18 corrections in compliance with the enabling act and the Constitution of
19 Arizona to be used for the support of state penal institutions.

20 Before the expenditure of any state education fund for correctional
21 education receipts in excess of \$1,102,500, the department of corrections
22 shall report the intended use of the monies to the director of the joint
23 legislative budget committee.

24 Before altering its bed capacity by closing state-operated prison beds
25 or canceling or not renewing contracts for privately-operated prison beds,
26 the department of corrections shall submit a bed plan detailing the proposed
27 bed closures for review by the joint legislative budget committee.

28 The personal services and employee-related expenditures for
29 overtime/compensatory time line item includes monies for personal services
30 and employee-related expenditure costs from overtime and compensatory time
31 payouts accrued by department employees in fiscal year 2007-2008.

32 Before placing any additional inmates in out-of-state provisional beds,
33 the department shall place inmates in all available prison beds in facilities
34 that are located in Arizona and that house Arizona inmates, unless the
35 out-of-state provisional beds are of a comparable security level and price.

36 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,
37 any transfer to or from the amounts appropriated for county jail beds,
38 personal services and employee-related expenditures for overtime/compensatory
39 time, private prison per diem or provisional beds line items shall require
40 review by the joint legislative budget committee.

1 The Arizona department of administration shall charge the department of
2 corrections for employer general fund health and dental insurance based on
3 actual enrollment in fiscal year 2007-2008.

4 A monthly report comparing department of corrections expenditures for
5 the month and year-to-date as compared to prior year expenditures shall be
6 forwarded to the president of the senate, the speaker of the house of
7 representatives, the chairpersons of the senate and house of representatives
8 appropriations committees and the director of the joint legislative budget
9 committee by the thirtieth of the following month. The report shall include
10 at least each line item of appropriation and the main components of all other
11 operating expenditures. The report shall include an estimate of potential
12 shortfalls, potential surpluses that may be available to offset these
13 shortfalls and a plan, if necessary, for eliminating any shortfall without a
14 supplemental appropriation.

15 The department of corrections shall continue to maintain the security
16 threat group unit and report to the joint legislative budget committee by
17 September 1, 2007 on funding and personnel requirements to facilitate the
18 identification of gang members, including implementation of an enhanced phone
19 monitoring system, and options for joining the California gangnet system.

20 The department of corrections shall work with the department of public
21 safety's gang and immigration intelligence team enforcement mission to combat
22 gang activity. The state department of corrections and the department of
23 public safety shall report jointly to the joint legislative budget committee
24 by December 1, 2007 on their collaborative efforts and procedures.

25 Department of corrections personnel in the correctional officer series
26 who receive a geographic stipend shall not retain the geographic stipend
27 associated with that facility when transferring to other department
28 facilities.

29 The amount appropriated for provisional beds includes \$33,193,000 for
30 the department to contract for 2,060 new provisional beds in fiscal year
31 2007-2008.

32 The private prison per diem line item includes \$3,700,000 for a 4.6 per
33 cent increase for private prison contractors for facilities that are located
34 in Arizona that house Arizona inmates as of July 1, 2007. The private prison
35 per diem line item also includes \$1,100,000 for an additional 4.5 per cent
36 increase for the central Arizona correctional facility that opened December,
37 2006. The department shall provide these increases to all applicable
38 contractors by August 1, 2007.

39 Sec. 22. COSMETOLOGY BOARD

	<u>2007-08</u>	<u>2008-09</u>
40		
41 FTE positions	24.5	24.5
42 Lump sum appropriation	\$ 1,797,100**	\$ 1,705,400
43 Fund sources:		
44 Board of cosmetology fund	\$ 1,797,100	\$ 1,705,400

1	Performance measures:		
2	Average calendar days to resolve a complaint	120	120
3	Average calendar days to renew a license	10	10
4	Customer satisfaction rating (Scale 1-8)	7.3	7.3
5	Sec. 23. ARIZONA CRIMINAL JUSTICE COMMISSION		
6		<u>2007-08</u>	<u>2008-09</u>
7	FTE positions	8.0	8.0
8	Operating lump sum appropriation	\$ 1,929,900	\$ 1,774,800
9	County methamphetamine interdiction	- 0 -	2,000,000
10	Criminal justice information systems	900,000*	800,000*
11	Rural state aid to county attorneys	157,700	157,700
12	Rural state aid to indigent defense	150,100	150,100
13	State aid to county attorneys	1,052,500	1,052,500
14	State aid to indigent defense	999,200	999,200
15	Victim compensation and assistance	<u>3,800,000</u>	<u>3,800,000</u>
16	Total appropriation - Arizona criminal		
17	justice commission	\$ 8,989,400	\$ 10,734,300
18	Fund sources:		
19	State general fund	\$ 2,202,000	\$ 4,102,000
20	Criminal justice enhancement fund	935,700	780,600
21	Victim compensation and assistance		
22	fund	3,800,000	3,800,000
23	State aid to county attorneys fund	1,052,500	1,052,500
24	State aid to indigent defense fund	999,200	999,200

25	Performance measures:		
26	Number of grants awarded in a timely manner		
27	to victim services providers	42	42
28	Customer satisfaction rating (Scale 1-10)	9.2	9.2

29 The Arizona criminal justice commission shall submit a quarterly report
30 on the expenditure of monies and the progress of the criminal justice
31 information systems project to the governor, the president of the senate, the
32 speaker of the house of representatives and the joint legislative budget
33 committee through fiscal year 2008-2009.

34 All victim compensation and assistance receipts received by the Arizona
35 criminal justice commission in excess of \$3,800,000 in fiscal year 2007-2008
36 and \$3,800,000 in fiscal year 2008-2009 are appropriated to the crime victims
37 program. Before the expenditure of any victim compensation and assistance
38 receipts in excess of \$3,800,000 in fiscal year 2007-2008 and \$3,800,000 in
39 fiscal year 2008-2009, the Arizona criminal justice commission shall submit
40 the intended use of the monies for review by the joint legislative budget
41 committee.

1 Notwithstanding any other law, the amount appropriated for rural state
 2 aid to county attorneys and rural state aid to indigent defense shall be
 3 allocated to counties with populations of less than five hundred thousand
 4 persons.

5 Monies for the grants management automation projects shall not be spent
 6 and shall revert to the criminal justice enhancement fund if the government
 7 information technology agency does not approve the project investment
 8 justification for the grants management automation projects.

9 Sec. 24. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

	<u>2007-08</u>	<u>2008-09</u>
<u>Phoenix day school for the deaf</u>		
FTE positions	177.2	177.2
Operating lump sum appropriation	\$ 9,887,400	\$ 9,887,400
School bus replacement	450,000	461,300
Voucher fund adjustment	<u>170,200</u>	<u>299,800</u>
Total - Phoenix day school for the deaf	\$ 10,507,600	\$ 10,648,500
Fund sources:		
State general fund	\$ 5,610,200	\$ 5,621,500
Arizona state schools for the deaf and the blind fund	4,897,400	5,027,000
<u>Tucson campus</u>		
FTE positions	312.1	312.1
Operating lump sum appropriation	\$ 16,943,600	\$ 16,893,100
School bus replacement	180,000	276,700
Voucher fund adjustment	<u>5,200</u>	<u>59,700</u>
Total - Tucson campus	\$ 17,128,800	\$ 17,229,500
Fund sources:		
State general fund	\$ 10,568,700	\$ 10,614,900
Arizona state schools for the deaf and the blind fund	6,560,100	6,614,600
<u>Regional cooperatives</u>		
FTE positions	28.1	28.1
Lump sum appropriation	\$ 1,841,500	\$ 1,841,500
Voucher fund adjustment	<u>16,300</u>	<u>17,500</u>
Total - Regional cooperatives	\$ 1,857,800	\$ 1,859,000
Fund sources:		
State general fund	\$ 1,420,100	\$ 1,420,100
Arizona state schools for the deaf and the blind fund	437,700	438,900
<u>Preschool/outreach programs</u>		
FTE positions	69.8	69.8
Lump sum appropriation	\$ 5,138,200	\$ 5,138,200
Voucher fund adjustment	<u>309,000</u>	<u>501,500</u>
Total - Preschool/outreach programs	\$ 5,447,200	\$ 5,639,700

1	Fund sources:		
2	State general fund	\$ 3,024,800	\$ 3,024,800
3	Arizona state schools for the		
4	deaf and the blind fund	<u>2,422,400</u>	<u>2,614,900</u>
5	Total appropriation - Arizona state schools		
6	for the deaf and the blind	\$ 34,941,400	\$ 35,376,700
7	Fund sources:		
8	State general fund	\$ 20,623,800	\$ 20,681,300
9	Arizona state schools for the		
10	deaf and the blind fund	14,317,600	14,695,400
11	Performance measures:		
12	Per cent of parents rating overall quality of		
13	services as "good" or "excellent" based		
14	on annual survey	95	95
15	Per cent of students in grade 5 meeting or		
16	exceeding state academic standards in:		
17	Reading	28	28
18	Writing	25	25
19	Math	30	30
20	Per cent of students in high school meeting or		
21	exceeding state academic standards in:		
22	Reading	25	25
23	Writing	25	25
24	Math	20	20
25	Before the expenditure of any monies in the voucher fund adjustment		
26	line item in fiscal year 2007-2008 and fiscal year 2008-2009, the joint		
27	legislative budget committee shall review the intended use of the funds.		
28	Before the expenditure of any Arizona state schools for the deaf and		
29	the blind fund monies in excess of \$14,317,600 in fiscal year 2007-2008 and		
30	\$14,695,400 in fiscal year 2008-2009, the joint legislative budget committee		
31	shall review the intended use of the funds.		
32	Sec. 25. COMMISSION FOR THE DEAF AND THE HARD OF HEARING		
33		<u>2007-08</u>	<u>2008-09</u>
34	FTE positions	16.0	16.0
35	Lump sum appropriation	\$ 5,387,300	\$ 5,387,300
36	Fund sources:		
37	Telecommunication fund for		
38	the deaf	\$ 5,387,300	\$ 5,387,300
39	Performance measures:		
40	Average number of days to issue a voucher	15	15
41	Customer satisfaction rating with the		
42	voucher program (Scale 1-8)	7.8	7.8

1	Sec. 26. STATE BOARD OF DENTAL EXAMINERS		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	11.0	11.0
4	Lump sum appropriation	\$ 1,106,800**	\$ 1,072,600
5	Fund sources:		
6	Dental board fund	\$ 1,106,800	\$ 1,072,600
7	Performance measures:		
8	Average calendar days to resolve a complaint	98	98
9	Average calendar days to renew a license	10	10
10	Customer satisfaction rating (Scale 1-5)	4	4
11	Sec. 27. DRUG AND GANG PREVENTION RESOURCE CENTER		
12		<u>2007-08</u>	<u>2008-09</u>
13	FTE positions	6.3	6.3
14	Lump sum appropriation	\$ 616,400	\$ 616,400
15	Fund sources:		
16	Drug and gang prevention		
17	resource center fund	\$ 295,800	\$ 295,800
18	Intergovernmental agreements		
19	and grants	320,600	320,600
20	Performance measures:		
21	Customer satisfaction rating of agencies		
22	served by the center (Scale 1-8)	7.2	7.2
23	Intergovernmental agreements and grants revenues in excess of \$320,600		
24	in fiscal year 2007-2008 and \$320,600 in fiscal year 2008-2009 are		
25	appropriated for expenditure. Before the expenditure of these monies, the		
26	center shall provide an expenditure plan for review by the joint legislative		
27	budget committee.		
28	Sec. 28. DEPARTMENT OF ECONOMIC SECURITY		
29		<u>2007-08</u>	
30	<u>Administration</u>		
31	FTE positions	302.2	
32	Operating lump sum appropriation	\$ 40,992,700	
33	Fund sources:		
34	State general fund	\$ 32,766,600	
35	Federal child care and		
36	development fund block grant	1,127,000	
37	Federal temporary assistance		
38	for needy families block grant	5,015,200	
39	Public assistance collections		
40	fund	129,800	

1	Special administration fund	607,300
2	Spinal and head injuries trust	
3	fund	87,600
4	Statewide cost allocation plan	
5	fund	1,000,000
6	Federal Reed act grant	259,200
7	Finger imaging	\$ 736,000
8	Fund sources:	
9	State general fund	\$ 459,400
10	Federal temporary assistance	
11	for needy families block	
12	grant	276,600
13	Lease-purchase equipment	\$ 1,799,000
14	Fund sources:	
15	State general fund	\$ 1,138,000
16	Federal temporary assistance	
17	for needy families block	
18	grant	661,000
19	Public assistance collections	\$ 517,600
20	Fund sources:	
21	Federal temporary assistance for	
22	needy families block grant	\$ 250,900
23	Public assistance collections	
24	fund	266,700
25	Attorney general legal services	\$ 942,900
26	Fund sources:	
27	State general fund	\$ 659,600
28	Federal child care and development	
29	fund block grant	16,600
30	Federal temporary assistance for	
31	needy families block grant	162,000
32	Public assistance collections	
33	fund	104,700
34	Triagency disaster recovery	\$ 271,500
35	Fund sources:	
36	Risk management fund	\$ 271,500

37 In accordance with section 35-142.01, Arizona Revised Statutes, the
38 department of economic security shall remit to the department of
39 administration any monies received as reimbursement from the federal
40 government or any other source for the operation of the department of
41 economic security west building and any other building lease-purchased by the
42 state of Arizona in which the department of economic security occupies space.
43 The department of administration shall deposit these monies in the state
44 general fund.

1 In accordance with section 38-654, Arizona Revised Statutes, the
 2 department of economic security shall transfer to the department of
 3 administration for deposit in the special employee health insurance trust
 4 fund any unexpended state general fund monies at the end of each fiscal year
 5 appropriated for employer health insurance contributions.

6	<u>Developmental disabilities</u>	
7	FTE positions	197.9
8	Operating lump sum appropriation	\$ 3,984,700
9	Fund sources:	
10	State general fund	\$ 3,984,700
11	Case management	\$ 4,366,000
12	Fund sources:	
13	State general fund	\$ 4,366,000
14	Home and community based	
15	services	\$ 36,647,500
16	Fund sources:	
17	State general fund	\$ 35,799,400
18	Long-term care system fund	848,100
19	Institutional services	\$ 294,900
20	Fund sources:	
21	State general fund	\$ 294,900
22	Arizona training program at	
23	Coolidge	\$ 546,900
24	Fund sources:	
25	State general fund	\$ 546,900
26	State-funded long-term care	
27	services	\$ 24,911,600
28	Fund sources:	
29	State general fund	\$ 762,900
30	Long-term care system fund	24,148,700
31	Autism training and oversight	\$ 200,000
32	Fund sources:	
33	Tobacco tax and healthcare -	
34	health research account	\$ 200,000
35	Children's autism intensive	
36	behavioral treatment services	\$ 1,800,000
37	Fund sources:	
38	State general fund	\$ 1,800,000
39	Children's autism intensive early	
40	intervention services for toddlers	\$ 500,000
41	Fund sources:	
42	State general fund	\$ 500,000

1	Performance measures:	
2	Per cent of consumer satisfaction with	
3	case management services	97
4	Per cent of consumers living at home who	
5	are satisfied with services and supports	70
6	Per cent of families of children under 18	
7	who are satisfied with services and supports	65
8	Per cent of families or individuals 18 years	
9	or older, who do not live at home with	
10	family, who are satisfied with services	
11	and supports	89

12 It is the intent of the legislature that any available surplus monies
 13 for developmental disability programs be applied toward the waiting list,
 14 unless there are insufficient monies to annualize these costs in the
 15 subsequent year. The children's waiting list shall receive first priority.
 16 The amount appropriated for developmental disabilities shall be used to
 17 provide for services for nontitle XIX eligible clients. The amount shall not
 18 be used for other purposes, unless a transfer of monies is reviewed by the
 19 joint legislative budget committee.

20 The department of economic security shall report all new placements
 21 into a state-owned ICF-MR or the Arizona training program at Coolidge campus
 22 in fiscal year 2007-2008 to the president of the senate, the speaker of the
 23 house of representatives, the chairpersons of the senate and house of
 24 representatives appropriations committees and the director of the joint
 25 legislative budget committee and the reason why this placement, rather than a
 26 placement into a privately run facility for the developmentally disabled, was
 27 deemed as the most appropriate placement. The department shall also report
 28 if no new placements were made. This report shall be made available by July
 29 15, 2008.

30	<u>Long-term care</u>	
31	FTE positions	1,664.0
32	Operating lump sum appropriation	\$ 31,951,700
33	Fund sources:	
34	State general fund	\$ 10,772,100
35	Expenditure authority	21,179,600
36	Case management	\$ 37,703,200
37	Fund sources:	
38	State general fund	\$ 12,742,700
39	Expenditure authority	24,960,500
40	Home and community based	
41	services	\$562,266,000

1	Fund sources:	
2	State general fund	\$189,667,600
3	Expenditure authority	372,598,400
4	Institutional services	\$ 13,475,700
5	Fund sources:	
6	State general fund	\$ 4,444,200
7	Expenditure authority	9,031,500
8	Medical services	\$113,636,900
9	Fund sources:	
10	State general fund	\$ 38,561,000
11	Expenditure authority	75,075,900
12	Arizona training program at	
13	Coolidge	\$ 16,344,600
14	Fund sources:	
15	State general fund	\$ 5,421,400
16	Expenditure authority	10,923,200
17	Fee-for-service and reinsurance	\$ 3,669,000
18	Fund sources:	
19	State general fund	\$ 1,237,600
20	Expenditure authority	2,431,400
21	Medicare clawback payments	\$ 2,184,400
22	Fund sources:	
23	State general fund	\$ 2,184,400
24	All monies in the long-term care system fund unexpended and	
25	unencumbered at the end of fiscal year 2007-2008 revert to the state general	
26	fund, subject to approval by the Arizona health care cost containment system	
27	administration.	

28 The department shall report to the joint legislative budget committee
29 by March 1 of each year on preliminary actuarial estimates of the capitation
30 rate changes for the following fiscal year along with the reasons for the
31 estimated changes. For any actuarial estimates that include a range, the
32 total range from minimum to maximum shall be not more than two per cent.
33 Before implementation of any changes in capitation rates for the long-term
34 care program, the department of economic security shall report for review the
35 expenditure plan to the joint legislative budget committee. Before the
36 department implements any changes in policy affecting the amount,
37 sufficiency, duration and scope of health care services and who may provide
38 services, the department shall prepare a fiscal impact analysis on the
39 potential effects of this change on the following year's capitation rates.
40 If the fiscal analysis demonstrates that these changes will result in
41 additional state costs of \$500,000 or greater for a given fiscal year, the
42 department shall submit the policy changes for review by the joint
43 legislative budget committee.

1 Prior to the implementation of any developmentally disabled or long
 2 term care statewide provider rate increases not already specifically
 3 authorized by the legislature, court mandates or changes to federal law, the
 4 department shall submit a report for review by the joint legislative budget
 5 committee. The report shall include, at a minimum, the estimated cost of the
 6 provider rate increase and the ongoing source of funding for the increase.

7 The amounts above include \$6,998,700 from the state general fund and
 8 \$11,624,900 from matching federal expenditure authority to raise rates of
 9 community service providers and independent service agreement providers
 10 contracting with the division of developmental disabilities. This amount is
 11 estimated to be the equivalent of one hundred per cent of fiscal year
 12 2007-2008 market rates for all services on the published rate schedule. It
 13 is the intent of the legislature that the division request the Arizona health
 14 care cost containment system administration to approve a capitation rate
 15 increase retroactive to July 1, 2007 to make provider rate increases
 16 effective July 1, 2007. By July 1, 2007, the division shall obtain approval
 17 for a rate increase implementation proposal from AHCCCS. By August 1, 2007,
 18 the division shall submit the implementation plan for review by the joint
 19 legislative budget committee. The adjusted rates shall be implemented
 20 beginning with provider payments due for services performed in August 2007.
 21 Payment for retroactive reimbursement due for services provided in July 2007
 22 shall be paid to providers no later than September 15, 2007.

23 The appropriated amount provides funding for a fiscal year 2007-2008
 24 capitation rate increase of 4.0 per cent above fiscal year 2006-2007
 25 excluding salary, benefits, and other statewide adjustments. The department
 26 shall reallocate resources within its existing budget to pay for any
 27 capitation rate increases above 5.0 per cent excluding salary, benefits, and
 28 other statewide adjustments without supplemental funding.

29 Benefits and medical eligibility

30	FTE positions	575.6
31	Operating lump sum appropriation	\$ 34,688,500
32	Fund sources:	
33	State general fund	\$ 24,671,100
34	Federal temporary assistance	
35	for needy families block grant	10,017,400
36	Temporary assistance for	
37	needy families cash	
38	benefits	\$125,148,000
39	Fund sources:	
40	State general fund	\$ 45,850,800
41	Federal temporary assistance	
42	for needy families block	
43	grant	79,297,200
44	General assistance	\$ 3,060,800

1	Fund sources:	
2	State general fund	\$ 3,060,800
3	Document management	\$ 494,600
4	Fund sources:	
5	State general fund	\$ 494,600
6	Eligibility system upgrade	\$ 963,300
7	Fund sources:	
8	State general fund	\$ 963,300
9	FLSA supplement	\$ 508,900
10	Fund sources:	
11	Federal temporary assistance for	
12	needy families block grant	\$ 508,900
13	Tribal pass-through funding	\$ 4,288,700
14	Fund sources:	
15	State general fund	\$ 4,288,700
16	Tuberculosis control payments	\$ 32,200
17	Fund sources:	
18	State general fund	\$ 32,200
19	Performance measures:	
20	Per cent of cash benefits issued timely	98.6
21	Per cent of total cash benefits payments	
22	issued accurately	95.0
23	Per cent of total food stamps payments	
24	issued accurately	95.0
25	Per cent of clients satisfied with family	
26	assistance administration	90.0

27 The operating lump sum appropriation may be expended on Arizona health
28 care cost containment system eligibility determinations based on the results
29 of the Arizona random moment sampling survey.

30 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,
31 any transfer to or from the \$125,148,000 appropriated for temporary
32 assistance for needy families cash benefits requires review by the joint
33 legislative budget committee.

34 Of the amount appropriated for temporary assistance for needy families
35 cash benefits, \$500,000 reflects appropriation authority only to ensure
36 sufficient cashflow to administer cash benefits for tribes operating their
37 own welfare programs. The department shall notify the joint legislative
38 budget committee and the governor's office of strategic planning and
39 budgeting staff before the use of any of the \$500,000 appropriation
40 authority.

1 The department shall report to the joint legislative budget committee
 2 by the end of each calendar quarter on progress made in meeting federal TANF
 3 work participation requirements.

4 Child support enforcement

5	FTE positions	863.8
6	Operating lump sum appropriation	\$ 44,355,500
7	Fund sources:	
8	State general fund	\$ 7,596,900
9	Child support enforcement	
10	administration fund	9,400,800
11	Expenditure authority	27,357,800
12	Genetic testing	\$ 360,000
13	Fund sources:	
14	State general fund	\$ 122,400
15	Expenditure authority	237,600
16	Central payment processing	\$ 3,275,700
17	Fund sources:	
18	State general fund	\$ 444,700
19	Child support enforcement	
20	administration fund	1,573,800
21	Expenditure authority	1,257,200
22	County participation	\$ 6,845,200
23	Fund sources:	
24	Child support enforcement	
25	administration fund	\$ 1,384,100
26	Expenditure authority	5,461,100
27	Attorney general legal services	\$ 9,239,000
28	Fund sources:	
29	State general fund	\$ 718,200
30	Child support enforcement	
31	administration fund	2,332,200
32	Expenditure authority	6,188,600
33	Performance measures:	
34	Total IV-D collections	\$330,000,000
35	Ratio of current IV-D support collected	
36	and distributed to current IV-D support	
37	due	45.0

38 All state share of retained earnings, fees and federal incentives above
 39 \$14,690,900 received by the division of child support enforcement are
 40 appropriated for operating expenditures. New full-time equivalent positions
 41 may be authorized with the increased funding. The division of child support
 42 enforcement shall report the intended use of the monies to the president of
 43 the senate, the speaker of the house of representatives, the chairpersons of
 44 the senate and house of representatives appropriations committees and the

1 director of the joint legislative budget committee and the director of the
 2 governor's office of strategic planning and budgeting.

3 Aging and community services

4	FTE positions	108.6
5	Operating lump sum appropriation	\$ 6,819,000
6	Fund sources:	
7	State general fund	\$ 6,579,400
8	Federal temporary assistance	
9	for needy families block	
10	grant	239,600
11	Adult services	\$ 19,277,700
12	Fund sources:	
13	State general fund	\$ 19,277,700
14	Community and emergency	
15	services	\$ 5,924,900
16	Fund sources:	
17	Federal temporary assistance	
18	for needy families block	
19	grant	\$ 5,424,900
20	Utility assistance fund	500,000
21	Coordinated hunger	\$ 2,014,600
22	Fund sources:	
23	State general fund	\$ 1,514,600
24	Federal temporary assistance	
25	for needy families block	
26	grant	500,000
27	Coordinated homeless	\$ 2,804,900
28	Fund sources:	
29	State general fund	\$ 1,155,400
30	Federal temporary assistance	
31	for needy families block	
32	grant	1,649,500
33	Domestic violence prevention	\$ 16,647,400
34	Fund sources:	
35	State general fund	\$ 8,326,700
36	Federal temporary assistance	
37	for needy families block	
38	grant	6,620,700
39	Domestic violence shelter fund	1,700,000
40	Community-based marriage and	
41	communication skills program	
42	fund	\$ 1,200,000
43	Fund sources:	
44	State general fund	\$ 1,200,000

1 Performance measures:

2 Adult protective services investigation

3 per cent rate 100

4 The department shall report on activities of food distribution efforts
5 funded through the monies in the coordinated hunger special line item to the
6 joint legislative budget committee by March 15, 2008. The report shall
7 demonstrate how the food was distributed and shall include letters from each
8 participating food bank stating its satisfaction with the distribution and
9 the department shall verify that food products have been distributed through
10 regional food banks to all rural areas of the state.

11 All domestic violence shelter fund monies above \$1,700,000 received by
12 the department of economic security are appropriated for the domestic
13 violence prevention line item. The department of economic security shall
14 report the intended use of the monies above \$1,700,000 to the joint
15 legislative budget committee.

16 The department of economic security shall report to the joint
17 legislative budget committee on the amount of state and federal monies
18 available statewide for domestic violence funding by December 15, 2007. The
19 report shall include, at a minimum, the amount of monies available and the
20 state fiscal agent receiving those monies.

21 It is the intent of the legislature that the department use at least
22 \$1,038,900 of federal temporary assistance for needy families block grant
23 monies in the appropriation for community and emergency services to ensure
24 that councils of governments and tribal governments receive at least the same
25 amount of federal social services block grant monies that those entities
26 received in fiscal year 2000-2001.

27 The department shall apply for the maximum allowable federal temporary
28 assistance for needy families block grant funding in fiscal year 2007-2008
29 available to the state through a grant program to promote healthy marriages
30 and responsible fatherhood. These monies shall be deposited in the
31 community-based marriage and communication skills program fund established by
32 section 41-2032, Arizona Revised Statutes, for at least the following
33 purposes:

- 34 1. Marketing and advertising of marriage skills classes.
- 35 2. The community-based relationship skills high school pilot program.

36 Children, youth and families

37 FTE positions 1,535.5

38 Operating lump sum appropriation \$ 88,625,500

39 Fund sources:

40 State general fund \$ 59,309,900

41 Children and family services
42 training program fund 209,600

1	Federal temporary assistance	
2	for needy families block	
3	grant	29,106,000
4	Adoption services	\$ 46,928,300
5	Fund sources:	
6	State general fund	\$ 36,242,200
7	Federal temporary assistance	
8	for needy families block	
9	grant	10,686,100
10	Adoption services - academic tutoring	\$ 300,000
11	Fund sources:	
12	State general fund	\$ 300,000
13	Adoption services - family	
14	preservation projects	\$ 1,000,000
15	Fund sources:	
16	Federal temporary assistance	
17	for needy families block	
18	grant	\$ 1,000,000
19	Attorney general legal	
20	services	\$ 10,816,300
21	Fund sources:	
22	State general fund	\$ 10,765,900
23	Federal temporary assistance	
24	for needy families block	
25	grant	50,400
26	Child abuse prevention	\$ 824,700
27	Fund sources:	
28	Child abuse prevention fund	\$ 824,700
29	Children support services	\$ 62,282,400
30	Fund sources:	
31	State general fund	\$ 45,403,300
32	Child abuse prevention fund	750,000
33	Federal temporary assistance	
34	for needy families block	
35	grant	16,129,100
36	Comprehensive medical and dental	
37	program	\$ 2,057,000
38	Fund sources:	
39	State general fund	\$ 2,057,000
40	Child protective services appeals	\$ 705,200

1	Fund sources:	
2	State general fund	\$ 705,200
3	Child protective services	
4	expedited substance abuse	
5	treatment fund deposit	\$ 224,500
6	Fund sources:	
7	State general fund	\$ 224,500
8	CPS emergency placement	\$ 5,186,500
9	Fund sources:	
10	State general fund	\$ 2,180,100
11	Federal temporary assistance	
12	for needy families block	
13	grant	3,006,400
14	Education and training vouchers	\$ 700,000
15	Fund sources:	
16	State general fund	\$ 700,000
17	Family builders program	\$ 5,200,000
18	Fund sources:	
19	Federal temporary assistance for	
20	needy families block grant	\$ 5,200,000
21	Foster care placement	\$ 23,362,600
22	Fund sources:	
23	State general fund	\$ 17,139,500
24	Federal temporary assistance for	
25	needy families block grant	6,223,100
26	Healthy families	\$ 13,750,000
27	Fund sources:	
28	State general fund	\$ 8,715,800
29	Federal temporary assistance for	
30	needy families block grant	5,034,200
31	Homeless youth intervention	\$ 400,000
32	Fund sources:	
33	Federal temporary assistance for	
34	needy families block grant	\$ 400,000
35	Independent living maintenance	\$ 3,136,000
36	Fund sources:	
37	State general fund	\$ 3,136,000
38	Intensive family services	\$ 1,985,600
39	Fund sources:	
40	State general fund	\$ 1,985,600
41	Joint substance abuse treatment	
42	fund - state general fund	\$ 5,000,000

1	Fund sources:	
2	State general fund	\$ 5,000,000
3	Permanent guardianship subsidy	\$ 8,051,600
4	Fund sources:	
5	State general fund	\$ 7,192,300
6	Federal temporary assistance for	
7	needy families block grant	859,300
8	CPS residential placement	\$ 17,710,000
9	Fund sources:	
10	State general fund	\$ 6,543,400
11	Federal temporary assistance for	
12	needy families block grant	11,166,600
13	Temporary assistance for needy	
14	families deposit to the joint	
15	substance abuse treatment fund	\$ 2,000,000
16	Fund sources:	
17	Federal temporary assistance for	
18	needy families block grant	\$ 2,000,000
19	Performance measures:	
20	Per cent of newly hired CPS specialists	
21	completing training within 7 months	
22	of hire	100
23	Per cent of children in out-of-home care	
24	who have not returned to their families	
25	or been permanently placed elsewhere	
26	for more than 24 consecutive months	19
27	Per cent of CPS reports responded to by CPS	
28	staff	100
29	Per cent of CPS original dependencies	
30	cases where court denied or dismissed	<1
31	Per cent of office of administrative hearings	
32	where CPS case findings are affirmed	90
33	Per cent of CPS complaints reviewed by	
34	the office of the ombudsman-citizens	
35	aide where allegations are reported	
36	as valid by the ombudsman	13
37	Average number of days spent in shelter	
38	placements	15
39	Number of children in shelter care more	
40	than 21 days	0
41	Number of children under 3 in shelter care	0
42	Number of children under 6 in group homes	0

1 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,
2 any transfer to or from the amounts appropriated for children support
3 services, CPS emergency placement, CPS residential placement or foster care
4 placement requires review by the joint legislative budget committee.

5 Of the amounts appropriated for children support services, CPS
6 emergency placement, CPS residential placement and foster care placement,
7 \$22,613,100 is appropriated from the federal temporary assistance for needy
8 families block grant to the social services block grant for deposit in the
9 following line items in the following amounts:

10 Children support services	5,371,700
11 CPS emergency placement	2,333,700
12 CPS residential placement	9,833,300
13 Foster care placement	5,074,400

14 The department of economic security shall provide training to any new
15 child protective services FTE positions before assigning to any of these
16 employees any client caseload duties.

17 It is the intent of the legislature that the department of economic
18 security use the funding in the division of children, youth and families to
19 achieve a one hundred per cent investigation rate.

20 It is the intent of the legislature that the \$1,000,000 appropriated to
21 the adoption services - family preservation projects line item be used to
22 promote adoption as an option for children, including but not limited to
23 promoting the agency's adoption program and temporary adoption subsidy
24 payment increases to current adoption subsidy clients. The department shall
25 report the intended use of these monies for review by the joint legislative
26 budget committee by August 1 of each year. The report shall include an
27 evaluation of the most effective means of expending these funds and
28 performance measures to gauge the program's success. The report shall
29 reflect the recommendations of any statutory committee established to provide
30 recommendations on this appropriation.

31 It is the intent of the legislature that the \$300,000 appropriated to
32 the adoption services - academic tutoring line item be used to provide
33 tutoring services to adopted children whose education has been disrupted
34 because of multiple out-of-home placements in this state and as a result the
35 child is working below grade level in at least one core subject. This
36 provision shall not be construed to impose a duty on an officer, agent or
37 employee of the state to discharge a responsibility or to create any right in
38 a person or group if the discharge or right would require an expenditure of
39 state monies in excess of the \$300,000 appropriation.

40 <u>Employment and rehabilitation services</u>	
41 FTE positions	559.9
42 Operating lump sum appropriation	\$ 31,374,000

1	Fund sources:	
2	State general fund	\$ 9,471,900
3	Federal child care and development	
4	fund block grant	10,108,000
5	Federal temporary assistance for	
6	needy families block grant	5,712,800
7	Workforce investment act grant	2,210,200
8	Special administration fund	85,000
9	Spinal and head injuries trust	
10	fund	549,600
11	Federal Reed act grant	3,236,500
12	JOB\$	\$ 22,936,400
13	Fund sources:	
14	State general fund	\$ 1,823,300
15	Federal temporary assistance for	
16	needy families block grant	17,613,100
17	Workforce investment act grant	2,000,000
18	Special administration fund	1,500,000
19	Day care subsidy	\$162,289,000
20	Fund sources:	
21	State general fund	\$ 84,482,900
22	Federal child care and	
23	development fund block grant	69,785,800
24	Federal temporary assistance for	
25	needy families block grant	8,020,300
26	Transitional child care	\$ 36,193,000
27	Fund sources:	
28	Federal child care and	
29	development fund block	
30	grant	\$ 36,193,000
31	Vocational rehabilitation	
32	services	\$ 5,419,100
33	Fund sources:	
34	State general fund	\$ 5,214,400
35	Spinal and head injuries	
36	trust fund	204,700
37	Independent living rehabilitation	
38	services	\$ 2,991,900
39	Fund sources:	
40	State general fund	\$ 1,284,200
41	Spinal and head injuries trust	
42	fund	1,707,700
43	Summer youth employment and training	\$ 1,250,000

1	Fund sources:	
2	State general fund	\$ 1,250,000
3	Workforce investment act - local	
4	governments	\$ 48,040,600
5	Fund sources:	
6	Workforce investment act grant	\$ 48,040,600
7	Workforce investment act -	
8	discretionary	<u>\$ 3,614,000</u>
9	Fund sources:	
10	Workforce investment act grant	\$ 3,614,000
11	Performance measures:	
12	Number of TANF recipients who obtained	
13	employment	20,000
14	Per cent of customer satisfaction with	
15	child care	95.6
16	Vocational rehabilitation individuals	
17	successfully rehabilitated	4,000

18 Of the \$162,289,000 appropriated for day care subsidy, \$107,909,000 is
19 for a program in which the upper income limit is no more than one hundred
20 sixty-five per cent of the federal poverty level. This provision shall not
21 be construed to impose a duty on an officer, agent or employee of the state
22 to discharge a responsibility or to create any right in a person or group if
23 the discharge or right would require an expenditure of state monies in excess
24 of the \$107,909,000 appropriation.

25 The amounts appropriated for day care subsidy and transitional child
26 care shall be used exclusively for child care costs unless a transfer of
27 monies is reviewed by the joint legislative budget committee. Monies shall
28 not be used from these appropriated amounts for any other expenses of the
29 department of economic security unless a transfer of monies is reviewed by
30 the joint legislative budget committee.

31 Monies in the child care subsidy and transitional child care line items
32 shall be used to provide services only to residents of the state of Arizona
33 who are citizens or legal residents of the United States or who are otherwise
34 lawfully present in the United States.

35 Of the sums appropriated, \$7,288,900 from the day care subsidy line
36 item and \$1,711,100 from the transitional child care line item shall be used
37 to increase the maximum provider reimbursement rate for every district, age
38 group and type of service by five per cent in fiscal year 2007-2008.

39 All spinal and head injuries trust fund receipts received by the
40 department of economic security in excess of \$2,462,000 are appropriated to
41 the independent living rehabilitation services line item. Before the
42 expenditure of any spinal and head injuries trust fund receipts in excess of
43 \$2,462,000, the department of economic security shall submit the intended use
44 of the monies for review by the joint legislative budget committee.

1 It is the intent of the legislature that \$500,000 of the \$2,991,900
2 appropriated for independent living rehabilitation services be used to expand
3 the independent living program for the blind and visually impaired.

4 Monies appropriated to the workforce investment act - discretionary
5 line item may not be expended until a proposed expenditure plan has been
6 reviewed by the joint legislative budget committee.

7 All federal workforce investment act - discretionary monies that are
8 received by the state in excess of \$3,614,000 are appropriated to the
9 workforce investment act - discretionary line item. Excess monies may not be
10 spent until a proposed expenditure plan for the excess monies has been
11 reviewed by the joint legislative budget committee.

12 All federal workforce investment act funds for local governments that
13 are received by the state in excess of \$48,040,600 are appropriated to the
14 workforce investment act - local governments line item. Excess monies may
15 not be spent until a proposed expenditure plan for the excess monies has been
16 reviewed by the joint legislative budget committee.

17 Performance measures:

18 Agencywide customer satisfaction rating

19 (Scale 1-5)

3.8

20 The above appropriations are in addition to funds granted to the state
21 by the federal government for the same purposes but shall be deemed to
22 include the sums deposited in the state treasury to the credit of the
23 department of economic security pursuant to section 42-5029, Arizona Revised
24 Statutes.

25 A monthly report comparing total expenditures for the month and
26 year-to-date as compared to prior year totals shall be forwarded to the
27 president of the senate, the speaker of the house of representatives, the
28 chairpersons of the senate and house of representatives appropriations
29 committees and the director of the joint legislative budget committee by the
30 thirtieth of the following month. The report shall include an estimate of
31 (1) potential shortfalls in entitlement programs, (2) potential federal and
32 other funds, such as the statewide assessment for indirect costs, and any
33 projected surplus in state supported programs that may be available to offset
34 these shortfalls and a plan, if necessary, for eliminating any shortfall
35 without a supplemental appropriation, (3) shortfalls resulting from new
36 leases or renegotiations of current leases and associated costs, and (4)
37 total expenditure authority of the child support enforcement program for the
38 month and year-to-date as compared to prior year totals.

39 The department of economic security shall report the receipt and
40 intended use of all current and prior year reversions from nonappropriated
41 sources to the joint legislative budget committee.

1 Sec. 29. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION
2 2007-08

3 Administration

4 FTE positions 72.5
5 Operating lump sum appropriation \$ 6,330,500
6 Total - administration \$ 6,330,500

7 Fund sources:

8 State general fund \$ 6,330,500

9 The operating lump sum appropriation includes \$291,100 and 4 FTE
10 positions for average daily membership auditing and \$200,000 and 2 FTE
11 positions for information technology security services.

12 Formula programs

13 FTE positions 29.0
14 Operating lump sum appropriation \$ 2,133,400
15 Basic state aid \$3,849,470,400

16 Fund sources:

17 State general fund \$3,804,249,700
18 Permanent state school fund 45,220,700

19 The above appropriation provides basic state support to school
20 districts for maintenance and operations funding as provided by section
21 15-973, Arizona Revised Statutes, and includes an estimated \$45,220,700 in
22 expendable income derived from the permanent state school fund and from state
23 trust lands pursuant to section 37-521, subsection B, Arizona Revised
24 Statutes, for fiscal year 2007-2008.

25 Receipts derived from the permanent state school fund and any other
26 nonstate general fund revenue source that is dedicated to fund basic state
27 aid will be expended, whenever possible, before expenditure of state general
28 fund monies.

29 Except as required by section 37-521, Arizona Revised Statutes, all
30 monies received during the fiscal year from national forests, interest
31 collected on deferred payments on the purchase of state lands, the income
32 from the investment of permanent funds as prescribed by the enabling act and
33 the Constitution of Arizona and all monies received by the superintendent of
34 public instruction from whatever source, except monies received pursuant to
35 sections 15-237 and 15-531, Arizona Revised Statutes, when paid into the
36 state treasury are appropriated for apportionment to the various counties in
37 accordance with law. An expenditure shall not be made except as specifically
38 authorized above.

39 Conditional English learner
40 weight funding \$ 14,300,000

1 The conditional English learner weight funding line item appropriation
2 does not become effective unless the United States district court for the
3 district of Arizona in the case of Flores v. State of Arizona, No. CIV
4 92-596-TUC-RCC, issues an order that the state has taken appropriate action
5 to establish a program that addresses the orders in the case and, at least on
6 an interim basis, the court will permit this appropriation to be fully
7 implemented to determine whether the resulting ELL plans and available
8 funding to implement the plans bear a rational relationship to the cost of
9 implementing appropriate language acquisition programs. The superintendent
10 of public instruction shall notify the executive director of legislative
11 council in writing if this condition is met. This notice shall include the
12 date on which the condition is met.

13	Additional state aid	\$ 359,013,100
14	Special education fund	35,235,500
15	Other state aid to districts	<u>983,900</u>
16	Total - formula programs	\$4,261,136,300
17	Fund sources:	
18	State general fund	\$4,215,915,600
19	Permanent state school fund	45,220,700
20	<u>Non-formula programs</u>	
21	FTE positions	147.4
22	Operating lump sum appropriation	\$ 1,335,100
23	Achievement testing	10,240,500

24 Before making any changes to the achievement testing program that will
25 increase program costs, the state board of education shall report the
26 estimated fiscal impact of those changes to the joint legislative budget
27 committee.

28	AIMS intervention; dropout	
29	prevention	5,550,000
30	School accountability	4,699,100
31	Adult education and GED	4,468,900

32 The department shall give persons under twenty-one years of age
33 priority in gaining access to services pertaining to general education
34 development testing.

35	Chemical abuse	819,900
36	English learner administration	4,964,500

37 The appropriated amount is to be used by the department of education to
38 provide English language acquisition services for the purposes of section
39 15-756.07, Arizona Revised Statutes, and for the costs of providing English
40 language proficiency assessments, scoring and ancillary materials as
41 prescribed by the department of education to school districts and charter
42 schools for the purposes of title 15, chapter 7, article 3.1, Arizona Revised
43 Statutes. The department of education may use a portion of the appropriated
44 amount to hire staff or contract with a third party to carry out the purposes
45 of section 15-756.07, Arizona Revised Statutes. Notwithstanding section

1 41-192, Arizona Revised Statutes, the superintendent of public instruction
 2 also may use a portion of the appropriated amount to contract with one or
 3 more private attorneys to provide legal services in connection with the case
 4 of Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

5	Compensatory instruction fund	
6	deposit	10,000,000
7	Extended school year	500,000
8	Family literacy	1,009,100
9	Gifted support	3,380,100
10	School safety program	6,722,700
11	Small pass-through programs	581,600

12 The appropriated amount includes \$50,000 for the academic contest fund,
 13 \$82,400 for academic decathlon, \$50,000 for Arizona geographic alliance,
 14 \$40,000 for the Arizona humanities council, \$25,200 for Arizona principal's
 15 academy, \$234,000 for Arizona school service through education technology,
 16 \$50,000 for project citizen and \$50,000 for the economic academic council.

17	State block grant for early	
18	childhood education	19,446,300
19	State block grant for vocational	
20	education	11,400,500

21 The appropriated amount is for block grants to charter schools and
 22 school districts that have vocational education programs. It is the intent
 23 of the legislature that monies appropriated in the general appropriation act
 24 for the state block grant for vocational education be used to promote
 25 improved student achievement by providing vocational education programs with
 26 flexible supplemental funding that is linked both to numbers of students in
 27 such programs and to numbers of program completers who enter jobs in fields
 28 directly related to the vocational education program that they completed. It
 29 is the intent of the legislature that the amount of the state block grant for
 30 vocational education funding that is used for state level administration of
 31 the program be limited to no more than the amount used for such costs during
 32 the prior fiscal year plus the applicable amount of any pay raise that may be
 33 provided for state employees through legislative appropriation.

34	Vocational education extended year	600,000
35	Physical education pilot program	110,000
36	Disabled pupil scholarships	2,500,000
37	Displaced pupils choice grant program	2,500,000
38	Teacher certification	1,746,600

39 Monies collected by the department of education for teacher
 40 certification fees, as authorized by section 15-531, paragraphs 1 and 2,
 41 Arizona Revised Statutes, shall be deposited in a teacher certification fund
 42 for use in funding costs of the teacher certification program.

1	Parental choice for reading success	1,000,000
2	Optional performance incentive	
3	programs	120,000
4	Teacher training	3,000,000

5 The appropriated amount is for the department of education to
6 distribute to the state board of education, which will distribute the monies
7 to the Arizona K-12 center for program implementation and mentor training for
8 the Arizona master teacher program as prescribed by the state board of
9 education.

10	Alternative teacher development	
11	program	<u>1,000,000</u>
12	Total - nonformula programs	\$ 97,694,900
13	Fund sources:	
14	State general fund	\$ 88,736,300
15	Proposition 301 fund	7,000,000
16	Teacher certification fund	1,958,600

17	Performance measures:	
18	Per cent of students tested who perform	
19	at or above the national norm on the	
20	norm-referenced test (grade 2)	
21	-- reading	54
22	-- math	54
23	Per cent of students tested who perform	
24	at or above the national norm on the	
25	norm-referenced test (grade 9)	
26	-- reading	54
27	-- math	54
28	Per cent of schools with at least 75% of	
29	students meeting or exceeding standards in:	
30	-- reading	36
31	-- writing	36
32	-- math	35
33	Per cent of Arizona high school students	
34	who enter grade 9 and graduate within	
35	4 years	76
36	Per cent of students in grade 3 meeting	
37	or exceeding state academic standards in:	
38	-- reading	76
39	-- writing	76
40	-- math	79

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1	Per cent of students in grade 5 meeting		
2	or exceeding state academic standards in:		
3	-- reading		76
4	-- writing		70
5	-- math		76
6	Per cent of students in grade 8 meeting		
7	or exceeding state academic standards in:		
8	-- reading		71
9	-- writing		86
10	-- math		70
11	Per cent of students in grade 12 meeting		
12	or exceeding state academic standards in:		
13	-- reading		90
14	-- writing		90
15	-- math		90
16	Per cent of students tested:		
17	-- norm-referenced test (grades 2 and 9)		97
18	-- AIMS		97
19	Per cent of Arizona schools receiving an		
20	underperforming label		5.5
21	Maximum number of days to process		
22	complete certification applications		8
23	Per cent of customers satisfied with		
24	certification services		90
25	<u>State board of education</u>		
26	FTE positions		10.0
27	Operating lump sum appropriation	\$	1,057,700
28	Math or science initiatives	\$	2,500,000
29	Statewide standards for		
30	professional development design		150,000
31	This amount is a one-time appropriation to the state board of		
32	education, in collaboration with the department of education, to design a		
33	statewide system of standards for teacher professional development. The		
34	appropriated amount is exempt from the provisions of section 35-190, Arizona		
35	Revised Statutes, relating to the lapsing of appropriations.		
36	Total - state board of education	\$	3,707,700
37	Fund sources:		
38	State general fund	\$	3,335,800
39	Teacher certification fund		371,900
40	Performance measures:		
41	Per cent of parents who rate "A+" the public		
42	school that their oldest school-age child		
43	attends		8.0

1 The appropriated amount includes \$100,000 for administering a survey to
 2 a random sample of parents of children in public schools statewide. The
 3 survey shall consist of the following question: "Students are given the
 4 grades A+, A, B, C, D and Fail to denote the quality of their work. Using
 5 the same A+, A, B, C, D and Fail scale, what grade would you give the school
 6 that your oldest child attends?"

7 The state board of education program may establish its own strategic
 8 plan separate from that of the department of education and based on its own
 9 separate mission, goals and performance measures.

10 Total appropriation - state board of
 11 education and superintendent
 12 of public instruction \$4,368,869,400

13 Fund sources:

14 State general fund \$4,314,318,200
 15 Proposition 301 fund 7,000,000
 16 Permanent state school fund 45,220,700
 17 Teacher certification fund 2,330,500

18 The department shall provide an updated report on its budget status
 19 every two months for the first half of each fiscal year and every month
 20 thereafter to the president of the senate, the speaker of the house of
 21 representatives, the chairpersons of the senate and house of representatives
 22 appropriations committees, the director of the joint legislative budget
 23 committee and the director of the governor's office of strategic planning and
 24 budgeting. Each report shall include, at a minimum, the department's current
 25 funding surplus or shortfall projections for basic state aid and other major
 26 formula-based programs and shall be due thirty days after the end of the
 27 applicable reporting period.

28 Within fifteen days of each apportionment of state aid that occurs
 29 pursuant to section 15-973, subsection B, Arizona Revised Statutes, the
 30 department shall provide the joint legislative budget committee staff and the
 31 governor's office of strategic planning and budgeting with an electronic
 32 spreadsheet or database copy of data included in the apor55-1 report for that
 33 apportionment for each school district and the char55-1 report for that
 34 apportionment for each charter school.

35 Sec. 30. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

	<u>2007-08</u>	<u>2008-09</u>
37 <u>Administration</u>		
38 FTE positions	13.9	13.9
39 Lump sum appropriation	\$ 1,848,900	\$ 1,848,900
40 Military gift package postage	<u>100,000</u>	<u>100,000</u>
41 Total - administration	\$ 1,948,900	\$ 1,948,900
42 Fund sources:		
43 State general fund	\$ 1,948,900	\$ 1,948,900

1	<u>Emergency management</u>		
2	FTE positions	11.0	11.0
3	Operating lump sum appropriation	\$ 1,718,200	\$ 1,718,200
4	Civil air patrol	<u>54,200</u>	<u>54,200</u>
5	Total - emergency management	\$ 1,772,400	\$ 1,772,400
6	Fund sources:		
7	State general fund	\$ 1,639,700	\$ 1,639,700
8	Emergency response fund	132,700	132,700
9	<u>Military affairs</u>		
10	FTE positions	66.2	66.2
11	Operating lump sum appropriation	\$ 2,465,900	\$ 2,465,900
12	Guardsmen tuition reimbursement	1,446,000	1,446,000
13	Project challenge	<u>1,804,800</u>	<u>1,704,800</u>
14	Total - military affairs	\$ 5,716,700	\$ 5,616,700
15	Fund sources:		
16	State general fund	<u>\$ 5,716,700</u>	<u>\$ 5,616,700</u>
17	Total appropriation - department of		
18	emergency and military affairs	\$ 9,438,000	\$ 9,338,000
19	Fund sources:		
20	State general fund	\$ 9,305,300	\$ 9,205,300
21	Emergency response fund	132,700	132,700
22	Performance measures:		
23	Per cent of project challenge graduates		
24	either employed or in school	95	95
25	Customer satisfaction rating for communities		
26	served during disasters (Scale 1-8)	6.0	6.0
27	The department of emergency and military affairs appropriation includes		
28	\$1,215,000 for service contracts. This amount is exempt from the provisions		
29	of section 35-190, Arizona Revised Statutes, relating to lapsing of		
30	appropriations, except that all fiscal year 2007-2008 monies remaining		
31	unexpended and unencumbered on October 31, 2008, and all fiscal year		
32	2008-2009 monies remaining unexpended and unencumbered on October 31, 2009,		
33	revert to the state general fund.		
34	It is the intent of the legislature that the department of emergency		
35	and military affairs submit a request to the United States department of		
36	defense by September 30, 2007 to allow the department of emergency and		
37	military affairs to conduct training exercises for Arizona national guard		
38	units at the Arizona-Mexico border. The department of emergency and military		
39	affairs shall report to the joint legislative budget committee by December		
40	31, 2007 on the response of the United States department of defense to this		
41	request.		

1	Sec. 31. DEPARTMENT OF ENVIRONMENTAL QUALITY		
2		<u>2007-08</u>	<u>2008-09</u>
3	<u>Administration</u>		
4	FTE positions	144.6	144.6
5	Lump sum appropriation	\$ 14,886,000	\$ 14,885,900
6	Fund sources:		
7	State general fund	\$ 4,354,900	\$ 4,354,900
8	Indirect cost recovery fund	10,531,100	10,531,000
9	<u>Air programs</u>		
10	FTE positions	124.9	124.9
11	Air quality management and analysis	11,392,700	11,389,700
12	Emissions control contractor		
13	payment	33,239,600	33,239,600
14	Emissions control program -		
15	administration	4,180,100	4,180,100
16	Transfers to counties program	165,000	165,000
17	Maricopa, Pima and Pinal counties		
18	travel reduction plan	<u>1,676,900</u>	<u>1,676,900</u>
19	Total - air programs	\$ 50,654,300	\$ 50,651,300
20	Fund sources:		
21	State general fund	\$ 2,188,800	\$ 2,188,800
22	Air quality fund	5,155,500	5,152,500
23	Air permits administration fund	5,890,300	5,890,300
24	Emissions inspection fund	37,419,700	37,419,700
25	<u>Waste programs</u>		
26	FTE positions	48.4	48.4
27	Waste control and management	6,469,200	6,469,200
28	Underground storage tank program	22,000	22,000
29	Waste tire program	<u>224,900</u>	<u>224,900</u>
30	Total - waste programs	\$ 6,716,100	\$ 6,716,100
31	Fund sources:		
32	State general fund	\$ 1,973,900	\$ 1,973,900
33	Hazardous waste management fund	780,000	780,000
34	Recycling fund	2,319,800	2,319,800
35	Solid waste fee fund	1,483,100	1,483,100
36	Underground storage tank		
37	revolving fund	22,000	22,000
38	Used oil fund	137,300	137,300
39	<u>Water programs</u>		
40	FTE positions	155.5	155.5
41	Arizona pollutant discharge		
42	elimination system	1,481,800	1,481,800

1	Drinking water regulation program	2,262,700	2,262,700
2	Surface water regulation program	1,448,000	1,448,000
3	Underground water regulation		
4	program	<u>7,015,200</u>	<u>6,995,200</u>
5	Total - water programs	\$ 12,207,700	\$ 12,187,700
6	Fund sources:		
7	State general fund	\$ 6,348,600	\$ 6,348,600
8	Water quality fee fund	5,859,100	5,839,100
9	<u>WIFA</u>		
10	Clean water revolving loan		
11	program	1,551,900	1,551,900
12	Drinking water revolving loan		
13	program	893,200	893,200
14	Water supply development fund	<u>250,000</u>	<u>- 0 -</u>
15	Total - WIFA	\$ 2,695,100	\$ 2,445,100
16	Fund sources:		
17	State general fund	\$ 2,695,100	\$ 2,445,100
18	Total appropriation - department of		
19	environmental quality	\$ 87,159,200	\$ 86,886,100
20	Fund sources:		
21	State general fund	\$ 17,561,300	\$ 17,311,300
22	Air permits administration fund	5,890,300	5,890,300
23	Air quality fund	5,155,500	5,152,500
24	Emissions inspection fund	37,419,700	37,419,700
25	Hazardous waste management fund	780,000	780,000
26	Indirect cost recovery fund	10,531,100	10,531,000
27	Recycling fund	2,319,800	2,319,800
28	Solid waste fee fund	1,483,100	1,483,100
29	Underground storage tank		
30	revolving fund	22,000	22,000
31	Used oil fund	137,300	137,300
32	Water quality fee fund	5,859,100	5,839,100
33	Performance measures:		
34	Per cent reduction in drinking water		
35	plan review processing time	10.0	10.0
36	Per cent reduction in Aquifer protection		
37	permit processing time	--	15.0
38	Per cent reduction in Arizona pollutant		
39	discharge elimination system permit		
40	processing time	20.0	--
41	Per cent of contaminated sites closed		
42	requiring no further action (cumulative)		
43	versus known sites	82.0	82.0

1	Number of nonattainment areas exceeding		
2	national ambient air quality standards	5	5
3	Per cent of statutorily set permit timelines		
4	met through licensing time frames rule	99	99
5	Number of days per year exceeding national		
6	ambient air quality standards for ozone,		
7	carbon monoxide or particulates	0	0
8	Per cent of facilities from drinking water		
9	priority log assigned to enforcement staff	100	100
10	Customer satisfaction rating for citizens		
11	(Scale 1-8)	7.4	7.4

12 Of the monies appropriated to the Maricopa, Pima and Pinal counties
13 travel reduction plan line item in fiscal year 2007-2008 and fiscal year
14 2008-2009, \$948,600 shall be allocated to Maricopa county, \$373,000 shall be
15 allocated to the Pima association of governments, \$87,000 shall be allocated
16 to Pinal county and \$268,300 shall be allocated to Pima county.

17 When expenditures from the hazardous waste or environmental health
18 reserves are authorized, the director of the department of environmental
19 quality shall report the nature of the emergency and the authorized
20 expenditure amount to the president of the senate, the speaker of the house
21 of representatives, the chairpersons of the senate and house of
22 representatives appropriations committees and the director of the joint
23 legislative budget committee.

24 All water quality fee fund revenues received by the department of
25 environmental quality in excess of \$5,859,100 in fiscal year 2007-2008 and
26 \$5,839,100 in fiscal year 2008-2009 are appropriated to the department.
27 Before the expenditure of water quality fee fund receipts in excess of
28 \$5,859,100 in fiscal year 2007-2008 and \$5,839,100 in fiscal year 2008-2009,
29 the department of environmental quality shall submit the intended use of the
30 monies for review by the joint legislative budget committee.

31 The Arizona pollutant discharge elimination system is appropriated
32 \$1,181,800 in fiscal year 2007-2008 and fiscal year 2008-2009 for the
33 purposes established in title 49, chapter 2, article 3.1, Arizona Revised
34 Statutes. If the department reduces permit processing times for the Arizona
35 pollutant discharge elimination system by at least ten per cent on or before
36 December 31, 2007, then an additional \$123,000 and two full-time equivalent
37 positions are appropriated from the state general fund for program
38 expenditures in fiscal year 2008-2009.

39 If, as determined by the staff director of the joint legislative budget
40 committee and the governor's office of strategic planning and budgeting, the
41 department of environmental quality reduces the licensing time frames permit
42 processing times for AZPDES surface water permits by ten per cent by December
43 31, 2007, the sum of \$123,000 and 2 FTE positions are appropriated from the
44 state general fund in fiscal year 2008-2009 to further reduce permit
45 processing times.

1 Any transfer from the amount appropriated for the Arizona pollutant
2 discharge elimination system line item shall require prior joint legislative
3 budget committee review.

4 Pursuant to section 49-282, Arizona Revised Statutes, the department of
5 environmental quality shall submit a fiscal year 2008-2009 and fiscal year
6 2009-2010 budget for the water quality assurance revolving fund before
7 September 1, 2007, and September 1, 2008, respectively, for review by the
8 senate and house of representatives appropriations committees.

9 The department of environmental quality shall report annually on the
10 progress of WQARF activities, including emergency response, priority site
11 remediation, cost recovery activity, revenue and expenditure activity and
12 other WQARF-funded program activity. This report shall also include a budget
13 for the WQARF program which is developed in consultation with the WQARF
14 advisory board. The fiscal year 2007-2008 report shall be submitted to the
15 joint legislative budget committee by September 1, 2007, and the fiscal year
16 2008-2009 report shall be submitted by September 1, 2008. This budget shall
17 specify the monies budgeted for each listed site during fiscal year 2007-2008
18 and fiscal year 2008-2009. In addition, the department and the advisory
19 board shall prepare and submit to the joint legislative budget committee, by
20 October 2, 2007, and October 2, 2008, a report in a table format summarizing
21 the current progress on remediation of each listed site on the WQARF
22 registry. The table shall include the stage of remediation for each site at
23 the end of fiscal year 2006-2007 and fiscal year 2007-2008, whether the
24 current stage of remediation is anticipated to be completed in fiscal year
25 2007-2008 and fiscal year 2008-2009, and the anticipated stage of remediation
26 at each listed site at the end of fiscal year 2008-2009 and fiscal year
27 2009-2010, assuming fiscal year 2007-2008 and 2008-2009 funding levels. The
28 department and advisory board may include other relevant information about
29 the listed sites in the table.

30 The amounts appropriated for the clean water revolving loan program and
31 the drinking water revolving loan program in fiscal year 2007-2008 and fiscal
32 year 2008-2009 shall be used to provide a twenty per cent match of the fiscal
33 year 2007-2008 and fiscal year 2008-2009 federal safe drinking water and
34 clean water revolving fund allocations to this state. Of the amount
35 appropriated, any amount in excess of the required twenty per cent match
36 reverts to the state general fund.

37 The monies appropriated in the transfers to counties program line item
38 are for use by Arizona counties to avoid being declared in nonattainment of
39 particulate matter standards by establishing public notification and outreach
40 programs, minimizing exposure to particulate matter concentrations, and
41 abating and minimizing controllable sources of particulate matter through
42 best available control measures. Of the monies in the transfers to counties
43 program line item in fiscal year 2007-2008, and fiscal year 2008-2009,
44 \$50,000 shall be used by Pima county for carbon monoxide monitoring as

1 required by the Pima county limited maintenance plan with the United States
 2 environmental protection agency.

3 The appropriation from the air permits administration fund is an
 4 estimate representing all monies distributed to this fund, including balance
 5 forward, revenue and transfers during fiscal year 2007-2008 and fiscal year
 6 2008-2009. These monies are appropriated to the department of environmental
 7 quality for the purposes established in section 49-455, Arizona Revised
 8 Statutes. The appropriation shall be adjusted as necessary to reflect actual
 9 final receipts credited to the air permits administration fund.

10 The department of environmental quality shall submit a written report
 11 detailing the maximum, minimum and average water quality permit processing
 12 times for fiscal year 2006-2007 by December 1, 2007, and fiscal year
 13 2007-2008 by December 1, 2008, for review by the joint legislative budget
 14 committee. The fiscal year 2006-2007 and fiscal year 2007-2008 data shall
 15 contain the year-to-date actual data and projected totals for each year.
 16 This report shall also include total number of staff hours devoted to water
 17 quality permit processing in fiscal year 2006-2007 and fiscal year 2007-2008,
 18 the total costs to process these permits, and the progress made in reducing
 19 water quality permit processing times.

20 All indirect cost fund recovery revenues received by the department of
 21 environmental quality in excess of \$10,531,100 in fiscal year 2007-2008 and
 22 \$10,531,000 in fiscal year 2008-2009 are appropriated to the department.
 23 Before the expenditure of indirect cost recovery fund receipts in excess of
 24 \$10,531,100 in fiscal year 2007-2008 and \$10,531,000 in fiscal year
 25 2008-2009, the department of environmental quality shall submit the intended
 26 use of the monies for review by the joint legislative budget committee.

27 Sec. 32. OFFICE OF EQUAL OPPORTUNITY

	<u>2007-08</u>	<u>2008-09</u>
28		
29 FTE positions	4.0	4.0
30 Lump sum appropriation	\$ 245,200	\$ 245,200
31 Fund sources:		
32 State general fund	\$ 245,200	\$ 245,200

33 Sec. 33. STATE BOARD OF EQUALIZATION

	<u>2007-08</u>	<u>2008-09</u>
34		
35 FTE positions	7.0	7.0
36 Lump sum appropriation	\$ 653,500	\$ 653,500
37 Fund sources:		
38 State general fund	\$ 653,500	\$ 653,500
39 Performance measures:		
40 Average calendar days to process a		
41 property tax appeal from receipt to		
42 issuance	28	28
43 Per cent of rulings upheld in tax courts	100	100
44 Customer satisfaction rating (Scale 1-8)	6.1	6.1

1	Sec. 34. BOARD OF EXECUTIVE CLEMENCY		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	17.0	17.0
4	Lump sum appropriation	\$ 1,087,400	\$ 1,087,400
5	Fund sources:		
6	State general fund	\$ 1,087,400	\$ 1,087,400
7	Performance measures:		
8	Customer satisfaction rating for victims		
9	(Scale 1-8)	6.0	6.0
10	Sec. 35. ARIZONA EXPOSITION AND STATE FAIR BOARD		
11		<u>2007-08</u>	<u>2008-09</u>
12	FTE positions	186.0	186.0
13	Lump sum appropriation	\$ 16,066,100	\$ 16,066,100
14	Fund sources:		
15	Arizona exposition and state		
16	fair fund	\$ 16,066,100	\$ 16,066,100
17	Performance measures:		
18	Fair attendance	1,300,000	1,300,000
19	Per cent of guests rating state fair "good"		
20	or "excellent" based on annual survey	96	96
21	Sec. 36. DEPARTMENT OF FINANCIAL INSTITUTIONS		
22		<u>2007-08</u>	
23	FTE positions	57.1	
24	Operating lump sum appropriation	\$ 3,757,100	
25	Document imaging project	<u>75,000</u>	
26	Total appropriation - department of		
27	financial institutions	\$ 3,832,100	
28	Fund sources:		
29	State general fund	\$ 3,832,100	
30	Performance measures:		
31	Per cent of examinations reports mailed		
32	within 25 days of examiner's completion		
33	of exam procedures	78.0	
34	Per cent of license applications approved		
35	within 45 days of receipt	65.0	
36	Per cent of examinations receiving		
37	satisfactory rating	91.0	
38	Average days from receipt to resolution		
39	of regular complaints	100.0	
40	Per cent of complainants indicating they		
41	received "good" or better service when		
42	filing a complaint	75.0	

1 The department of financial institutions shall assess and set fees to
 2 ensure that monies deposited in the state general fund will equal or exceed
 3 its expenditure from the state general fund.

4 Sec. 37. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

	<u>2007-08</u>	<u>2008-09</u>
5 FTE positions	55.0	55.0
6 Lump sum appropriation	\$ 3,789,500	\$ 3,764,000
7 Fund sources:		
8 State general fund	\$ 3,789,500	\$ 3,764,000
9 Performance measures:		
10 Per cent of manufactured homes complaints		
11 closed vs. complaints filed	98	98
12 Customer satisfaction rating (Scale 1-5)	4.7	4.7

14 Sec. 38. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS

	<u>2007-08</u>	<u>2008-09</u>
15 FTE positions	4.0	4.0
16 Lump sum appropriation	\$ 340,600**	\$ 340,600
17 Fund sources:		
18 Board of funeral directors and		
19 embalmers fund	\$ 340,600	\$ 340,600
20 Performance measures:		
21 Average calendar days to resolve a complaint	78	78
22 Average calendar days to renew a license	23	23
23 Customer satisfaction rating (Scale 1-8)	7.7	7.7

25 Sec. 39. GAME AND FISH DEPARTMENT

	<u>2007-08</u>	<u>2008-09</u>
26 FTE positions	274.5	274.5
27 Operating lump sum appropriation	\$ 31,872,400	\$ 31,421,200
28 Pittman - Robertson/Dingell -		
29 Johnson act	2,808,000	2,808,000
30 Performance incentive pay program	346,800*	346,800*
31 Lower Colorado multispecies		
32 conservation	350,000	350,000
33 Watercraft grant program	250,000	250,000
34 Watercraft safety education program	<u>1,275,000</u>	<u>1,175,000</u>
35 Total appropriation - game and fish		
36 department	\$ 36,902,200	\$ 36,351,000
37 Fund sources:		
38 Game and fish fund	\$ 30,395,300	\$ 30,026,600
39 Waterfowl conservation fund	43,400	43,400
40 Wildlife endowment fund	16,000	16,000
41 Watercraft licensing fund	6,124,300	5,941,800
42 Game, nongame, fish and		
43 endangered species fund	323,200	323,200

1 Performance measures:

2 Per cent of the public surveyed rating		
3 watercraft safety as "good" or "excellent"	80	80
4 Per cent of anglers surveyed reporting they were		
5 satisfied with their angling experiences	75	75

6 In addition to the \$2,808,000 for the Pittman - Robertson/Dingell -
 7 Johnson act line item, the lump sum appropriation includes \$40,000 for
 8 cooperative fish and wildlife research which may be used for the purpose of
 9 matching federal and apportionment funds.

10 The \$300,000 from the game and fish fund and \$46,800 from the
 11 watercraft licensing fund in fiscal year 2007-2008 and fiscal year 2008-2009
 12 for the performance incentive pay program line item shall be used for
 13 personal services and employee-related expenditures associated with the
 14 department's performance incentive pay program in accordance with Laws 1999,
 15 chapter 138. This appropriation is a continuing appropriation and is exempt
 16 from the provisions of section 35-190, Arizona Revised Statutes, relating to
 17 lapsing of appropriations.

18 The shooting range appropriation of \$100,000 in fiscal year 2007-2008
 19 and fiscal year 2008-2009, included in the lump sum appropriation, is a
 20 continuing appropriation and is exempt from the provisions of section 35-190,
 21 Arizona Revised Statutes, relating to lapsing of appropriations, until
 22 December 31, 2009.

23 Sec. 40. DEPARTMENT OF GAMING

	<u>2007-08</u>	<u>2008-09</u>
24 FTE positions	123.0	123.0
25 Operating lump sum appropriation	\$ 9,156,700	\$ 8,454,700
26 Casino operations certification	2,186,900	2,173,900
27 Problem gambling	2,724,600	3,185,100
28 Joint monitoring system	<u>1,188,100</u>	<u>2,442,100</u>
29 Total appropriation - department of gaming	\$ 15,256,300	\$ 16,255,800

30 Fund sources:

31 Tribal-state compact fund	\$ 2,186,900	\$ 2,173,900
32 Arizona benefits fund	12,769,400	13,781,900
33 State lottery fund	300,000	300,000

34 Performance measures:

35 Per cent of gaming facilities reviewed		
36 for compact compliance	100	100
37 Per cent of vendor customers satisfied		
38 with process	96	96

39 If information technology authorization committee approval is required
 40 for the project investment justification for the joint monitoring system and
 41 the information technology authorization committee does not approve the
 42 project investment justification, monies for the joint monitoring system line
 43 item shall not be spent and will revert to the instructional improvement
 44 fund.
 45

1	Sec. 41. ARIZONA GEOLOGICAL SURVEY		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	12.3	12.3
4	Lump sum appropriation	\$ 1,073,900	\$ 1,073,900
5	Fund sources:		
6	State general fund	\$ 1,073,900	\$ 1,073,900
7	Performance measures:		
8	Satisfaction with service provided		
9	(Scale 1-5)	4.9	4.9
10	Sec. 42. GOVERNMENT INFORMATION TECHNOLOGY AGENCY		
11		<u>2007-08</u>	<u>2008-09</u>
12	FTE positions	21.0	21.0
13	Lump sum appropriation	\$ 6,455,800	\$ 7,758,600
14	E-health initiative	<u>1,500,000</u>	<u>1,500,000</u>
15	Total appropriation - government information		
16	technology agency	\$ 7,955,800	\$ 9,258,600
17	Fund sources:		
18	State general fund	\$ 1,500,000	\$ 1,500,000
19	Information technology fund	\$ 2,755,800	\$ 2,758,600
20	State web portal fund	\$ 3,700,000	\$ 5,000,000
21	Performance measures:		
22	Per cent of information technology (IT)		
23	projects completed on schedule	96	96
24	Per cent of IT projects completed within budget	96	96
25	Per cent of agency IT managers rating		
26	GITA performance as excellent	60	60
27	Per cent of IT projects that are compliant		
28	with state enterprise architecture standards	90	90
29	Sec. 43. OFFICE OF THE GOVERNOR		
30		<u>2007-08</u>	<u>2008-09</u>
31	Lump sum appropriation	\$ 7,134,800*	\$ 7,134,800*
32	Fund sources:		
33	State general fund	\$ 7,134,800	\$ 7,134,800
34	Included in the lump sum appropriations of \$7,134,800 for fiscal year		
35	2007-2008 and fiscal year 2008-2009 is \$10,000 each fiscal year for the		
36	purchase of mementos and items for visiting officials.		
37	Sec. 44. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING		
38		<u>2007-08</u>	<u>2008-09</u>
39	FTE positions	26.0	26.0
40	Lump sum appropriation	\$ 2,209,900	\$ 2,209,900
41	Fund sources:		
42	State general fund	\$ 2,209,900	\$ 2,209,900
43	Performance measures:		
44	Per cent of participants rating budget and		
45	planning training "good" or "excellent"	98	98

1	Sec. 45. DEPARTMENT OF HEALTH SERVICES	
2		<u>2007-08</u>
3	<u>Administration</u>	
4	FTE positions	432.8
5	Operating lump sum appropriation	\$ 16,546,400
6	Fund sources:	
7	State general fund	\$ 13,764,400
8	Capital outlay stabilization	
9	fund	1,578,100
10	Emergency medical services	
11	operating fund	203,900
12	Indirect cost fund	1,000,000
13	Assurance and licensure	\$ 11,769,600
14	Fund sources:	
15	State general fund	\$ 9,692,800
16	Federal child care and development	
17	fund block grant	805,100
18	Hearing and speech professionals	
19	fund	331,100
20	Nursing care institution resident	
21	protection revolving fund	38,000
22	Expenditure authority	902,600
23	Attorney general legal services	\$ 444,900
24	Fund sources:	
25	State general fund	\$ 394,900
26	Emergency medical services	
27	operating fund	50,000
28	Newborn screening program fund -	
29	indirect costs	\$ 478,600
30	Fund sources:	
31	Newborn screening program fund	\$ 478,600
32	Nursing care institution quality	
33	improvement grants	\$ 400,000
34	Fund sources:	
35	Nursing care institution	
36	resident protection fund	\$ 400,000
37	Indirect cost fund	\$ 7,763,300
38	Fund sources:	
39	Indirect cost fund	\$ 7,763,300

1	Performance measures:	
2	Per cent of relicensure surveys completed	
3	on time:	
4	Child care facilities	70
5	Health care facilities	85
6	Per cent of complaint investigations initiated	
7	later than investigative guidelines:	
8	Child care facilities	0
9	Health care facilities	15

10 Contingent on federal approval of the use of these monies, the \$400,000
11 appropriation for nursing care institution quality improvement grants shall
12 be used to award grants to applicant nursing care institutions that in the
13 past has received one or more deficiencies on the annual facility compliance
14 and licensure survey conducted pursuant to section 36-425.02, Arizona Revised
15 Statutes, regardless of the actual date of the survey. The purpose of the
16 nursing care institution quality improvement grant is to improve the quality
17 in the particular facility in reference to one or more of six specific
18 quality measures: 1) reduction in incidences of pressure ulcers;
19 2) reduction in physical restraints; 3) improvement in pain management;
20 4) reduction in incontinence; 5) reduction in falls; 6) reduction in the use
21 of anti-psychotic medication. A nursing care institution must use a grant
22 awarded pursuant to this paragraph only for programs and activities designed
23 to improve the quality of resident care in the specified six quality
24 measures. The department shall make awards based on the likelihood of
25 success of the grant in addressing one or more of the specified quality
26 measures, the potential development of services or procedures that will
27 contribute to best practices methodology in addressing one or more of the
28 specified criteria, the financial controls identified to ensure the proper
29 expenditure of grant funds and the quality and development of the
30 application. The grant funds shall be available after July 1, 2007. The
31 department shall adopt application forms, time frames for application, time
32 frames for response and time frames for question and answer follow-up. The
33 department may stipulate that if any applicant does not meet any particular
34 time frame in the application process, the applicant's request for a grant is
35 dismissed. The nursing care institution may use available grant funds for
36 measurement tools, in-service training, consultation, technology improvement,
37 work force development initiatives, systems improvements, medication
38 management improvements and development and adoption of best practices and
39 materials in order to improve one or more of the specified quality measures.
40 The department may divide the appropriation based on the number and scope of
41 approved applications into a number of grants that the department deems
42 appropriate. If a facility is awarded a grant, it must submit in writing to
43 spend the grant on the program contained in its application or forfeit the
44 grant and repay the funds to the department. The department may require a
45 grant awardee to report the uses of the award and to share data and best

1 practices that have been developed by the facility. If the facility
 2 transfers ownership, the department shall award the grant to the licensee at
 3 the time of the award. If the facility ceases operation before the quality
 4 improvement grant distribution date it is not eligible for a quality
 5 improvement grant. Up to ten per cent of the monies appropriated to the
 6 department for quality improvement grants may be used by the department for
 7 administrative purposes. Monies appropriated for nursing care institution
 8 quality improvement grants shall not be used for any other expenses of the
 9 department of health services without review of the joint legislative budget
 10 committee. Any transfer to or from the amounts appropriated for nursing care
 11 institution quality improvement grants shall require prior review by the
 12 joint legislative budget committee.

13 Public health

14	FTE positions	248.1
15	Operating lump sum appropriation	\$ 6,426,700
16	Fund sources:	
17	State general fund	\$ 5,599,700
18	Emergency medical services	
19	operating fund	827,000
20	AIDS reporting and surveillance	\$ 1,125,000
21	Fund sources:	
22	State general fund	\$ 1,125,000
23	Alzheimer's disease research	\$ 4,000,000
24	Fund sources:	
25	State general fund	\$ 3,000,000
26	Tobacco tax and health care	
27	fund - health research account	1,000,000
28	Arizona statewide immunization	
29	information system	\$ 503,200
30	Fund sources:	
31	State general fund	\$ 503,200
32	Community health centers	\$ 14,964,900
33	Fund sources:	
34	State general fund	\$ 10,464,900
35	Tobacco tax and health care	
36	fund - medically needy	
37	account	4,500,000
38	County public health	\$ 200,000
39	Fund sources:	
40	State general fund	\$ 200,000
41	County tuberculosis provider	
42	care and control	\$ 1,410,500

1	Fund sources:	
2	State general fund	\$ 1,410,500
3	Diabetes prevention and control	\$ 400,000
4	Fund sources:	
5	State general fund	\$ 400,000
6	Direct grants	\$ 460,300
7	Fund sources:	
8	State general fund	\$ 460,300
9	EMS operations	\$ 3,173,800
10	Fund sources:	
11	Emergency medical services	
12	operating fund	\$ 3,173,800
13	Hepatitis C surveillance	\$ 397,800
14	Fund sources:	
15	State general fund	\$ 397,800
16	Kidney program	\$ 50,500
17	Fund sources:	
18	State general fund	\$ 50,500
19	Laboratory services	\$ 5,176,700
20	Fund sources:	
21	State general fund	\$ 4,227,700
22	Environmental laboratory licensure	
23	revolving fund	949,000
24	Loan repayment	\$ 250,000
25	Fund sources:	
26	State general fund	\$ 100,000
27	Emergency medical services	
28	operating fund	150,000
29	Poison control center funding	\$ 925,000
30	Fund sources:	
31	State general fund	\$ 925,000
32	Reimbursement to counties	\$ 67,900
33	Fund sources:	
34	State general fund	\$ 67,900
35	Renal and nonrenal disease management	\$ 468,000
36	Fund sources:	
37	State general fund	\$ 468,000
38	Scorpion antivenom	\$ 150,000
39	Fund sources:	
40	State general fund	\$ 150,000
41	STD control subventions	\$ 26,300

1	Fund sources:		
2	State general fund	\$	26,300
3	Telemedicine	\$	260,000
4	Fund sources:		
5	State general fund	\$	260,000
6	Teratogen program	\$	60,000
7	Fund sources:		
8	State general fund	\$	60,000
9	Trauma advisory board	\$	393,600
10	Fund sources:		
11	Emergency medical services		
12	operating fund	\$	393,600
13	University of Arizona poison		
14	control center funding	\$	1,275,000
15	Fund sources:		
16	State general fund	\$	1,275,000
17	Vaccines	\$	10,410,400
18	Fund sources:		
19	State general fund	\$	10,410,400
20	Valley fever	\$	300,000
21	Fund sources:		
22	State general fund	\$	300,000
23	Vital records maintenance	\$	500,300
24	Fund sources:		
25	Vital records electronic		
26	systems fund	\$	500,300
27	Performance measures:		
28	Immunization rate among two-year-old		
29	children		84
30	Per cent of high school youth who smoked		
31	in the last month		18
32	Customer waiting time in vital records		
33	lobby (in minutes)		14
34	Of the \$14,964,900 appropriated for community health centers, at least		
35	\$564,000 shall be distributed to Yavapai county for county primary care		
36	programs.		
37	The department of health services may use up to four per cent of the		
38	amounts appropriated for renal and nonrenal disease management, community		
39	health centers and telemedicine for the administrative costs to implement		
40	each program.		

1 Monies appropriated for AIDS reporting and surveillance and renal and
2 nonrenal disease management shall be used to provide services only to
3 residents of the state of Arizona who are citizens or legal residents of the
4 United States or who are otherwise lawfully present in the United States.

5 The department of health services shall require the screening of
6 potential recipients of vaccines for private insurance coverage, eligibility
7 for the federal vaccines for children program and eligibility for the state
8 children's health insurance program. This requirement applies to vaccines
9 purchased with state monies appropriated for the vaccines line item for both
10 the federal 317 program and the state-only immunization program.

11 The department of health services shall report to the joint legislative
12 budget committee by February 1, 2008 on the amount of federal monies received
13 for fiscal year 2007-2008 for the 317 vaccine program.

14 The appropriation for direct grants is to provide for local health work
15 and a portion of the cost of employing one public health nurse and one
16 sanitarian in counties with populations of less than 500,000 persons. The
17 monies are to be divided equally among eligible counties on a nonmatching
18 basis. All monies that are received by a county under this appropriation and
19 that are not used for the prescribed purposes revert to the state general
20 fund.

21 The \$67,900 appropriated for reimbursement to counties is to provide
22 matching monies to counties with populations of less than five hundred
23 thousand persons for local health work on an equal matching basis and shall
24 be distributed based on the proportion of funding each county received in
25 fiscal year 2002-2003.

26 The \$200,000 appropriated for county public health shall be distributed
27 as follows to the following counties to reimburse local health departments
28 pursuant to section 36-189, Arizona Revised Statutes: Coconino, \$36,220;
29 Gila, \$5,440; Mohave, \$30,780; Yavapai, \$25,820; Yuma, \$101,740.

30 The first \$4,500,000 in tobacco tax revenue deposited to the tobacco
31 tax and healthcare fund - medically needy account shall be distributed to the
32 department of health services for the community health centers line item.

33 The department of health services shall distribute a pamphlet on
34 umbilical cord blood pursuant to section 36-112, Arizona Revised Statutes.
35 The department shall distribute the pamphlet free of charge to physicians and
36 health care institutions on request and shall make the pamphlet available on
37 its website.

38 The department of health services shall submit a report to the
39 governor, the speaker of the house of representatives, the president of the
40 senate and the joint legislative budget committee on or before March 1, 2008
41 on the current national or state system for reporting and collecting
42 information regarding adverse effects of vaccines. The report shall include
43 the number of reported incidences in this state of adverse reactions to
44 vaccines in the prior calendar year, the entities that a health care
45 professional contacts when the professional suspects a person has had an

1 adverse reaction to a vaccine, the information that is provided when an
 2 adverse reaction is reported and whether or not reporting adverse reactions
 3 to vaccines by a health care professional is voluntary or mandatory. The
 4 report shall also include how other states collect and disseminate
 5 information related to the adverse effects of vaccines on individuals. The
 6 report shall include information regarding all vaccines administered in this
 7 state, including vaccines purchased with both state and federal monies as
 8 well as through private insurance.

9	<u>Family health</u>	
10	FTE positions	96.8
11	Operating lump sum appropriation	\$ 5,807,400
12	Fund sources:	
13	State general fund	\$ 3,704,100
14	Expenditure authority	2,103,300
15	Abstinence funding	\$ 1,500,000
16	Fund sources:	
17	State general fund	\$ 1,500,000
18	Adult cystic fibrosis	\$ 105,200
19	Fund sources:	
20	State general fund	\$ 105,200
21	Adult sickle cell anemia	\$ 33,000
22	Fund sources:	
23	State general fund	\$ 33,000
24	AHCCCS - children's rehabilitative	
25	services	\$ 63,791,900
26	Fund sources:	
27	State general fund	\$ 21,517,000
28	Expenditure authority	42,274,900
29	Breast and cervical cancer	
30	screening	\$ 1,345,500
31	Fund sources:	
32	State general fund	\$ 1,345,500
33	Child fatality review team	\$ 100,000
34	Fund sources:	
35	Child fatality review fund	\$ 100,000
36	Children's rehabilitative	
37	services	\$ 3,587,000
38	Fund sources:	
39	State general fund	\$ 3,587,000
40	County nutrition services	\$ 330,300
41	Fund sources:	
42	State general fund	\$ 330,300
43	County prenatal services grant	\$ 1,148,500

1	Fund sources:	
2	State general fund	\$ 1,148,500
3	Folic acid	\$ 400,000
4	Fund sources:	
5	Tobacco tax and health care fund -	
6	medically needy account	\$ 400,000
7	Health start	\$ 226,600
8	Fund sources:	
9	State general fund	\$ 226,600
10	High risk perinatal services	\$ 5,430,600
11	Fund sources:	
12	State general fund	\$ 4,980,600
13	Emergency medical services	
14	operating fund	450,000
15	Medicaid special exemption	
16	payments	\$ 1,361,700
17	Fund sources:	
18	State general fund	\$ 459,300
19	Expenditure authority	902,400
20	Modular dental buildings	\$ 200,000
21	Fund sources:	
22	State general fund	\$ 200,000
23	Newborn screening program	\$ 6,269,200
24	Fund sources:	
25	Newborn screening program fund	\$ 6,269,200
26	Senior food program	\$ 600,000
27	Fund sources:	
28	State general fund	\$ 600,000
29	Women's services	\$ 500,000
30	Fund sources:	
31	State general fund	\$ 500,000
32	Performance measures:	
33	Number of newborns screened under newborn	
34	screening program	100,000

35 The amounts appropriated for children's rehabilitative services and for
36 AHCCCS - children's rehabilitative services are intended to cover all costs
37 in full for contracts for the provision of services to clients, unless a
38 transfer of monies is reviewed by the joint legislative budget committee.

39 The department of health services may transfer up to \$350,000 in
40 revenues from the indirect cost fund to the Arizona health care cost
41 containment system administration for the purpose of meeting indirect cost
42 state match requirements related to AHCCCS - children's rehabilitative
43 services program.

1 Of the \$5,430,600 appropriated for high risk perinatal services
 2 \$583,000 shall be distributed to counties.

3 Monies in the women's services line item shall be used to provide
 4 \$20,000 in individual grants to nonprofit agencies whose primary function is
 5 to assist pregnant women in seeking alternatives to abortion. Grant monies
 6 shall be used to provide medically accurate services and programs related to
 7 pregnancy and up to twelve months after birth. Grant monies shall not be
 8 used for abortion or abortion referral services or granted to entities that
 9 promote, refer or perform abortions. The department may use up to ten per
 10 cent of monies appropriated to this line item for any associated
 11 administrative costs.

12 Behavioral health

13	FTE positions	166.0
14	Operating lump sum appropriation	\$ 9,307,800
15	Fund sources:	
16	State general fund	\$ 4,450,100
17	Expenditure authority	4,857,700
18	Arnold v. Sarn	\$ 37,323,600
19	Fund sources:	
20	State general fund	\$ 27,500,000
21	Expenditure authority	9,823,600
22	Children's behavioral health	
23	services	\$ 9,351,800
24	Fund sources:	
25	State general fund	\$ 9,351,800
26	Children's behavioral health state	
27	match for title XIX	\$346,792,500
28	Fund sources:	
29	State general fund	\$116,973,100
30	Expenditure authority	229,819,400
31	Court monitoring	\$ 197,500
32	Fund sources:	
33	State general fund	\$ 197,500
34	Dual eligible part D copay subsidy	\$ 802,600
35	Fund sources:	
36	State general fund	\$ 802,600
37	Medicaid special exemption	
38	payments	\$ 18,550,800
39	Fund sources:	
40	State general fund	\$ 6,257,200
41	Expenditure authority	12,293,600
42	Medicare clawback payments	\$ 9,771,900

1	Fund sources:	
2	State general fund	\$ 9,771,900
3	Mental health and substance abuse	
4	state match for title XIX	\$ 94,512,600
5	Fund sources:	
6	State general fund	\$ 31,879,100
7	Expenditure authority	62,633,500
8	Mental health nontitle XIX	\$ 2,447,300
9	Fund sources:	
10	State general fund	\$ 2,447,300
11	Proposition 204 - administration	\$ 6,534,800
12	Fund sources:	
13	State general fund	\$ 2,130,200
14	Expenditure authority	4,404,600
15	Proposition 204 - children's	
16	behavioral health services	\$ 4,596,200
17	Fund sources:	
18	State general fund	\$ 1,550,300
19	Expenditure authority	3,045,900
20	Proposition 204 - general mental	
21	health and substance abuse	\$ 87,684,300
22	Fund sources:	
23	State general fund	\$ 29,575,900
24	Expenditure authority	58,108,400
25	Proposition 204 - seriously	
26	mentally ill services	\$161,672,100
27	Fund sources:	
28	State general fund	\$ 54,532,000
29	Expenditure authority	107,140,100
30	Seriously emotionally handicapped	
31	children	\$ 500,000
32	Fund sources:	
33	State general fund	\$ 500,000
34	Seriously mentally ill nontitle	
35	XIX	\$ 61,116,700
36	Fund sources:	
37	State general fund	\$ 30,691,900
38	Tobacco tax and health care fund	
39	medically needy account	30,424,800
40	Seriously mentally ill state match	
41	for title XIX	\$170,251,100

1	Fund sources:	
2	State general fund	\$ 57,425,700
3	Expenditure authority	112,825,400
4	Substance abuse nontitle XIX	\$ 14,635,400
5	Fund sources:	
6	State general fund	\$ 12,135,400
7	Substance abuse services fund	2,500,000
8	Youth methamphetamine prevention	
9	program	\$ 500,000
10	Fund sources:	
11	State general fund	\$ 500,000
12	Crisis intervention training grants	\$ 250,000
13	Fund sources:	
14	State general fund	\$ 250,000
15	Contract compliance	\$ 7,296,500
16	Fund sources:	
17	State general fund	\$ 2,461,100
18	Expenditure authority	4,835,400
19	Institutions for mental disease	\$ 8,267,700
20	Fund sources:	
21	State general fund	\$ 4,813,200
22	Expenditure authority	\$ 3,454,500
23	Performance measures:	
24	Per cent of RBHA title XIX clients	
25	satisfied with services	90
26	Per cent of title XIX population that is	
27	enrolled in a behavioral health service	13.5

28 The amount appropriated for children's behavioral health services shall
 29 be used to provide services for nontitle XIX eligible children. The amount
 30 shall not be used to pay for either federally or nonfederally reimbursed
 31 services for title XIX eligible children, unless a transfer of monies is
 32 reviewed by the joint legislative budget committee.

33 It is the intent of the legislature that the total amount available in
 34 the Arnold v. Sarn line item be used for the population covered by the Arnold
 35 v. Sarn lawsuit in counties with a population of two million or more persons
 36 and for seriously mentally ill persons that meet the same criteria as those
 37 covered by the Arnold v. Sarn lawsuit in counties with populations of less
 38 than two million persons.

39 It is the intent of the legislature that the per cent attributable to
 40 administration/profit for the regional behavioral health authority in
 41 Maricopa county is nine per cent of the overall capitation rate.

1 The department of health services shall report to the joint legislative
2 budget committee thirty days after the end of each calendar quarter on the
3 progress the department is making toward settling the Arnold v. Sarn lawsuit.
4 The report shall include at a minimum the department's progress towards
5 meeting the exit criteria and whether the department is in compliance with
6 the exit criteria schedule.

7 Monies appropriated for youth methamphetamine prevention programs shall
8 be distributed to a statewide alliance of community-based organizations with
9 a proven track record in providing substance abuse prevention programming to
10 children. Programs must serve children in rural, urban and Indian
11 communities and military bases in Arizona. The department of health services
12 shall submit a quarterly summary of the reports received from the
13 organizations to the governor, the president of the senate and the speaker of
14 the house of representatives and the joint legislative budget committee.

15 The \$250,000 appropriation for crisis intervention training grants
16 shall be used for training and community coordination costs, with input from
17 stakeholders from the community, to train law enforcement agencies and first
18 responders in best practices in the treatment of individuals with mental
19 illness. Grant monies shall be used by recipients to supplement, and not
20 supplant, existing funding for this purpose. Monies in the crisis
21 intervention training grants line item are exempt from the provisions of
22 section 35-190, Arizona Revised Statutes, relating to lapsing of
23 appropriations through fiscal year 2008-2009. The department shall submit a
24 report to the joint legislative budget committee on or before October 1, 2008
25 on the progress made in crisis intervention training as a result of this
26 funding.

27 It is the intent of the legislature that the statewide weighted average
28 capitation rate increase for children's behavioral health services
29 attributable to the JK v. Gerard lawsuit be \$4.70 per member per month for
30 the contract year beginning July 1, 2007.

31 Before expending any monies from the contract compliance line item, the
32 department shall present a proposed expenditure plan for review by the joint
33 legislative budget committee.

34 Arizona state hospital

35 FTE positions	877.7
36 Operating lump sum appropriation	\$ 55,335,800
37 Fund sources:	
38 State general fund	\$ 50,143,600
39 Arizona state hospital fund	4,842,200
40 Arizona state hospital land	
41 earnings fund	350,000
42 Community placement treatment	\$ 6,704,800

1	Fund sources:	
2	State general fund	\$ 5,574,100
3	Arizona state hospital fund	1,130,700
4	Sexually violent persons	\$ 11,269,100
5	Fund sources:	
6	State general fund	\$ 11,269,100
7	Electronic medical records	\$ 300,000
8	Fund sources:	
9	State general fund	\$ 300,000

10 Performance measures:
11 Per cent of adult clients successfully
12 placed in community who return for
13 another stay within one year of discharge 4.0

14 The department shall report to the joint legislative budget committee
15 by March 1 of each year on preliminary actuarial estimates of the capitation
16 rate changes for the following fiscal year along with the reasons for the
17 estimated changes. For any actuarial estimates that include a range, the
18 total range from minimum to maximum shall be no more than two per cent.
19 Before implementation of any changes in capitation rates for the
20 AHCCCS - children's rehabilitative services line item and any title XIX
21 behavioral health line items, the department of health services shall report
22 its expenditure plan for review by the joint legislative budget committee.
23 Before the department implements any changes in policy affecting the amount,
24 sufficiency, duration and scope of health care services and who may provide
25 services, the department shall prepare a fiscal impact analysis on the
26 potential effects of this change on the following year's capitation rates.
27 If the fiscal analysis demonstrates that these changes will result in
28 additional state costs of \$500,000 or greater for a given fiscal year, the
29 department shall submit the policy changes for review by the joint
30 legislative budget committee.

31 In addition to the appropriation for the department of health services,
32 earnings on state lands and interest on the investment of the permanent land
33 funds are appropriated to the state hospital in compliance with the enabling
34 act and the Constitution of Arizona.

35 A monthly report comparing total expenditures for the month and
36 year-to-date as compared to prior year totals shall be forwarded to the
37 president of the senate, the speaker of the house of representatives, the
38 chairpersons of the senate and house of representatives appropriations
39 committees and the director of the joint legislative budget committee by the
40 thirtieth of the following month. The report shall include an estimate of
41 (1) potential shortfalls in programs, (2) potential federal and other funds,
42 such as the statewide assessment for indirect costs, that may be available to
43 offset these shortfalls, and a plan, if necessary, for eliminating any
44 shortfall without a supplemental appropriation, and (3) total expenditure
45 authority of the month and year-to-date for seriously mentally ill state

1 match for title XIX, seriously mentally ill nontitle XIX, children's
 2 behavioral health services, children's behavioral health state match for
 3 title XIX, mental health nontitle XIX, substance abuse nontitle XIX,
 4 seriously emotionally handicapped children and children's rehabilitative
 5 services.

6 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,
 7 any transfer to or from the amounts appropriated for seriously mentally ill
 8 state match for title XIX, seriously mentally ill nontitle XIX,
 9 Arnold v. Sarn, vital records maintenance, folic acid, children's behavioral
 10 health services, children's behavioral health state match for title XIX,
 11 mental health nontitle XIX, substance abuse nontitle XIX, mental health and
 12 substance abuse state match for title XIX, seriously emotionally handicapped
 13 children, children's rehabilitative services, AHCCCS - children's
 14 rehabilitative services, adult cystic fibrosis, adult sickle cell anemia,
 15 high risk perinatal services, county prenatal services grant, community
 16 placement treatment, dual eligible copay subsidy, sexually violent persons,
 17 county tuberculosis provider care and control, kidney program, county
 18 nutrition services, community health centers, vaccines, renal and nonrenal
 19 disease management, AIDS reporting and surveillance, telemedicine, university
 20 of Arizona poison center funding, poison control center funding, vital
 21 records management and women's services shall require review by the joint
 22 legislative budget committee. The department may transfer monies between the
 23 amounts appropriated for proposition 204 children's behavioral health
 24 services, proposition 204 seriously mentally ill services and proposition 204
 25 general mental health and substance abuse without review by the joint
 26 legislative budget committee but may not transfer monies to and from these
 27 line items to any other line item except as provided above without review by
 28 the joint legislative budget committee. The amounts appropriated for these
 29 items shall be used exclusively for contracts for the provision of services
 30 to clients unless a transfer of monies is reviewed by the joint legislative
 31 budget committee or unless otherwise permitted to be expended for
 32 administrative costs as specified in this act. Monies shall not be used from
 33 these appropriated amounts for any other expenses of the department of health
 34 services, unless a transfer of monies is reviewed by the joint legislative
 35 budget committee.

36 Sec. 46. ARIZONA HISTORICAL SOCIETY

	<u>2007-08</u>	<u>2008-09</u>
37		
38	59.9	59.9
39	\$ 2,339,900	\$ 2,339,900
40	80,000	80,000
41	<u>2,172,100</u>	<u>2,172,600</u>
42		
43	\$ 4,592,000	\$ 4,592,500

1	Fund sources:			
2	State general fund	\$	4,398,800	\$ 4,398,800
3	Capital outlay stabilization fund		193,200	193,700
4	Performance measures:			
5	Paid number of visitors		36,000	36,000
6	Customer satisfaction rating (Scale 1-8)		7.0	7.0
7	Sec. 47. PRESCOTT HISTORICAL SOCIETY			
8			<u>2007-08</u>	<u>2008-09</u>
9	FTE positions		16.0	16.0
10	Lump sum appropriation	\$	734,000	\$ 734,000
11	Fund sources:			
12	State general fund	\$	734,000	\$ 734,000
13	Performance measures:			
14	Paid number of visitors		15,000	15,000
15	Customer satisfaction rating (Scale 1-8)		7.9	7.9
16	Sec. 48. BOARD OF HOMEOPATHIC MEDICAL EXAMINERS			
17			<u>2007-08</u>	<u>2008-09</u>
18	FTE positions		1.0	1.0
19	Lump sum appropriation	\$	93,200**	\$ 91,500
20	Fund sources:			
21	Board of homeopathic medical			
22	examiner's fund	\$	93,200	\$ 91,500
23	Performance measures:			
24	Average calendar days to resolve a complaint		145	145
25	Average calendar days to renew a license		45	45
26	Customer satisfaction rating (Scale 1-8)		6.0	6.0
27	Sec. 49. DEPARTMENT OF HOUSING			
28			<u>2007-08</u>	<u>2008-09</u>
29	FTE positions		12.0	12.0
30	Lump sum appropriation	\$	851,200	\$ 909,300
31	Fund sources:			
32	Housing trust fund	\$	851,200	\$ 909,300
33	Performance measures:			
34	Households assisted into homeownership		1,000	1,000
35	Affordable rental units assisted		2,000	2,000
36	Customer satisfaction rating (Scale 1-7)		6.1	6.1
37	Sec. 50. ARIZONA COMMISSION OF INDIAN AFFAIRS			
38			<u>2007-08</u>	<u>2008-09</u>
39	FTE positions		3.0	3.0
40	Lump sum appropriation	\$	223,300	\$ 223,300
41	Fund sources:			
42	State general fund	\$	223,300	\$ 223,300

1	Performance measures:		
2	Per cent of customer surveys rating		
3	overall satisfaction as "good",		
4	"better" or "excellent"	88	88
5	Sec. 51. INDUSTRIAL COMMISSION OF ARIZONA		
6		<u>2007-08</u>	<u>2008-09</u>
7	FTE positions	294.0	294.0
8	Lump sum appropriation	\$ 19,429,100	\$ 19,416,200
9	Fund sources:		
10	Industrial commission		
11	administrative fund	\$ 19,429,100	\$ 19,416,200
12	Performance measures:		
13	Average number of days to resolve a case		
14	by the administrative law judge division	118	118
15	Per cent of workers' compensation claims		
16	processed within five days	99	99
17	Elevator inspections conducted	6,300	6,300
18	Customer satisfaction rating for workers'		
19	compensation program (Scale 1-8)	7.1	7.1
20	Sec. 52. DEPARTMENT OF INSURANCE		
21		<u>2007-08</u>	<u>2008-09</u>
22	FTE positions	106.5	106.5
23	Operating lump sum appropriation	\$ 6,764,100	\$ 6,764,100
24	Managed care and dental plan		
25	oversight	601,700	601,700
26	Health care group audit	<u>200,000</u>	<u>0</u>
27	Total appropriation - department of insurance	\$ 7,565,800	\$ 7,365,800
28	Fund sources:		
29	State general fund	\$ 7,365,800	\$ 7,365,800
30	Tobacco tax and health care		
31	fund - medically needy account	200,000	0
32	Performance measures:		
33	Average calendar days to complete a		
34	consumer complaint investigation	75	75
35	Per cent of survey licensees respondents		
36	indicating "satisfied" or "better"	93	93
37	Per cent of consumer services survey		
38	respondents indicating "satisfied"		
39	or "better"	77	77
40	Average number of days to issue a license	45	45
41	It is the intent of the legislature that \$294,000 in fiscal year		
42	2007-2008 and fiscal year 2008-2009 shall be for new agreements to prosecute		
43	fraud cases and shall be funded by the department from revenues from fraud		
44	unit fees.		

1	Sec. 53. ARIZONA JUDICIARY	
2		<u>2007-08</u>
3	<u>Supreme court</u>	
4	FTE positions	194.0
5	Operating lump sum appropriation	\$ 16,777,900
6	Automation	12,391,500
7	Case and cash management system	1,517,300
8	County reimbursements	246,000
9	Court appointed special advocate	3,545,500
10	Domestic relations	752,800
11	Foster care review board	2,369,700
12	Commission on judicial conduct	450,100
13	Judicial nominations and	
14	performance review	314,100
15	Model court	514,300
16	Rural state aid to courts	418,500
17	State aid	<u>7,091,000</u>
18	Total appropriation - supreme court	\$ 46,388,700
19	Fund sources:	
20	State general fund	\$ 18,023,400
21	Confidential intermediary and	
22	fiduciary fund	470,600
23	Court appointed special advocate	
24	fund	3,443,500
25	Criminal justice enhancement fund	3,061,600
26	Defensive driving school fund	5,395,100
27	Judicial collection enhancement	
28	fund	12,049,800
29	State aid to the courts fund	3,944,700
30	Performance measures:	
31	Customer satisfaction rating for defensive	
32	driving schools (Scale 1-8)	7.9

33 By September 1, 2007, the supreme court shall report to the joint
34 legislative budget committee on current and future automation projects
35 coordinated by the administrative office of the courts. The report shall
36 include a list of court automation projects receiving or anticipated to
37 receive state monies in the current or next two fiscal years as well as a
38 description of each project, number of FTE positions, the entities involved
39 and the goals and anticipated results for each automation project. The
40 report shall be submitted in one summary document. The report shall indicate
41 each project's total multi-year cost by fund source and budget line item,
42 including any prior year, current year and any future year expenditures.

1 By December 31, 2007 and June 30, 2008, the administrative office of
2 the courts shall report to the joint legislative budget committee on monies
3 expended from the case and cash management system line item and progress
4 relative to the development and deployment of the case and cash management
5 system. The report shall include a timeline and expenditure plan for the
6 project, identify the courts involved and their respective monetary and
7 nonmonetary contributions and indicate progress and changes relative to the
8 project since the previous timeline and expenditure plan was submitted.

9 Included in the appropriation for the supreme court program is \$1,000
10 for the purchase of mementos and items for visiting officials.

11 All case processing assistance fund receipts received by the
12 administrative office of the courts in excess of \$3,061,600 in fiscal year
13 2007-2008 are appropriated to the supreme court. Before the expenditure of
14 any case processing assistance fund receipts in excess of \$3,061,600 in
15 fiscal year 2007-2008, the administrative office of the courts shall submit
16 the intended use of the monies for review by the joint legislative budget
17 committee.

18 All defensive driving school fund receipts received by the
19 administrative office of the courts in excess of \$5,395,100 in fiscal year
20 2007-2008 are appropriated to the supreme court. Before the expenditure of
21 any defensive driving school fund receipts in excess of \$5,395,100 in fiscal
22 year 2007-2008, the administrative office of the courts shall submit the
23 intended use of the monies for review by the joint legislative budget
24 committee.

25 Notwithstanding any other law, the amount appropriated for rural state
26 aid to the courts shall be allocated to counties with populations of less
27 than five hundred thousand persons.

28 All judicial collection enhancement fund receipts, excluding revenues
29 resulting from the probation surcharge, received by the administrative office
30 of the courts in excess of \$12,049,800 in fiscal year 2007-2008 are
31 appropriated to the supreme court. Before the expenditure of judicial
32 collection enhancement fund receipts in excess of \$12,049,800 in fiscal year
33 2007-2008, the administrative office of the courts shall submit the intended
34 use of the monies for review by the joint legislative budget committee.

35 The administrative office of the courts shall not transfer monies
36 between the supreme court operating budget and the automation line item
37 without review by the joint legislative budget committee.

38 Court of appeals

39 FTE positions	147.5
40 Division I	\$ 9,500,400

1	Performance measures:	
2	Customer satisfaction rating for	
3	settlement program (Scale 1-8)	7.7
4	Division II	\$ 4,229,000
5	Performance measures:	
6	Customer satisfaction rating for	
7	settlement program (Scale 1-8)	<u>7.8</u>
8	Total appropriation - court of appeals	\$ 13,729,400
9	Fund sources:	
10	State general fund	\$ 13,729,400
11	Of the 147.5 FTE positions for fiscal year 2007-2008, 107.2 FTE	
12	positions are for Division I and 40.3 FTE positions are for Division II.	
13	<u>Superior court</u>	
14	FTE positions	234.5
15	Judges compensation	\$ 17,732,500
16	Adult standard probation	13,626,800
17	Adult intensive probation	11,316,500
18	Community punishment	2,854,800
19	Interstate compact	640,400
20	Sex offenders GPS monitoring	750,000
21	Drug court	1,000,000
22	Juvenile standard probation	4,995,500
23	Juvenile intensive probation	10,130,900
24	Juvenile treatment services	22,454,000
25	Juvenile family counseling	660,400
26	Juvenile crime reduction	5,202,600
27	Probation surcharge	2,723,800
28	Progressively increasing	
29	consequences	10,168,500
30	Special water master	<u>20,000</u>
31	Total appropriation - superior court	\$104,276,700
32	Fund sources:	
33	State general fund	\$ 94,019,900
34	Criminal justice enhancement fund	7,033,000
35	Drug treatment and education fund	500,000
36	Judicial collection enhancement	
37	fund	2,723,800
38	Performance measures:	
39	Customer satisfaction rating by states	
40	participating in the interstate compact	
41	(Scale 1-8)	7.0

1	<u>Juvenile standard probation:</u>	
2	Per cent of probationers successfully	
3	completing probation without a referral	
4	(a notice of misbehavior)	88
5	<u>Juvenile intensive probation (JIPS):</u>	
6	Per cent of probationers successfully	
7	completing probation without a referral	
8	(a notice of misbehavior)	68
9	<u>Adult standard probation:</u>	
10	Per cent of probationers exiting probation	
11	and not committed to county jail or prison	83
12	<u>Adult intensive probation (AIPS):</u>	
13	Per cent of probationers exiting intensive	
14	probation and not committed to county jail	
15	or prison	51
16	Of the 234.5 FTE positions, 171 FTE positions represent superior court	
17	judges. One-half of their salaries are provided by state general fund	
18	appropriations pursuant to section 12-128, Arizona Revised Statutes. This is	
19	not meant to limit the counties' ability to add judges pursuant to section	
20	12-121, Arizona Revised Statutes.	
21	Up to 4.6 per cent of the amounts appropriated for juvenile probation	
22	services - treatment services and progressively increasing consequences may	
23	be retained and expended by the supreme court to administer the programs	
24	established by section 8-322, Arizona Revised Statutes, and to conduct	
25	evaluations as needed. The remaining portion of the treatment services and	
26	progressively increasing consequences programs shall be deposited in the	
27	juvenile probation services fund established by section 8-322, Arizona	
28	Revised Statutes.	
29	Receipt of state probation monies by the counties is contingent on the	
30	county maintenance of fiscal year 2003-2004 expenditure levels for each	
31	probation program. State probation monies are not intended to supplant	
32	county dollars for probation programs.	
33	All community punishment program receipts received by the	
34	administrative office of the courts in excess of \$2,854,800 in fiscal year	
35	2007-2008 are appropriated to the community punishment line item. Before the	
36	expenditure of any community punishment receipts in excess of \$2,854,800 in	
37	fiscal year 2007-2008, the administrative office of the courts shall submit	
38	the intended use of the monies for review by the joint legislative budget	
39	committee.	
40	All juvenile crime reduction fund receipts received by the	
41	administrative office of the courts in excess of \$5,202,600 in fiscal year	
42	2007-2008 are appropriated to the juvenile crime reduction line item. Before	
43	the expenditure of any juvenile crime reduction fund receipts in excess of	
44	\$5,202,600 in fiscal year 2007-2008, the administrative office of the courts	

1 shall submit the intended use of the monies for review by the joint
2 legislative budget committee.

3 All judicial collection enhancement fund receipts received by the
4 administrative office of the courts resulting from the probation surcharge in
5 excess of \$2,723,800 in fiscal year 2007-2008 are appropriated to the
6 superior court. Before the expenditure of judicial collection enhancement
7 fund receipts in excess of \$2,723,800 in fiscal year 2007-2008, the
8 administrative office of the courts shall submit the intended use of the
9 monies for review by the joint legislative budget committee.

10 By November 1, 2007, the administrative office of the courts shall
11 report to the joint legislative budget committee the fiscal year 2006-2007
12 actual, fiscal year 2007-2008 estimated and fiscal year 2008-2009 requested
13 amounts for the following:

14 1. On a county-by-county basis, the number of authorized and filled
15 case carrying probation positions and non-case carrying positions,
16 distinguishing between adult standard, adult intensive, juvenile standard and
17 juvenile intensive. The report shall indicate the level of state probation
18 funding, other state funding, county funding and probation surcharge funding
19 for those positions.

20 2. Total receipts and expenditures by county and fund source for the
21 adult standard, adult intensive, juvenile standard and juvenile intensive
22 line items, including the amount of personal services expended from each
23 revenue source of each account.

24 3. The amount of monies from the adult standard, adult intensive,
25 juvenile standard and juvenile intensive line items that the office does not
26 distribute as direct aid to counties. The report shall delineate how the
27 office expends these monies that are not distributed as direct aid to
28 counties.

29 Total appropriation - Arizona judiciary	\$164,394,800
30 Fund sources:	
31 State general fund	\$125,772,700
32 Confidential intermediary and	
33 fiduciary fund	470,600
34 Court appointed special advocate	
35 fund	3,443,500
36 Criminal justice enhancement fund	10,094,600
37 Defensive driving school fund	5,395,100
38 Drug treatment and education fund	500,000
39 Judicial collection enhancement	
40 fund	14,773,600
41 State aid to the courts fund	3,944,700

42 The administrative office of the courts shall submit the intended use
43 of any reimbursement monies received for review to the joint legislative
44 budget committee prior to their expenditure.

1 Sec. 54. DEPARTMENT OF JUVENILE CORRECTIONS

2		<u>2007-08</u>
3	FTE positions	1,163.7
4	Lump sum appropriation	\$ 82,407,700
5	Fund sources:	
6	State general fund	\$ 77,945,300
7	State charitable, penal and	
8	reformatory institutions	
9	land fund	1,094,700
10	Criminal justice enhancement fund	685,200
11	State education fund for committed	
12	youth	2,682,500
13	Performance measures:	
14	Escapes from DJC secure care facilities	0
15	Per cent of juveniles passing the GED	
16	language test	89
17	Per cent of juveniles who show progress in	
18	their primary treatment problem area	75
19	Per cent of juveniles returned to custody	
20	within 12 months of release	20

21 The department shall provide a travel stipend to all southwest regional
 22 juvenile correction complex staff whose residence is at least twenty miles
 23 from work.

24 Twenty-five per cent of land earnings and interest from the state
 25 charitable, penal and reformatory institutions land fund shall be distributed
 26 to the department of juvenile corrections, in compliance with the enabling
 27 act and the Constitution of Arizona, to be used for the support of state
 28 juvenile institutions and reformatories.

29 Before the expenditure of any state education fund for committed youth
 30 receipts in excess of \$2,682,500, the department of juvenile corrections
 31 shall report the intended use of the monies to the director of the joint
 32 legislative budget committee.

33 Sec. 55. STATE LAND DEPARTMENT

34		<u>2007-08</u>	<u>2008-09</u>
35	FTE positions	230.9	232.9
36	Operating lump sum appropriation	\$ 17,121,700	\$ 17,208,600
37	Natural resource conservation		
38	districts	650,000	650,000
39	Environmental county grants	250,000	250,000
40	CAP user fees	1,268,600	1,488,300
41	Inmate fire crews	974,300	974,300
42	Fire suppression operating		
43	expenses	2,653,900	2,566,600
44	Due diligence fund	<u>500,000</u>	<u>500,000</u>
45	Total appropriation - state land department	\$ 23,418,500	\$ 23,637,800

1	Fund sources:		
2	State general fund	\$ 22,698,500	\$ 22,917,800
3	Environmental special plate fund	220,000	220,000
4	Due diligence fund	500,000	500,000
5	Performance measures:		
6	Average land sales processing time		
7	(application to auction, in months)	20	20
8	Per cent of customers giving the department		
9	a rating above 4 (5 = very satisfied)	87	87
10	Total trust generated	\$486,200,000	\$486,200,000
11	Total expendable fund earnings generated	\$127,800,000	\$127,800,000
12	Total trust land sales	\$500,000,000	\$500,000,000
13	Total number of trust land acres sold in		
14	Maricopa, Pima and Pinal counties	3,000	3,000
15	Total number of trust land acres sold in		
16	all other remaining counties	1,000	1,000

17 The appropriation includes \$1,268,600 for central Arizona project user
 18 fees in fiscal year 2007-2008 and \$1,488,300 in fiscal year 2008-2009. For
 19 fiscal year 2007-2008 and fiscal year 2008-2009, from municipalities that
 20 assume their allocation of central Arizona project water every dollar
 21 received as reimbursement to the state for past central Arizona water
 22 conservation district payments, one dollar reverts to the state general fund
 23 in the year that the reimbursement is collected.

24 Of the amount appropriated for natural resource conservation districts
 25 in fiscal year 2007-2008 and fiscal year 2008-2009, \$30,000 shall be used to
 26 provide grants to natural resource conservation districts environmental
 27 education centers.

28 Of the operating lump sum appropriation, the sum of \$3,819,300
 29 supplements planning and disposition funding and shall be used by the state
 30 land department for the sole purpose of the planning and disposition of state
 31 trust land as follows:

- 32 1. The employment of outside professional services.
- 33 2. At least two of the twelve FTE positions appropriated in the fiscal
 34 year 2005-2006 budget for the planning and disposition of state trust land
 35 located within five miles of the corporate boundaries of incorporated cities
 36 and towns having a population of less than one hundred thousand persons.
- 37 3. The state land commissioner shall provide for the disposition of
 38 state trust land in the most expeditious manner consistent with the fiduciary
 39 duties prescribed by the enabling act and the Constitution of Arizona. By
 40 October 1, 2007, the commissioner shall provide a report to the joint
 41 legislative budget committee on the planning, sale and lease of trust land in
 42 the preceding year. The report shall:

- 1 (a) Identify the number of acres that were added to a conceptual plan,
- 2 added to a master plan or otherwise planned or prepared for disposition, sale
- 3 and long-term commercial lease.
- 4 (b) Distinguish between urban and rural parcels.
- 5 (c) Indicate the value added or revenue received.
- 6 (d) List the resources used and dedicated to trust land planning and
- 7 disposition, including FTE positions, contracts and appropriated and
- 8 nonappropriated expenditures for each of the items included in the report.
- 9 (e) Include in the report an inventory of trust land prepared for
- 10 sale, including the appraised value and totals for the fiscal year regarding:
- 11 (i) The amount of trust land sold.
- 12 (ii) The amount of trust land put under long-term commercial lease.
- 13 (iii) The amount of revenue collected from the sale of trust land.
- 14 (iv) The amount of revenue collected from the long-term commercial
- 15 lease of trust land.
- 16 (v) The amount of purchase price financed on installment sales of
- 17 state trust land and the principal payoff terms and anticipated yield to the
- 18 trust over the terms of the installment sales.

19 Of the \$775,000 appropriated for state trust land sales and management
 20 in fiscal year 2007-2008 and fiscal year 2008-2009, at least ten per cent
 21 shall be used for management and sales of state trust lands in rural areas.

22 By December 31, 2007, the state land department shall submit a report
 23 to the joint legislative budget committee detailing the activities of the two
 24 FTE positions appropriated for mineral leasing. In the report the department
 25 shall include information regarding the number of lease applications
 26 submitted, the average number of days to process a lease application, the
 27 number of outstanding lease applications, the dates that outstanding lease
 28 applications were initially submitted to the department and the revenue
 29 generated from mineral leases.

30 Sec. 56. LAW ENFORCEMENT MERIT SYSTEM COUNCIL

	<u>2007-08</u>	<u>2008-09</u>
31		
32		
33 FTE positions	1.0	1.0
34 Lump sum appropriation	\$ 74,200	\$ 74,200
35 Fund sources:		
36 State general fund	\$ 74,200	\$ 74,200

37 Sec. 57. LEGISLATURE

	<u>2007-08</u>	<u>2008-09</u>
38		
39 <u>Senate</u>		
40 Lump sum appropriation	\$ 9,193,000*	\$ 9,193,000*
41 Fund sources:		
42 State general fund	\$ 9,193,000	\$ 9,193,000

1	Included in the lump sum appropriations of \$9,193,000 for fiscal year		
2	2007-2008 and fiscal year 2008-2009 is \$1,000 each fiscal year for the		
3	purchase of mementos and items for visiting officials.		
4	<u>House of representatives</u>		
5	Lump sum appropriation	\$ 13,854,800*	\$13,854,800*
6	Fund sources:		
7	State general fund	\$ 13,854,800	\$ 13,854,800
8	Included in the lump sum appropriations of \$13,854,800 for fiscal year		
9	2007-2008 and fiscal year 2008-2009 is \$1,000 each fiscal year for the		
10	purchase of mementos and items for visiting officials.		
11	<u>Legislative council</u>		
12	FTE positions	49.8	49.8
13	Operating lump sum appropriation	\$ 4,983,100*	\$ 4,983,100*
14	Ombudsman-citizens aide office	<u>593,000*</u>	<u>593,000*</u>
15	Total appropriation - legislative		
16	council	\$ 5,576,100*	\$ 5,576,100*
17	Fund sources:		
18	State general fund	\$ 5,576,100	\$ 5,576,100
19	Performance measures:		
20	Per cent of customers rating accuracy and		
21	timeliness of bill drafting "good" or		
22	"excellent" based on annual survey	98.5	98.5
23	Per cent of customers rating accuracy of		
24	computer help desk "good" or "excellent"		
25	based on annual survey	100	100
26	Per cent of investigations completed		
27	within three months by office of the		
28	ombudsman-citizens aide	90	90
29	Per cent of customers rating overall		
30	experience with the office of the		
31	ombudsman-citizens aide "good" or		
32	"excellent"	92	92
33	<u>Joint legislative budget committee</u>		
34	FTE positions	35.0	35.0
35	Lump sum appropriation	\$ 2,948,600*	\$ 2,948,600*
36	Fund sources:		
37	State general fund	\$ 2,948,600	\$ 2,948,600
38	Performance measures:		
39	Survey of legislator satisfaction (4=high)	3.68	3.68
40	Errors in budget bills	0	0
41	Maximum per cent actual revenues vary		
42	from forecasted revenues	+ -3.0	+ -3.0
43	Days to transmit fiscal notes	14	14

1	<u>Auditor general</u>		
2	FTE positions	209.4	209.4
3	Operating lump sum appropriation	\$ 17,891,900	\$ 17,891,900
4	Procurement study	<u>300,000</u>	<u>0</u>
5	Total appropriation - auditor general	\$ 18,191,900*	\$17,891,900*
6	Fund sources:		
7	State general fund	\$ 18,191,900	\$ 17,891,900
8	Performance measures:		
9	Per cent of single audit recommendations		
10	implemented or adopted within one year		
11	for financial audits	47	47
12	Per cent of administrative recommendations		
13	implemented or adopted within two years		
14	for performance audits	98	98
15	<u>Arizona state library, archives and</u>		
16	<u>public records</u>		
17	FTE positions	115.8	115.8
18	Operating lump sum appropriation	\$ 7,450,400	\$ 7,450,400
19	Grants-in-aid	651,400	651,400
20	Statewide radio reading service		
21	for the blind	<u>97,000</u>	<u>97,000</u>
22	Total appropriation - Arizona state		
23	library, archives and public		
24	records	\$ 8,198,800*	\$ 8,198,800*
25	Fund sources:		
26	State general fund	\$ 7,536,300	\$ 7,536,300
27	Records services fund	662,500	662,500
28	Performance measures:		
29	Customer satisfaction rating (Scale 1-8)	7.4	7.4
30	All records services fund receipts, including prior year fund balances,		
31	received by the Arizona state library, archives and public records in excess		
32	of \$662,500 in fiscal year 2007-2008 and fiscal year 2008-2009 are		
33	appropriated to the Arizona state library, archives and public records.		
34	Before the expenditure of records services fund receipts in excess of		
35	\$662,500 in fiscal year 2007-2008 and fiscal year 2008-2009, the Arizona		
36	state library, archives and public records shall submit the intended use of		
37	the monies for review by the joint legislative budget committee.		
38	Sec. 58. DEPARTMENT OF LIQUOR LICENSES AND CONTROL		
39		<u>2007-08</u>	<u>2008-09</u>
40	FTE positions	47.2	47.2
41	Lump sum appropriation	\$ 3,534,100	\$ 3,534,100
42	Fund sources:		
43	State general fund	\$ 3,534,100	\$ 3,534,100

1	Performance measures:		
2	Investigations and routine liquor		
3	inspections completed	3,750	3,750
4	Average calendar days to complete an		
5	investigation	33	33
6	Per cent of customers who responded to		
7	the survey reporting "very good" or		
8	"excellent" service	86	86
9	Sec. 59. ARIZONA STATE LOTTERY COMMISSION		
10		<u>2007-08</u>	<u>2008-09</u>
11	FTE positions	110.0	110.0
12	Operating lump sum appropriation	\$ 8,034,700	\$ 7,838,100
13	Sales incentive program	50,000	50,000
14	Telecommunications	<u>654,400</u>	<u>654,400</u>
15	Total appropriation - Arizona state		
16	lottery commission	\$ 8,739,100	\$ 8,542,500
17	Fund source:		
18	State lottery fund	\$ 8,739,100	\$ 8,542,500
19	Performance measures:		
20	Increase in on-line sales from prior year	\$ 5,339,600	\$ 5,181,100
21	Increase in instant ticket sales from		
22	prior year	\$ 4,484,400	\$ 2,242,200
23	Customer satisfaction rating for retailers		
24	(Scale 1-8)	7.5	7.5
25	An amount equal to 3.6 per cent of actual instant ticket sales is		
26	appropriated for the printing of instant tickets or for contractual		
27	obligations concerning instant ticket distribution. This amount is currently		
28	estimated to be \$9,565,000 in fiscal year 2007-2008 and \$9,645,700 in		
29	2008-2009.		
30	An amount equal to a percentage of actual on-line game sales as		
31	determined by contract is appropriated for payment of on-line vendor fees.		
32	This amount is currently estimated to be \$8,072,200 in fiscal year 2007-2008		
33	and \$8,269,100 in fiscal year 2008-2009, or 3.8012 per cent of actual on-line		
34	ticket sales.		
35	An amount equal to 2.7 per cent of gross lottery game sales, but no		
36	more than \$11,000,000, is appropriated for advertising in accordance with		
37	section 5-505, Arizona Revised Statutes, which states that not more than four		
38	per cent of the annual gross revenues shall be expended for advertising.		
39	Based on projected sales, this amount is currently estimated to reach the		
40	\$11,000,000 cap in fiscal year 2007-2008 and fiscal year 2008-2009.		

1 An amount equal to 6.5 per cent of gross lottery game sales is
 2 appropriated for payment of sales commissions to ticket retailers. In
 3 accordance with Laws 1997, chapter 214, an additional amount of not to exceed
 4 0.5 per cent of gross lottery game sales is appropriated for payment of sales
 5 commissions to ticket retailers. The combined amount is currently estimated
 6 to be 6.7 per cent of total ticket sales, or \$32,029,500 in fiscal year
 7 2007-2008 and \$32,526,900 in fiscal year 2008-2009.

8 Sec. 60. ARIZONA MEDICAL BOARD

	<u>2007-08</u>	<u>2008-09</u>
9		
10 FTE positions	58.5	58.5
11 Lump sum appropriation	\$ 5,567,700**	\$ 5,567,700
12 Fund sources:		
13 Arizona medical board fund	\$ 5,567,700	\$ 5,567,700
14 Performance measures:		
15 Average calendar days to resolve a complaint		
16 M.D.	180	180
17 P.A.	180	180
18 Per cent of open investigations greater than		
19 Six months old		
20 M.D.	35	35
21 P.A.	40	40
22 Customer satisfaction rating (Scale 1-8)	7.7	7.7

23 The Arizona medical board may use up to seven per cent of the Arizona
 24 medical board fund balance remaining at the end of each fiscal year for a
 25 performance based incentive program the following fiscal year based on the
 26 program established by section 38-618, Arizona Revised Statutes.

27 Sec. 61. BOARD OF MEDICAL STUDENT LOANS

	<u>2007-08</u>	<u>2008-09</u>
28		
29 Medical student financial		
30 assistance	\$ 1,809,800	\$ 1,809,800
31 Fund sources:		
32 State general fund	\$ 1,500,000	\$ 1,500,000
33 Medical student loan fund	309,800	309,800
34 Performance measures:		
35 Per cent of physicians meeting service		
36 requirement	93	93
37 Customer satisfaction rating (Scale 1-8)	7.5	7.5

38 Sec. 62. STATE MINE INSPECTOR

	<u>2007-08</u>
39	
40	
41 FTE positions	17.0
42 Lump sum appropriation	\$ 1,828,400
43 Fund sources:	
44 State general fund	\$ 1,828,400

1	Performance measures:			
2	Per cent of mandated inspections completed		70	
3	Number of inspections		600	
4	Customer satisfaction rating for mines			
5	(Scale 1-8)		7.5	
6	Sec. 63. DEPARTMENT OF MINES AND MINERAL RESOURCES			
7			<u>2007-08</u>	<u>2008-09</u>
8	FTE positions		7.0	7.0
9	Lump sum appropriation	\$	839,900	\$ 839,900
10	Fund sources:			
11	State general fund	\$	839,900	\$ 839,900
12	Performance measures:			
13	Number of paying visitors		5,500	5,500
14	Customer satisfaction rating (Scale 1-5)		4.9	4.9
15	Sec. 64. NATUROPATHIC PHYSICIANS BOARD OF MEDICAL EXAMINERS			
16			<u>2007-08</u>	<u>2008-09</u>
17	FTE positions		7.0	7.0
18	Lump sum appropriation	\$	586,600**	\$ 584,000
19	Fund sources:			
20	Naturopathic physicians board of			
21	medical examiners fund	\$	586,600	\$ 584,000
22	Performance measures:			
23	Average calendar days to resolve a complaint		57	57
24	Average calendar days to renew a license		23	23
25	Customer satisfaction rating (Scale 1-8)		7.3	7.3
26	Sec. 65. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION			
27			<u>2007-08</u>	
28	FTE positions		2.0	
29	Lump sum appropriation	\$	173,600	
30	Fund sources:			
31	State general fund	\$	173,600	
32	Performance measures:			
33	Per cent of Arizona rivers and			
34	streams adjudicated		100	
35	Customer satisfaction rating for hearing			
36	attendees (Scale 1-8)		7.5	
37	Sec. 66. ARIZONA STATE BOARD OF NURSING			
38			<u>2007-08</u>	<u>2008-09</u>
39	FTE positions		41.2	41.2
40	Operating lump sum appropriation	\$	3,674,100**	\$ 3,461,500
41	CNA fingerprinting		<u>166,000</u>	<u>166,000</u>
42	Total appropriation - Arizona state			
43	board of nursing	\$	3,840,100	\$ 3,627,500

1	Fund sources:		
2	State general fund	\$ 166,000	\$ 166,000
3	Board of nursing fund	3,674,100	3,461,500
4	Performance measures:		
5	Average calendar days to resolve a complaint	175	175
6	Average calendar days to renew a license	3	3
7	Customer satisfaction rating (Scale 1-8)	7.2	7.2
8	Sec. 67. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND		
9	ASSISTED LIVING FACILITY MANAGERS		
10		<u>2007-08</u>	<u>2008-09</u>
11	FTE positions	5.0	5.0
12	Lump sum appropriation	\$ 358,700**	\$ 358,700
13	Fund sources:		
14	Nursing care institution		
15	administrators' licensing and		
16	assisted living facility		
17	managers' certification fund	\$ 358,700	\$ 358,700
18	Performance measures:		
19	Average calendar days to resolve a complaint	65	65
20	Average calendar days to renew a license	15	15
21	Customer satisfaction rating (Scale 1-8)	6.0	6.0
22	Sec. 68. BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
23		<u>2007-08</u>	<u>2008-09</u>
24	FTE positions	3.0	3.0
25	Lump sum appropriation	\$ 239,900**	\$ 239,900
26	Fund sources:		
27	Occupational therapy fund	\$ 239,900	\$ 239,900
28	Performance measures:		
29	Average calendar days to resolve a complaint	100	100
30	Average calendar days to renew a license		
31	(from receipt of application to issuance)	30	30
32	Customer satisfaction rating (Scale 1-8)	7.2	7.2
33	Sec. 69. STATE BOARD OF DISPENSING OPTICIANS		
34		<u>2007-08</u>	<u>2008-09</u>
35	FTE positions	1.0	1.0
36	Lump sum appropriation	\$ 122,100**	\$ 120,100
37	Fund sources:		
38	Board of dispensing opticians fund	\$ 122,100	\$ 120,100
39	Performance measures:		
40	Average calendar days to resolve a complaint	76	76
41	Average calendar days to renew a license	3	3
42	Customer satisfaction rating (Scale 1-8)	6.0	6.0

1	Sec. 70. STATE BOARD OF OPTOMETRY		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	2.0	2.0
4	Lump sum appropriation	\$ 194,400**	\$ 194,400
5	Fund sources:		
6	Board of optometry fund	\$ 194,400	\$ 194,400
7	Performance measures:		
8	Average calendar days to resolve a complaint	100	100
9	Average calendar days to renew a license	2	2
10	Customer satisfaction rating (Scale 1-8)	7.4	7.4
11	Sec. 71. OSTEOPATHIC EXAMINERS BOARD IN MEDICINE AND SURGERY		
12		<u>2007-08</u>	<u>2008-09</u>
13	FTE positions	6.7	6.7
14	Lump sum appropriation	\$ 660,600**	\$ 660,600
15	Fund sources:		
16	Board of osteopathic examiners fund	\$ 660,600	\$ 660,600
17	Performance measures:		
18	Average calendar days to resolve a complaint	315	315
19	Average calendar days to renew a license	5	5
20	Average calendar days to process license	65	65
21	Customer satisfaction rating (Scale 1-8)	6.0	6.0
22	Sec. 72. STATE PARKS BOARD		
23		<u>2007-08</u>	<u>2008-09</u>
24	FTE positions	249.3	249.3
25	Operating lump sum appropriation	\$ 14,222,300	\$ 14,222,300
26	Arizona trail	125,000	125,000
27	Kartchner caverns state park	<u>2,535,800</u>	<u>2,535,800</u>
28	Total appropriation - Arizona state parks		
29	board	\$ 16,883,100	\$ 16,883,100
30	Fund sources:		
31	State general fund	\$ 7,900,000	\$ 8,400,000
32	State parks enhancement fund	7,368,300	6,868,300
33	Law enforcement and boating		
34	safety fund	1,092,700	1,092,700
35	Reservation surcharge revolving		
36	fund	522,100	522,100
37	Performance measures:		
38	Annual park attendance	2,500,000	2,500,000
39	Per cent of park visitors rating their		
40	experience "good" or "excellent"	95	95

1 The appropriation for law enforcement and boating safety fund projects
 2 is an estimate representing all monies distributed to this fund, including
 3 balance forward, revenue and transfers during fiscal year 2007-2008 and
 4 fiscal year 2008-2009. These monies are appropriated to the Arizona state
 5 parks board for the purposes established in section 5-383, Arizona Revised
 6 Statutes. The appropriation shall be adjusted as necessary to reflect actual
 7 final receipts credited to the law enforcement and boating safety fund.

8 All other operating expenditures include \$26,000 from the state parks
 9 enhancement fund for Fool Hollow state park revenue sharing. If receipts to
 10 Fool Hollow exceed \$260,000 in fiscal year 2007-2008 and fiscal year
 11 2008-2009, an additional ten per cent of this increase of Fool Hollow
 12 receipts is appropriated from the state parks enhancement fund to meet the
 13 revenue sharing agreement with the city of Show Low and the United States
 14 forest service.

15 All reservation surcharge revolving fund receipts received by the
 16 Arizona state parks board in excess of \$522,100 in fiscal year 2007-2008 and
 17 fiscal year 2008-2009 are appropriated to the reservation surcharge revolving
 18 fund. Before the expenditure of any reservation surcharge revolving fund
 19 monies in excess of \$522,100 in fiscal year 2007-2008 and fiscal year
 20 2008-2009, the Arizona state parks board shall submit the intended use of the
 21 monies for review by the joint legislative budget committee.

22 During fiscal year 2007-2008 and fiscal year 2008-2009, no more than
 23 \$5,000 each year from appropriated or nonappropriated monies may be used for
 24 the purposes of out-of-state travel expenses by state parks board staff. No
 25 appropriated or nonappropriated monies may be used for out-of-country travel
 26 expenses. The state parks board shall submit by June 30, 2008 and June 30,
 27 2009, a report to the joint legislative budget committee on out-of-state
 28 travel activities and expenditures for that fiscal year.

29 Sec. 73. PERSONNEL BOARD

	<u>2007-08</u>	<u>2008-09</u>
30		
31 FTE positions	3.0	3.0
32 Lump sum appropriation	\$ 357,900	\$ 357,900
33 Fund sources:		
34 State general fund	\$ 357,900	\$ 357,900
35 Performance measures:		
36 Average number of calendar days from		
37 receipt of appeal/complaint to final	120	120
38 Per cent of customers rating service as		
39 "good" or "excellent"	92	92

1	Sec. 74. PHARMACY BOARD		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	18.0	18.0
4	Lump sum appropriation	\$ 2,455,300**	\$ 1,846,500
5	Fund sources:		
6	Arizona state board of pharmacy		
7	fund	\$ 2,455,300	\$ 1,846,500
8	Performance measures:		
9	Average calendar days to resolve a complaint	55	55
10	Customer satisfaction rating (Scale 1-8)	7.8	7.8
11	Sec. 75. BOARD OF PHYSICAL THERAPY EXAMINERS		
12		<u>2007-08</u>	<u>2008-09</u>
13	FTE positions	3.8	3.8
14	Lump sum appropriation	\$ 379,800**	\$ 349,600
15	Fund sources:		
16	Board of physical therapy fund	\$ 379,800	\$ 349,600
17	Performance measures:		
18	Average calendar days to resolve a complaint	150	150
19	Average calendar days to renew a license	15	15
20	Customer satisfaction rating (Scale 1-8)	7.0	7.0
21	Sec. 76. ARIZONA PIONEERS' HOME		
22		<u>2007-08</u>	<u>2008-09</u>
23	FTE positions	115.8	115.8
24	Personal services	\$ 3,669,000	\$ 3,747,800
25	Employee-related expenditures	1,466,800	1,484,200
26	All other operating expenditures	955,800	955,800
27	Prescription drugs	<u>250,000</u>	<u>258,000</u>
28	Total appropriation - pioneers' home	\$ 6,341,600	\$ 6,445,800
29	Fund sources:		
30	State general fund	\$ 1,236,000	\$ 1,236,000
31	Miners' hospital fund	1,685,600	1,685,600
32	State charitable fund	3,420,000	3,524,200
33	Performance measures:		
34	Per cent of residents rating services as		
35	"good" or "excellent"	98	98
36	Earnings on state lands and interest on the investment of the permanent		
37	land funds are appropriated for the pioneers' home and the hospital for		
38	disabled miners in compliance with the enabling act and the Constitution of		
39	Arizona.		
40	The pioneers' home shall not exceed its expenditure authority for		
41	monies appropriated from the miners' hospital for disabled miners land fund.		

1	Sec. 77. STATE BOARD OF PODIATRY EXAMINERS		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	1.0	1.0
4	Lump sum appropriation	\$ 138,700**	\$ 138,800
5	Fund sources:		
6	Podiatry fund	\$ 138,700	\$ 138,800
7	Performance measures:		
8	Average calendar days to resolve a complaint	90	90
9	Average days to process an application		
10	for licensure	3.0	3.0
11	Customer satisfaction rating (Scale 1-8)	6.0	6.0
12	Sec. 78. COMMISSION FOR POSTSECONDARY EDUCATION		
13		<u>2007-08</u>	<u>2008-09</u>
14	FTE positions	10.0	10.0
15	Operating lump sum appropriation	\$ 395,700	\$ 395,700
16	Leveraging educational assistance		
17	partnership (LEAP)	3,364,500	3,364,500
18	Postsecondary education grant program	5,300,000	5,300,000
19	Private postsecondary education		
20	student financial assistance		
21	program	800,000	800,000
22	Family college savings program	150,000	150,000
23	Arizona college and career guide	21,200	21,200
24	Arizona minority educational		
25	policy analysis center	100,000	100,000
26	Twelve plus partnership	130,500	130,500
27	Case managers	<u>100,000</u>	<u>100,000</u>
28	Total appropriation - commission for		
29	postsecondary education	\$ 10,361,900	\$ 10,361,900
30	Fund sources:		
31	State general fund	\$ 7,420,800	\$ 7,420,800
32	Postsecondary education fund	2,941,100	2,941,100
33	Performance measures:		
34	LEAP student grants awarded	4,000	4,000
35	Per cent of customers rating commission		
36	services as "good" or "excellent"	95	95
37	The appropriation for leveraging educational assistance partnership is		
38	provided to create grants under the Arizona state student incentive grant		
39	program administered by the commission for postsecondary education. Grants		
40	may be made according to the provisions of applicable federal and state laws		
41	and regulations relating to this program. Only Arizona residents who		
42	demonstrate financial need and who are attending, on at least a half-time		
43	basis, an approved program at a properly accredited Arizona postsecondary		
44	educational institution are eligible for the program.		

1 Each participating institution, public or private, in order to be
2 eligible to receive state matching funds under the state student incentive
3 grant program for grants to students, shall provide an amount of
4 institutional matching funds that equals the amount of funds provided by the
5 state to the institution for the state student incentive grant program.
6 Administrative expenses incurred by the commission for postsecondary
7 education shall be paid from institutional matching funds and shall not
8 exceed twelve per cent of the funds in fiscal year 2007-2008 and fiscal year
9 2008-2009.

10 Any unencumbered balance remaining in the postsecondary education fund
11 on June 30, 2007 for fiscal year 2007-2008, and June 30, 2008 for fiscal year
12 2008-2009, and all grant monies and other revenues received by the commission
13 for postsecondary education, when paid into the state treasury, are
14 appropriated for the explicit purposes designated by line items and for
15 additional responsibilities prescribed in sections 15-1851 and 15-1852,
16 Arizona Revised Statutes.

17 The appropriations for Arizona college and career guide, Arizona
18 minority educational policy analysis center and twelve plus partnership are
19 estimates representing all monies distributed to this fund, including balance
20 forward, revenue and transfers, during fiscal year 2007-2008 and fiscal year
21 2008-2009. The appropriations shall be adjusted as necessary to reflect
22 actual final receipts credited to the postsecondary education fund.

23 Of the total amount appropriated for the private postsecondary
24 education student financial assistance program, no more than ten per cent may
25 be used for program administrative costs.

26 The commission for postsecondary education shall not transfer funds out
27 of the private postsecondary education student financial assistance program
28 or the postsecondary education grant program line items.

29 Of the \$5,300,000 appropriated for the postsecondary education grant
30 program, up to \$500,000 may be allocated for the administration of the
31 program in fiscal year 2007-2008 and fiscal year 2008-2009.

32 The appropriation for case managers is for two additional FTE positions
33 or for equivalent contracted positions for potential students, applicants and
34 enrolled students who are or were eligible for services as prescribed in
35 section 8-521 or 8-521.01, Arizona Revised Statutes, and who are under
36 twenty-six years of age.

37 Sec. 79. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION

	<u>2007-08</u>	<u>2008-09</u>
FTE positions	4.0	4.0
Lump sum appropriation	\$ 318,400**	\$ 318,400
Fund sources:		
Board for private postsecondary education fund	\$ 318,400	\$ 318,400

1	Performance measures:		
2	Average number of days to pay student		
3	tuition recovery fund claims	90	90
4	Average days to process student record requests	10	10
5	Customer satisfaction rating (Scale 1-8)	7.8	7.8
6	Sec. 80. STATE BOARD OF PSYCHOLOGIST EXAMINERS		
7		<u>2007-08</u>	<u>2008-09</u>
8	FTE positions	4.0	4.0
9	Lump sum appropriation	\$ 374,300**	\$ 381,900
10	Fund sources:		
11	Board of psychologist examiners		
12	fund	\$ 374,300	\$ 381,900
13	Performance measures:		
14	Average calendar days to resolve a complaint	86	86
15	Average days to process an application		
16	for licensure	38	38
17	Customer satisfaction rating (Scale 1-8)	7.2	7.2
18	Sec. 81. DEPARTMENT OF PUBLIC SAFETY		
19		<u>2007-08</u>	
20	FTE positions	2,108.8	
21	Operating lump sum appropriation	\$189,663,700	
22	GIITEM	28,916,600	
23	Highway patrol safety equipment	3,000,000	
24	Motor vehicle fuel	3,935,500	
25	Statewide interoperability design	1,329,400	
26	Sworn officer salary adjustments	<u>2,672,900</u>	
27	Total appropriation - department of public		
28	safety	\$229,518,100	
29	Fund sources:		
30	State general fund	\$168,008,300	
31	Highway user revenue fund	10,000,000	
32	State highway fund	10,000,000	
33	Arizona highway patrol fund	20,425,900	
34	Criminal justice enhancement fund	3,188,300	
35	Safety enforcement and transportation		
36	infrastructure fund	1,481,000	
37	Crime laboratory assessment fund	5,721,400	
38	Arizona deoxyribonucleic acid		
39	identification system fund	3,670,200	
40	Automated fingerprint identification		
41	system fund	3,285,800	
42	Motorcycle safety fund	205,000	
43	Risk management fund	296,200	
44	Parity compensation fund	3,236,000	

1 Performance measures:

2 Per cent of scientific analysis cases over	
3 30 calendar days old	6.0
4 Per cent of system reliability of the Arizona	
5 automated fingerprint identification network	98
6 Clandestine labs dismantled	70

7 Of the \$28,916,600 appropriated to GIITEM, \$10,000,000 is to be used
8 for the multijurisdictional task force known as the gang and immigration
9 intelligence team enforcement mission (GIITEM). If the department of public
10 safety uses any of the monies appropriated for GIITEM for an agreement or
11 contract with a city, town, county or other entity to provide services for
12 the GIITEM program, the city, town, county or other entity shall provide not
13 less than fifteen per cent of the cost of the services and the department of
14 public safety shall provide not more than eighty-five per cent of the cost
15 for each agreement or contract. The distribution of these monies are
16 contingent upon the department of public safety entering into a 287
17 memorandum of understanding with the United States department of homeland
18 security. The \$10,000,000 is to be used for functions relating to
19 immigration enforcement, including border security and border personnel. As
20 state and local law enforcement officers trained pursuant to a 287 memorandum
21 of understanding come into contact with gang or suspected gang members and
22 there is reason to believe that the individual has entered or remained in the
23 United States illegally, the use of these monies is contingent upon law
24 enforcement agencies verifying the immigration status of these individuals and
25 taking appropriate action that will not jeopardize an ongoing investigation or
26 damage an informant relationship with a law enforcement agency. The
27 \$10,000,000 is exempt from the provisions of section 35-190, Arizona Revised
28 Statutes, relating to the lapsing of appropriations, except that all
29 unexpended and unencumbered monies shall revert on June 30, 2009. The
30 department shall submit an expenditure plan to the joint legislative budget
31 committee for review prior to expending any monies not identified in the
32 department's previous expenditure plans. Within thirty days after the last
33 day of each calendar quarter, the department shall provide a summary of
34 quarterly and year-to-date expenditures and progress to the joint legislative
35 budget committee.

36 Of the \$28,916,600 appropriated to GIITEM, \$9,500,000 is to be used for
37 one hundred department of public safety GIITEM personnel located anywhere
38 within the state. The additional staff shall include at least fifty sworn
39 DPS positions to be used for immigration enforcement and border security and
40 up to fifty DPS positions to expand GIITEM's public awareness, investigation,
41 and intelligence efforts. The additional positions would assist GIITEM in
42 various efforts including, but not limited to: 1) arresting illegal aliens,
43 2) responding to and investigating complaints of employers hiring illegal
44 aliens, 3) investigating crimes of identity theft in the context of hiring
45 illegal aliens and the unlawful entry into the country, and 4) taking

1 enforcement action, as permitted under federal law and article VI of the U.S.
2 Constitution. As state and local law enforcement officers trained pursuant
3 to a 287 memorandum of understanding come into contact with gang or suspected
4 gang members and there is reason to believe that the individual has entered or
5 remained in the United States illegally, the use of these monies is contingent
6 upon law enforcement agencies verifying the immigration status of these
7 individuals and taking appropriate action that will not jeopardize an ongoing
8 investigation or damage an informant relationship with a law enforcement
9 agency. The department shall submit an expenditure plan to the joint
10 legislative budget committee for review prior to expending any monies not
11 identified in the department's previous expenditure plans. Within thirty
12 days after the last day of each calendar quarter, the department shall
13 provide a summary of quarterly and year-to-date expenditures and progress to
14 the joint legislative budget committee.

15 The department of public safety shall report quarterly to the joint
16 legislative budget committee on sworn personnel staffing levels. The report
17 shall identify the number of filled and appropriated positions by job
18 classification and, if applicable, the program to which the position is
19 assigned.

20 Of the \$2,672,900 for sworn officer salary adjustments, \$2,000,000 from
21 the general fund shall be used to provide salary adjustments for the officer
22 I, officer II, and officer III classifications. The distribution of the
23 \$672,900 from the parity compensation fund shall be determined by the
24 department. DPS shall provide a report indicating how the monies were
25 allocated to the joint legislative budget committee by September 30, 2007.
26 The report should include a salary comparison, by classification, based on
27 both the five highest paying law enforcement agencies in the state and those
28 that employ in excess of one hundred sworn positions.

29 Any monies remaining in the department of public safety joint account
30 on June 30, 2008 shall revert to the funds from which they were appropriated.
31 The reverted monies shall be returned in direct proportion to the amounts
32 appropriated.

33 It is the intent of the legislature that \$709,000 from the
34 anti-racketeering fund in fiscal year 2007-2008 be used for the personal
35 computer replacement program.

36 It is the intent of the legislature that \$668,700 from the
37 anti-racketeering fund in fiscal year 2007-2008 be used for the tri-agency
38 disaster recovery system.

39 It is the intent of the legislature that \$2,200,000 from the
40 anti-racketeering fund in fiscal year 2007-2008 be used for the detailed
41 design of the long-term interoperability solution.

42 Prior to expending the \$2,200,000 increase for detailed design of the
43 statewide interoperability solution, the department shall submit an
44 expenditure plan for review by the joint legislative budget committee.

1	Sec. 82. ARIZONA DEPARTMENT OF RACING		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	46.5	46.5
4	Lump sum appropriation	\$ 3,264,900	\$ 3,264,900
5	Fund sources:		
6	State general fund	\$ 2,747,900	\$ 2,747,900
7	County fair racing fund	450,000	450,000
8	Racing administration fund	67,000	67,000
9	Performance measures:		
10	Per cent of horse racing customers reporting		
11	"very good" or "excellent" service	95	95
12	Per cent of greyhound racing customers		
13	reporting "very good" or "excellent" service	99	99
14	Per cent of positive horse drug tests	1.2	1.2
15	Per cent of positive greyhound drug tests	0.02	0.02
16	The department of racing shall report to the president of the senate,		
17	the speaker of the house of representatives, the chairpersons of the senate		
18	and house of representatives appropriations committees and the director of		
19	the joint legislative budget committee on an annual basis on boxing related		
20	activities. The report shall contain the number of boxing events, gross		
21	receipts, state revenues and license fee collections.		
22	Sec. 83. RADIATION REGULATORY AGENCY		
23		<u>2007-08</u>	<u>2008-09</u>
24	FTE positions	31.0	32.0
25	Lump sum appropriation	\$ 1,875,800	\$ 1,910,100
26	Fund sources:		
27	State general fund	\$ 1,593,900	\$ 1,628,200
28	State radiologic technologist		
29	certification fund	281,900	281,900
30	Performance measures:		
31	Per cent of x-ray tubes overdue for inspection	40	40
32	Radiological incidents (non-Palo Verde related)	9	9
33	Radiological incidents (Palo Verde)	0	0
34	Customer satisfaction rating (Scale 1-8)	7.5	7.5
35	By November 1, 2007 the radiation regulatory agency shall submit a		
36	report to the joint legislative budget committee detailing the fee increases		
37	that would be necessary to make the agency self-supporting.		
38	Sec. 84. GOVERNOR - ARIZONA RANGERS' PENSIONS		
39		<u>2007-08</u>	<u>2008-09</u>
40	Lump sum appropriation	\$ 13,400	\$ 13,700
41	Fund sources:		
42	State general fund	\$ 13,400	\$ 13,700

1	Sec. 85. REAL ESTATE DEPARTMENT		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	72.4	74.4
4	Lump sum appropriation	\$ 4,363,000	\$ 4,438,500
5	Fund sources:		
6	State general fund	\$ 4,363,000	\$ 4,438,500
7	Performance measures:		
8	Average days to issue a public report	60.0	60.0
9	Average days from receipt to issuance of		
10	license reports	9.0	9.0
11	Per cent of surveys from licensees indicating		
12	"good" to "excellent" service	95.0	95.0
13	Average days from receipt of complaint to		
14	resolution	130	130
15	Sec. 86. RESIDENTIAL UTILITY CONSUMER OFFICE		
16		<u>2007-08</u>	<u>2008-09</u>
17	FTE positions	12.0	12.0
18	Operating lump sum appropriation	\$ 1,128,900	\$ 1,128,900
19	Professional witnesses	<u>145,000*</u>	<u>145,000*</u>
20	Total appropriation - residential utility		
21	consumer office	\$ 1,273,900	\$ 1,273,900
22	Fund sources:		
23	Residential utility consumer office		
24	revolving fund	\$ 1,273,900	\$ 1,273,900
25	Performance measures:		
26	Per cent variance between utilities'		
27	requests for rate increases and the		
28	actual ACC authorized rates	(12.5)	(12.5)
29	Sec. 87. BOARD OF RESPIRATORY CARE EXAMINERS		
30		<u>2007-08</u>	<u>2008-09</u>
31	FTE positions	4.0	4.0
32	Lump sum appropriation	\$ 253,500**	\$ 251,800
33	Fund sources:		
34	Board of respiratory care		
35	examiners fund	\$ 253,500	\$ 251,800
36	Performance measures:		
37	Average calendar days to resolve a complaint	85	85
38	Customer satisfaction rating (Scale 1-8)	6.8	6.8
39	Sec. 88. STATE RETIREMENT SYSTEM		
40		<u>2007-08</u>	<u>2008-09</u>
41	FTE positions	235.0	235.0
42	Operating lump sum appropriation	\$ 19,486,500	\$ 20,165,600
43	Information technology plan	<u>2,747,100</u>	<u>2,747,100</u>
44	Total appropriation - Arizona state		
45	retirement system	\$ 22,233,600	\$ 22,912,700

1	Fund sources:		
2	State retirement system		
3	administration account	\$ 19,433,600	\$ 20,112,700
4	Long-term disability		
5	administration account	2,800,000	2,800,000
6	Performance measures:		
7	Per cent of members satisfied with ASRS		
8	telephone services	96	96
9	Per cent of investment returns	8.0	8.0
10	Per cent of benefit payment calculations		
11	that are accurate as measured by quality		
12	control sample	99.5	99.5

13 Before the expenditure of the appropriation of \$2,747,100 in fiscal
 14 year 2007-2008 and fiscal year 2008-2009 and the hiring of FTE positions
 15 appropriated for the agency's information technology plan, the retirement
 16 system shall present an expenditure plan for review by the joint legislative
 17 budget committee staff. The expenditure plan shall include current year and
 18 prior years' appropriations to be spent in the current year and prior year
 19 appropriation balances. The agency shall provide annual reports to the joint
 20 legislative budget committee staff regarding the expenditures and project
 21 tasks completed to date. Actual divestiture of monies from the retirement
 22 fund for expenditure shall occur following the joint legislative budget
 23 committee staff review of the agency's information technology plan.

24 The appropriation includes \$678,800 in fiscal year 2007-2008 and
 25 \$1,154,800 in fiscal year 2008-2009 for technology upgrades. These monies
 26 shall not be spent and will revert to the Arizona state retirement system
 27 account if the information technology authorization committee does not
 28 approve the project investment justification for technology upgrades.

29 Sec. 89. DEPARTMENT OF REVENUE

30		<u>2007-08</u>	<u>2008-09</u>
31	FTE positions	1,164.0	1,164.0
32	Operating lump sum appropriation	\$ 72,297,900	\$ 70,656,100
33	BRITS operational support	2,223,700	2,223,700
34	Unclaimed property administration	<u>1,629,000</u>	<u>1,608,600</u>
35	Total appropriation - department of revenue	\$ 76,150,600	\$ 74,488,400
36	Fund sources:		
37	State general fund	\$ 73,487,500	\$ 71,819,200
38	Estate and unclaimed property fund	1,629,000	1,608,600
39	Liability setoff fund	419,600	413,800
40	Tobacco tax and health care fund	614,500	646,800

1	Performance measures:		
2	Average calendar days to refund income tax	12	12
3	Per cent of written taxpayer inquiries		
4	answered within 30 calendar days		
5	of receipt	65	65
6	Customer satisfaction rating for taxpayer		
7	information section (Scale 1-5)	4.7	4.7

8 The department shall provide the department's general fund revenue
9 enforcement goals for fiscal year 2007-2008 for review by the joint
10 legislative budget committee by July 31, 2007, and for fiscal year 2008-2009
11 by July 31, 2008. The department shall provide an annual progress report to
12 the joint legislative budget committee as to the effectiveness of the
13 department's overall enforcement and collections program for fiscal year
14 2007-2008 by July 31, 2008 and for fiscal year 2008-2009 by July 31, 2009.
15 The reports shall include a comparison of projected and actual general fund
16 revenue enforcement collections for fiscal year 2007-2008 and fiscal year
17 2008-2009 respectively.

18 An amount equal to 12.5 per cent of the dollar value of the properties
19 recovered by unclaimed property contract auditors is appropriated from the
20 estate and unclaimed property fund to pay unclaimed property contract auditor
21 fees in accordance with section 44-313, Arizona Revised Statutes, requiring
22 that administrative expenses be appropriated. This amount is currently
23 estimated at \$1,770,000 in fiscal year 2007-2008 and fiscal year 2008-2009.
24 Sec. 90. SCHOOL FACILITIES BOARD

25		<u>2007-08</u>
26	FTE positions	20.0
27	Operating lump sum appropriation	\$ 1,856,900
28	New school facilities debt service	71,967,200
29	New school facilities	370,000,000
30	Building renewal	<u>86,283,500</u>
31	Total appropriation - school facilities	
32	board	\$530,107,600
33	Fund sources:	
34	State general fund	\$530,107,600
35	Performance measures:	
36	Per cent of school districts inspected	
37	meeting minimum adequacy standards	100
38	Per cent of school districts rating the	
39	board's services as "good" or "excellent"	
40	in an annual survey	90

1	Sec. 91. DEPARTMENT OF STATE - SECRETARY OF STATE		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	48.3	48.3
4	Operating lump sum appropriation	\$ 2,755,400	\$ 2,713,800
5	Election services	4,361,000	4,361,000
6	Help America vote act	<u>15,000,000</u>	<u>4,000,000</u>
7	Total appropriation - secretary of state	\$ 22,116,400	\$ 11,074,800
8	Fund sources:		
9	State general fund	\$ 7,021,600	\$ 6,980,000
10	Election systems improvement fund	15,000,000	4,000,000
11	Professional employer organization		
12	fund	94,800	94,800
13	Performance measures:		
14	Per cent of documents returned to public		
15	filer in 48 hours (business services		
16	division)	70	70
17	Per cent of election law complaints reviewed		
18	and acted on within 7 days	100	100
19	The secretary of state shall report to the joint legislative budget		
20	committee and the governor's office of strategic planning and budgeting by		
21	December 31, 2007 the actual amount and purpose of expenditures from the		
22	election systems improvement fund in fiscal year 2006-2007 and the expected		
23	amount and purpose of expenditures from the fund for fiscal years 2007-2008		
24	and 2008-2009.		
25	Any transfer to or from the amount appropriated for the election		
26	services line item shall require review by the joint legislative budget		
27	committee.		
28	The fiscal year 2007-2008 appropriation from the election systems		
29	improvement fund for HAVA is available for use pursuant to section 35-143.01,		
30	subsection C, Arizona Revised Statutes, and is exempt from the provisions of		
31	section 35-190, Arizona Revised Statutes, relating to lapsing of		
32	appropriations, until June 30, 2009.		
33	Sec. 92. STATE BOARDS' OFFICE		
34		<u>2007-08</u>	<u>2008-09</u>
35	FTE positions	3.0	3.0
36	Lump sum appropriation	\$ 260,000**	\$ 260,000
37	Fund sources:		
38	Special services revolving fund	\$ 260,000	\$ 260,000
39	Performance measures:		
40	Overall customer satisfaction rating		
41	(Scale 1-8)	7.1	7.1

1	Sec. 93. STRUCTURAL PEST CONTROL COMMISSION		
2		<u>2007-08</u>	<u>2008-09</u>
3	FTE positions	40.0	41.0
4	Lump sum appropriation	\$ 2,770,200**	\$ 2,668,900
5	Fund sources:		
6	Structural pest control commission		
7	fund	\$ 2,770,200	\$ 2,668,900
8	Performance measures:		
9	Average calendar days to resolve a complaint	240	240
10	Average calendar days to renew a license	20	20
11	Customer satisfaction rating (Scale 1-8)	6.8	6.8
12	Sec. 94. STATE BOARD OF TAX APPEALS		
13		<u>2007-08</u>	<u>2008-09</u>
14	FTE positions	4.0	4.0
15	Lump sum appropriation	\$ 305,200	\$ 305,200
16	Fund sources:		
17	State general fund	\$ 305,200	\$ 305,200
18	Performance measures:		
19	Months to process appeal	4.5	4.5
20	Per cent of rulings upheld in tax courts	90	90
21	Customer satisfaction rating (Scale 1-8)	7.0	7.0
22	Sec. 95. BOARD OF TECHNICAL REGISTRATION		
23		<u>2007-08</u>	<u>2008-09</u>
24	FTE positions	23.0	23.0
25	Lump sum appropriation	\$ 1,712,400**	\$ 1,700,200
26	Fund sources:		
27	Technical registration fund	\$ 1,712,400	\$ 1,700,200
28	Performance measures:		
29	Average calendar days to resolve a complaint	285	285
30	Average calendar days to process an initial		
31	application	85	85
32	Customer satisfaction rating (Scale 1-8)	7.5	7.5
33	Sec. 96. DEPARTMENT OF TRANSPORTATION		
34		<u>2007-08</u>	
35	<u>Administration</u>		
36	FTE positions	412.0	
37	Operating lump sum appropriation	\$ 41,141,100	
38	Attorney general legal services	<u>2,737,700</u>	
39	Total appropriation - administration	\$ 43,878,800	
40	Fund sources:		
41	State highway fund	\$ 43,878,800	

1	<u>Highways</u>	
2	FTE positions	2,548.0
3	Operating lump sum appropriation	\$133,825,100
4	Highway maintenance	126,991,600
5	Vehicles and heavy equipment	37,534,200
6	Vehicles and heavy equipment	
7	fuel surcharge	<u>2,000,000</u>
8	Total - highways	\$300,350,900
9	Fund sources:	
10	State general fund	\$ 82,900
11	Safety enforcement and	
12	transportation	
13	infrastructure fund	558,700
14	State highway fund	261,175,100
15	Transportation department	
16	equipment fund	38,534,200
17	Performance measures:	
18	Per cent of Maricopa regional freeway	
19	miles completed for the original	
20	twenty-year half cent sales tax	
21	ending December 31, 2005	100
22	Per cent of Maricopa regional freeway	
23	travel lane miles completed for	
24	the twenty-year half cent sales tax	
25	extension effective January 1, 2006	0.7
26	Per cent of overall highway construction	
27	projects completed on schedule	97

28 Of the total amount appropriated for the highways program, \$126,991,600
 29 in fiscal year 2007-2008 for highway maintenance is exempt from the
 30 provisions of section 35-190, Arizona Revised Statutes, relating to lapsing
 31 of appropriations, except that all unexpended and unencumbered monies of the
 32 appropriation revert to their fund of origin, either the state highway fund
 33 or the safety enforcement and transportation infrastructure fund, on August
 34 31, 2008.

35 Of the total amount appropriated for the highways program, \$2,663,000
 36 in fiscal year 2007-2008 is for performance pay for participants in the
 37 department's engineer pay plan. The department shall establish performance
 38 measures with measurable quality and quantity objectives for participants in
 39 the engineer pay plan that are designed to result in increased productivity
 40 and improved quality of the delivery of state services or products. The
 41 department shall either apply these performance measures to the entire
 42 engineer pay plan or apply relevant performance measures to subsets within
 43 the engineering pay plan either on a group or individual basis. Every
 44 quarter or month, the department shall review the participants' performance
 45 to determine if the performance measures were met. If the performance

1 measures are met or exceeded, the applicable participants are entitled to
 2 receive the performance pay for the corresponding quarter.

3	<u>Motor vehicle</u>	
4	FTE positions	1,751.0
5	Operating lump sum appropriation	\$104,995,400
6	Abandoned vehicle administration	999,000
7	Fraud investigation	993,400
8	New third party funding	<u>733,700</u>
9	Total appropriation - motor vehicle	\$107,721,500
10	Fund sources:	
11	Air quality fund	\$ 68,600
12	Driving under the influence	
13	abatement fund	136,900
14	Highway user revenue fund	607,400
15	Motor vehicle liability insurance	
16	enforcement fund	2,383,900
17	Safety enforcement and	
18	transportation infrastructure	
19	fund	1,584,800
20	State highway fund	101,179,600
21	Vehicle inspection and title	
22	enforcement fund	<u>1,760,300</u>
23	Performance measures:	
24	Average office wait time from arriving at	
25	MVD office to receiving numbered ticket	
26	(minutes)	2.0
27	Average office wait time from receiving	
28	numbered ticket to arriving at counter	
29	(minutes)	15.0
30	Per cent of office customers rating	
31	services "good" or "excellent"	83
32	Average telephone wait time to speak	
33	to an MVD employee (minutes)	15.2
34	Per cent of alternative vehicle	
35	registration renewal methods	
36	(mail, internet, third party)	80

37 The department shall submit semiannual progress reports for review by
 38 the joint legislative budget committee of the progress in increasing third
 39 party transactions, the status of motor vehicle division third party
 40 staffing, workload and quality assurance backlog. The semiannual progress
 41 report shall also include the number of existing third parties and the number
 42 of entities on any third party waiting lists. The semiannual report shall
 43 address title and registration, vehicle identification number inspection,
 44 commercial driver license examination, noncommercial driver license
 45 examination, commercial driver training school, noncommercial driver training

1 school and traffic survival school. The reports are due by January 30, 2008
2 and July 30, 2008.

3 The department shall not transfer any funds to or from the motor
4 vehicle division without the review by the joint legislative budget
5 committee.

6 The department of transportation shall submit quarterly progress
7 reports to the joint legislative budget committee on their progress in
8 improving motor vehicle division wait times and vehicle registration renewal
9 by mail turnaround times. The reports shall document the monthly averages
10 for the total time customers spent at the office and the reasons for changes
11 in these times for each motor vehicle division field office equipped with
12 electronic customer monitoring devices. The reports shall document the wait
13 time to get a numbered ticket from a motor vehicle division employee, the
14 time between receiving the numbered ticket and arriving at the counter and
15 the transaction time at the counter. The reports shall document the number
16 of customers who arrived at motor vehicle division offices but who did not
17 complete their transaction, and the motor vehicle division's average
18 turnaround time for vehicle registration renewal by mail. The reports shall
19 include details by office for all offices in the metropolitan areas which are
20 defined to include all of Maricopa county, Apache Junction, Tucson and
21 Flagstaff, and summarized for the nonmetropolitan areas. In addition to
22 documenting wait times, the reports shall document the number of primary
23 transactions (driver licenses, titles and vehicle registrations) and
24 secondary transactions (all others), the number of counter positions assigned
25 and filled and the productivity levels (the average number of primary
26 transactions completed by staff and the average number of secondary
27 transactions completed by staff). The reports shall document the number of
28 primary and secondary transactions completed by third parties by metropolitan
29 and nonmetropolitan area offices. The reports are due within thirty days
30 after the end of each calendar quarter.

31 Aeronautics

32 FTE positions	33.0
33 Lump sum appropriation	\$ 2,567,600
34 Fund sources:	
35 State aviation fund	\$ 2,567,600
36 Performance measures:	
37 Per cent of airport development projects	
38 completed on schedule	100
39 Total appropriation - Arizona department	
40 of transportation	<hr/> \$454,518,800

1	Fund sources:	
2	State general fund	\$ 82,900
3	Air quality fund	68,600
4	Driving under the influence	
5	abatement fund	136,900
6	Highway user revenue fund	607,400
7	Motor vehicle liability	
8	insurance enforcement fund	2,383,900
9	Safety enforcement and	
10	transportation infrastructure	
11	fund	2,143,500
12	State aviation fund	2,567,600
13	State highway fund	406,233,500
14	Transportation department	
15	equipment fund	38,534,200
16	Vehicle inspection and title	
17	enforcement fund	1,760,300

18 Of the \$454,518,800 appropriation to the department of transportation,
 19 the department of transportation shall pay \$16,773,800 in fiscal year
 20 2007-2008 from all funds to the department of administration for its risk
 21 management payment.

22 Sec. 97. STATE TREASURER

23		<u>2007-08</u>
24	FTE positions	34.4
25	Operating lump sum appropriation	\$ 3,273,900
26	Justice of the peace salaries	<u>3,122,500</u>
27	Total appropriation - state treasurer	\$ 6,396,400
28	Fund sources:	
29	State general fund	\$ 6,362,600
30	State treasurer's management fund	33,800

31 Performance measures:

32	Ratio of yield of LGIP to Standard	
33	and Poor's LGIP index	1.2
34	Ratio of yield of endowment pools to	
35	Big Bond Index	1.1
36	Customer satisfaction rating for local	
37	government investment pool participants	
38	(Scale 1-8)	7.4

39 Before changing the eight basis point investment management fee, the
 40 treasurer shall submit the proposed change and its fiscal impact for review
 41 by the joint legislative budget committee.

1	Sec. 98. ARIZONA BOARD OF REGENTS	
2		<u>2007-08</u>
3	FTE positions	27.9
4	Operating lump sum appropriation	\$ 2,322,000
5	Arizona teachers incentive program	90,000
6	Arizona transfer articulation	
7	support system	213,700
8	Student financial assistance	10,041,200
9	Math and science teacher initiative	2,250,000
10	Western interstate commission	
11	office	116,000
12	WICHE student subsidies	<u>4,115,000</u>
13	Total appropriation - Arizona board of	
14	regents	\$ 19,147,900
15	Fund sources:	
16	State general fund	\$ 19,147,900
17	Performance measures:	
18	Per cent of graduating seniors who rate	
19	their overall university experience	
20	as "good"/"excellent"	95
21	Per cent of full-time undergraduate students	
22	enrolled per semester in three or more	
23	primary courses with ranked faculty	77
24	Per cent of full-time undergraduate students	
25	enrolled per semester in three or more	
26	primary courses with professors of any rank	40
27	Average number of years taken to graduate	
28	for students who began as freshmen	4.5

29 The \$2,250,000 appropriation from the state general fund for the math
30 and science teacher initiative shall be deposited into the mathematics,
31 science and special education teacher student loan fund if established by the
32 forty-eighth legislature, first regular session. Of this amount, the Arizona
33 board of regents shall use \$1,750,000 for student loans to eligible
34 prospective math and science teachers and \$500,000 for student loans to
35 eligible prospective special education teachers. The Arizona board of
36 regents may retain up to \$100,000 of the appropriation for the math and
37 science teacher initiative for administrative costs directly incurred by the
38 board.

39 Within ten days of the acceptance of the universities' semiannual all
40 funds budget reports, the Arizona board of regents shall submit an
41 expenditure plan for review by the joint legislative budget committee. The
42 expenditure plan shall include any tuition revenue amounts that are greater
43 than the appropriated amounts and all retained tuition and fee revenue
44 expenditures for the current fiscal year. The additional revenue expenditure
45 plan shall provide as much detail as the university budget requests.

1 On or before December 1 of each year, the Arizona board of regents
 2 shall submit a student retention report in a format agreed upon by the joint
 3 legislative budget committee, the office of strategic planning and budgeting
 4 and the universities to the president of the senate, speaker of the house of
 5 representatives, the governor, the joint legislative budget committee and the
 6 office of strategic planning and budgeting. The report shall provide for
 7 each university the number of existing full-time positions dedicated to
 8 student retention, the number of new hires and other related expenditures
 9 funded through legislative appropriations dedicated to student retention, and
 10 freshman and sophomore retention rates.

11 Sec. 99. ARIZONA STATE UNIVERSITY

	<u>2007-08</u>
12	
13	<u>Main campus</u>
14	FTE positions 7,106.6
15	Operating lump sum appropriation \$540,862,600
16	Biomedical informatics 3,017,800
17	Student and faculty retention 15,064,000
18	Downtown Phoenix campus 47,234,200
19	Phoenix biomedical campus
20	schematic design <u>5,250,000</u>
21	Total - Main campus \$611,428,600
22	Fund sources:
23	State general fund \$386,424,100
24	University collections fund 225,004,500
25	Performance measures:
26	Per cent of graduating seniors who rate
27	their overall university experience
28	as "good"/"excellent" 95
29	Per cent of full-time undergraduate
30	students enrolled per semester in three or
31	more primary courses with ranked faculty 72
32	Per cent of full-time undergraduate students
33	enrolled per semester in three or more
34	primary courses with professors of any rank 40
35	Average number of years taken to graduate
36	for students who began as freshmen 4.6
37	External dollars for research and creative
38	activity \$205,000,000
39	<u>East campus</u>
40	FTE positions 532.5
41	Operating lump sum appropriation \$ 42,763,300
42	TRIF lease-purchase payment <u>2,000,000</u>
43	Total - East campus \$ 44,763,300

1	Fund sources:	
2	State general fund	\$ 23,778,500
3	University collections fund	18,984,800
4	Technology and research initiative	
5	fund	2,000,000
6	Performance measures:	
7	Per cent of graduating seniors who rate	
8	their overall university experience	
9	as "good"/"excellent"	96
10	Per cent of full-time undergraduate students	
11	enrolled per semester in three or more	
12	primary courses with ranked faculty	68
13	Per cent of full-time undergraduate students	
14	enrolled per semester in three or more	
15	primary courses with professors of any rank	40
16	Average number of years taken to graduate	
17	for students who began as freshmen	4.8
18	<u>West campus</u>	
19	FTE positions	845.9
20	Operating lump sum appropriation	\$ 73,571,600
21	TRIF lease-purchase payment	<u>1,600,000</u>
22	Total - West campus	\$ 75,171,600
23	Fund sources:	
24	State general fund	\$ 51,719,500
25	University collections fund	21,852,100
26	Technology and research initiative	
27	fund	1,600,000
28	Performance measures:	
29	Per cent of graduating seniors who rate	
30	their overall university experience	
31	as "good"/"excellent"	98
32	Per cent of full-time undergraduate students	
33	enrolled per semester in three or more	
34	primary courses with ranked faculty	72
35	Per cent of full-time undergraduate students	
36	enrolled per semester in three or more	
37	primary courses with professors of any rank	45
38	Average number of years taken to graduate for	
39	students who began as freshmen	4.5
40	Total appropriation - Arizona state	
41	university	<u>\$731,363,500</u>

1 Fund sources:
2 State general fund \$461,922,100
3 University collections fund 265,841,400
4 Technology and research initiative
5 fund 3,600,000

6 The state general fund appropriations shall not be used for alumni
7 association funding.

8 The appropriated monies are not to be used for scholarships.

9 The appropriated monies are not to be used to support any student
10 newspaper.

11 The appropriated monies shall not be used by the Arizona state
12 university college of law legal clinic for any lawsuits involving inmates of
13 the state department of corrections in which the state is the adverse party.

14 University budget requests shall provide as much detail for the
15 downtown Phoenix campus as for any other budget program. Notwithstanding
16 section 35-173, subsection C, Arizona Revised Statutes, any proposed transfer
17 to or from the amounts appropriated for the downtown Phoenix campus line item
18 shall require prior review by the joint legislative budget committee.

19 Any unencumbered balances remaining in the collections account on June
20 30, 2007 and all collections received by the university during the fiscal
21 year, when paid into the state treasury, are appropriated for operating
22 expenditures, capital outlay and fixed charges. Earnings on state lands and
23 interest on the investment of the permanent land funds are appropriated in
24 compliance with the enabling act and the Constitution of Arizona. No part of
25 this appropriation may be expended for supplemental life insurance or
26 supplemental retirement. Receipts from summer session, when deposited in the
27 state treasury, together with any unencumbered balance in the summer session
28 account, are appropriated for the purpose of conducting summer sessions but
29 are excluded from the amounts enumerated above.

30 Arizona State University and the University of Arizona shall jointly
31 submit an expenditure plan before expenditure of the amounts appropriated for
32 the Phoenix biomedical campus schematic design to the joint committee on
33 capital review for its review.

34 Arizona State University and the University of Arizona shall jointly
35 submit the scope, purpose and estimated cost of the Phoenix biomedical campus
36 to the joint committee on capital review for its review after schematic
37 design is complete.

38 Sec. 100. NORTHERN ARIZONA UNIVERSITY

39 2007-08
40 FTE positions 2,174.8
41 Operating lump sum appropriation \$186,972,200
42 NAU - Yuma 2,383,900
43 Student and faculty retention 4,736,000
44 Total appropriation - Northern Arizona
45 university \$194,092,100

1	Fund sources:	
2	State general fund	\$148,807,700
3	University collections fund	45,284,400
4	Performance measures:	
5	Per cent of graduating seniors who rate	
6	their overall university experience	
7	as "good"/"excellent"	98
8	Per cent of full-time undergraduate	
9	students enrolled per semester in	
10	three or more primary courses with	
11	ranked faculty	93
12	Per cent of full-time undergraduate students	
13	enrolled per semester in three or more	
14	primary courses with professors of any rank	60
15	Average number of years taken to graduate for	
16	students who began as freshmen	4.5
17	The state general fund appropriations shall not be used for alumni	
18	association funding.	
19	The appropriated monies are not to be used for scholarships.	
20	The appropriated monies are not to be used to support any student	
21	newspaper.	
22	Any unencumbered balances remaining in the collections account on June	
23	30, 2007 and all collections received by the university during the fiscal	
24	year, when paid into the state treasury, are appropriated for operating	
25	expenditures, capital outlay and fixed charges. Earnings on state lands and	
26	interest on the investment of the permanent land funds are appropriated in	
27	compliance with the enabling act and the Constitution of Arizona. No part of	
28	this appropriation may be expended for supplemental life insurance or	
29	supplemental retirement. Receipts from summer session, when deposited in the	
30	state treasury, together with any unencumbered balance in the summer session	
31	account, are appropriated for the purpose of conducting summer sessions but	
32	are excluded from the amounts enumerated above.	
33	Sec. 101. UNIVERSITY OF ARIZONA	
34		<u>2007-08</u>
35	<u>Main campus</u>	
36	FTE positions	5,667.8
37	Operating lump sum appropriation	\$377,318,600
38	Agriculture	42,256,900
39	Phoenix biomedical campus	
40	schematic design	5,250,000
41	Student and faculty retention	10,000,000
42	Arizona cooperative extension	11,728,500
43	Sierra Vista campus	<u>5,593,300</u>
44	Total - Main campus	\$452,147,300

1	Fund sources:	
2	State general fund	\$334,480,100
3	University collections fund	117,667,200
4	Performance measures:	
5	Per cent of graduating seniors who rate	
6	their overall university experience	
7	as "good"/"excellent"	96
8	Per cent of full-time undergraduate students	
9	enrolled per semester in three or more	
10	primary courses with ranked faculty	80
11	Per cent of full-time undergraduate students	
12	enrolled per semester in three or more	
13	primary courses with professors of any rank	55
14	Average number of years taken to graduate	
15	for students who began as freshmen	4.6
16	<u>Health sciences center</u>	
17	FTE positions	967.2
18	Operating lump sum appropriation	\$ 67,550,300
19	Clinical rural rotation	504,100
20	Clinical teaching support	9,812,200
21	Liver research institute	525,200
22	Phoenix medical campus	12,009,600
23	Telemedicine network	<u>2,213,100</u>
24	Total - health sciences center	\$ 92,614,500
25	Fund sources:	
26	State general fund	\$ 78,258,400
27	University collections fund	14,356,100
28	Performance measures:	
29	Per cent of graduating seniors who rate	
30	their overall university experience	
31	as "good"/"excellent"	99
32	Total appropriation - university of	
33	Arizona	<u>\$544,761,800</u>
34	Fund sources:	
35	State general fund	\$412,738,500
36	University collections fund	132,023,300
37	The state general fund appropriations shall not be used for alumni	
38	association funding.	
39	The appropriated monies are not to be used for scholarships.	
40	The appropriated monies are not to be used to support any student	
41	newspaper.	

1 Any unencumbered balances remaining in the collections account on June
 2 30, 2007 and all collections received by the university during the fiscal
 3 year, when paid into the state treasury, are appropriated for operating
 4 expenditures, capital outlay and fixed charges. Earnings on state lands and
 5 interest on the investment of the permanent land funds are appropriated in
 6 compliance with the enabling act and the Constitution of Arizona. No part of
 7 this appropriation may be expended for supplemental life insurance or
 8 supplemental retirement. Receipts from summer session, when deposited in the
 9 state treasury, together with any unencumbered balance in the summer session
 10 account, are appropriated for the purpose of conducting summer sessions but
 11 are excluded from the amounts enumerated above.

12 University budget requests shall provide as much detail for the Phoenix
 13 medical campus as for any other budget program. Notwithstanding section
 14 35-173, subsection C, Arizona Revised Statutes, any proposed transfer to or
 15 from the amounts appropriated for the Phoenix medical campus line item shall
 16 require prior review by the joint legislative budget committee.

17 The university of Arizona and the Arizona board of regents shall report
 18 to the joint legislative budget committee, on August 15, 2007 and February
 19 15, 2008, updates concerning the formal relationship between the Phoenix
 20 medical campus and area hospitals, partnerships with private medical schools,
 21 the availability of clinical rotations for medical students in this state,
 22 the creation of new residency positions in this state, the expansion of
 23 medical services in this state's rural areas, the attraction of out-of-state
 24 medical students to practice in this state and any other strategies being
 25 considered or employed to prevent a doctor shortage in this state or the
 26 rural areas of this state.

27 Arizona State University and the University of Arizona shall jointly
 28 submit an expenditure plan before expenditure of the amounts appropriated for
 29 the Phoenix biomedical campus schematic design to the joint committee on
 30 capital review for its review.

31 Arizona State University and the University of Arizona shall jointly
 32 submit the scope, purpose and estimated cost of the Phoenix biomedical campus
 33 to the joint committee on capital review for its review after schematic
 34 design is complete.

35 Sec. 102. DEPARTMENT OF VETERANS' SERVICES

	<u>2007-08</u>	<u>2008-09</u>
36		
37	376.3	376.3
38	Operating lump sum appropriation \$ 2,757,000	\$ 2,730,000
39	Arizona state veterans' home 16,749,400	16,146,500
40	Southern Arizona cemetery 272,100	272,100
41	Telemedicine project 10,000	10,000
42	Veterans' organizations contracts 29,200	29,200
43	Veterans' benefit counseling <u>3,104,000</u>	<u>3,047,000</u>
44	Total appropriation - department of	
45	veterans' services \$ 22,921,700	\$ 22,234,800

1	Fund sources:		
2	State general fund	\$ 8,907,500	\$ 8,220,600
3	State home for veterans' trust		
4	fund	13,291,500	13,291,500
5	State veterans' conservatorship		
6	fund	722,700	722,700
7	Performance measures:		
8	DHS quality rating of the veterans' home		
9	("A", "B", "C" or "D")	A	A
10	Per cent of customers rating department's		
11	services as "good" or "excellent"	98	98
12	Sec. 103. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD		
13		<u>2007-08</u>	<u>2008-09</u>
14	FTE positions	5.5	5.5
15	Lump sum appropriation	\$ 460,500**	\$ 451,000
16	Fund sources:		
17	Veterinary medical examining		
18	board fund	\$ 460,500	\$ 451,000
19	Performance measures:		
20	Average calendar days to resolve a complaint	90	90
21	Average calendar days to renew a license	60	60
22	Customer satisfaction rating (Scale 0-100)	93	93
23	Sec. 104. DEPARTMENT OF WATER RESOURCES		
24		<u>2007-08</u>	<u>2008-09</u>
25	FTE positions	231.7	231.7
26	Operating lump sum appropriation	\$ 15,372,400	\$ 15,372,400
27	Adjudication support	2,105,000	2,105,000
28	Assured and adequate water supply		
29	administration	2,800,400	2,800,400
30	Arizona water protection fund		
31	deposit	1,000,000	2,000,000
32	Rural water studies	1,999,100	1,999,100
33	Conservation and drought program	500,000	491,200
34	Automated groundwater monitoring	500,000	500,000
35	Upper San Pedro water district		
36	technical assistance	<u>250,000*</u>	<u>- 0 -</u>
37	Total appropriation - department of water		
38	resources	\$ 24,526,900	\$ 25,268,100
39	Fund sources:		
40	State general fund	\$ 23,426,500	\$ 24,167,700
41	Assured and adequate water		
42	supply administration fund	1,100,400	1,100,400

1	Performance measures:		
2	Per cent of Colorado river entitlement used	100	100
3	Per cent of Arizona's unclaimed Colorado		
4	river entitlement that is recharged via		
5	the water banking authority	95	95
6	Number of dams in a non-emergency unsafe		
7	condition	13	13
8	Number of rural water studies initiated	4	4
9	Number of rural water studies completed		
10	in current year	4	4
11	Customer satisfaction rating for hydrology		
12	program (Scale 1-8)	8.0	8.0

13 Monies appropriated for the purposes of rural water studies are exempt
14 from the provisions of section 35-190, Arizona Revised Statutes, relating to
15 lapsing of appropriations through June 30, 2010.

16 Monies in the assured and adequate water supply administration line
17 item shall only be used for the exclusive purposes prescribed in sections
18 45-108 and 45-576 through 45-579, Arizona Revised Statutes. The department
19 of water resources shall not transfer any funds into or out of the assured
20 and adequate water supply administration line item.

21 The department shall report to the joint legislative budget committee
22 on the amount of fees collected by the assured and adequate water supply
23 program within thirty days after the end of each calendar year quarter.

24 It is the intent of the legislature that monies in the rural water
25 studies line item will only be spent to assess local water use needs and to
26 develop plans for sustainable future water supplies in rural areas outside
27 the state's AMAs and not be made available for other department operating
28 expenditures.

29 Monies in the adjudication support line item shall only be used for the
30 exclusive purposes prescribed in section 45-256 and section 45-257,
31 subsection B, paragraph 4, Arizona Revised Statutes. The department of water
32 resources shall not transfer any funds into or out of the adjudication
33 support line item.

34 The appropriation for the department of water resources includes a line
35 item of \$250,000 from the state general fund in fiscal year 2007-2008 for the
36 department to provide technical assistance to the organizing board of the
37 upper San Pedro water district. If Senate Bill 2300 or similar legislation
38 to address the organizing board of the upper San Pedro water district is not
39 enacted into law during the forty-eighth legislature, first regular session,
40 the sum of \$250,000 reverts to the state general fund.

1	Sec. 105. DEPARTMENT OF WEIGHTS AND MEASURES		
2		<u>2007-08</u>	<u>2008-09</u>
3	<u>General services</u>		
4	FTE positions	25.9	25.9
5	Lump sum appropriation	\$ 1,782,500	\$ 1,760,900
6	Fund sources:		
7	State general fund	\$ 1,651,600	\$ 1,640,200
8	Motor vehicle liability insurance		
9	enforcement fund	130,900	120,700
10	<u>Vapor recovery</u>		
11	FTE positions	8.5	8.5
12	Lump sum appropriation	\$ 628,700	\$ 634,000
13	Fund sources:		
14	Air quality fund	\$ 628,700	\$ 634,000
15	<u>Oxygenated fuel</u>		
16	FTE positions	6.0	6.0
17	Lump sum appropriation	\$ 881,100	\$ 883,600
18	Fund sources:		
19	Air quality fund	<u>\$ 881,100</u>	<u>\$ 883,600</u>
20	Total appropriation - department		
21	of weights and measures	\$ 3,292,300	\$ 3,278,500
22	Fund sources:		
23	State general fund	\$ 1,651,600	\$ 1,640,200
24	Air quality fund	1,509,800	1,517,600
25	Motor vehicle liability insurance		
26	enforcement fund	130,900	120,700
27	Performance measures:		
28	Average customer satisfaction rating		
29	(Scale 1-5)	4.7	4.7
30	Per cent of retail stores' price		
31	scanning devices in compliance	71	71
32	Per cent of cleaner burning gas		
33	samples in compliance with oxygenated		
34	fuel standards	100	100
35	Per cent of gasoline dispensing facilities		
36	inspected annually that are in compliance		
37	with vapor recovery standards	90	90

38 Sec. 106. Appropriation; towns; population
39 A. The sum of \$850,000 is appropriated from the state general fund in
40 fiscal year 2007-2008 as one-time funding to the department of revenue for
41 distribution to towns with a population of one thousand five hundred persons
42 or less.

1	Fund sources:	
2	State general fund	\$ 68,755,000
3	Other appropriated funds	19,500,000
4	State-owned space rent adjustments	\$ 3,801,000
5	Fund sources:	
6	State general fund	\$ 2,801,000
7	Other appropriated funds	1,000,000
8	State telecommunications adjustments	\$ 5,509,800
9	Fund sources:	
10	State general fund	\$ 5,509,800
11	State lease-purchase and	
12	privatized-lease-to-own adjustments	\$ 995,100
13	Fund sources:	
14	State general fund	\$ 995,100
15	Human resources pro rata adjustments	\$ 377,100
16	Fund sources:	
17	State general fund	\$ 242,100
18	Other appropriated funds	135,000
19	Risk management adjustments	\$ 1,753,000
20	Fund sources:	
21	State general fund	\$ 1,753,000
22	Assistant attorney general salary	
23	adjustments	4,743,600
24	Fund sources:	
25	State general fund	\$ 2,595,800
26	Other appropriated funds	2,147,800

27 The other appropriated funds may be allocated from the following funds:
28 board of accountancy fund, acupuncture board of examiners fund, air permits
29 administration fund, air quality fund, antitrust enforcement revolving fund,
30 board of appraisal fund, Arizona arts trust fund, assured and adequate water
31 supply administration fund, attorney general legal services cost allocation
32 fund, Arizona automated fingerprint identification system fund, automobile
33 theft authority fund, automation operations fund, state aviation fund, board
34 of barbers fund, board of behavioral health examiners fund, Arizona benefits
35 fund, bond fund, capital outlay stabilization fund, state charitable fund,
36 child abuse prevention fund, child fatality review fund, child support
37 enforcement administration fund, children's health insurance program fund,
38 board of chiropractic examiners fund, citrus, fruit and vegetable revolving
39 fund, collection enforcement revolving fund, commerce and economic
40 development commission fund, commercial feed fund, confidential intermediary
41 and fiduciary fund, agricultural consulting and training fund, consumer
42 protection-consumer fraud revolving fund, corrections fund, board of
43 cosmetology fund, crime laboratory assessment fund, criminal justice
44 enhancement fund, county fair racing fund, court appointed special advocate
45 fund, defensive driving school fund, dental board fund, Arizona

1 deoxyribonucleic acid identification system fund, board of dispensing
2 opticians fund, driving under the influence abatement fund, drug and gang
3 prevention resource center fund, state education fund for committed youth,
4 state education fund for correctional education, state egg inspection fund,
5 election systems improvement fund, emergency medical services operating fund,
6 emissions inspection fund, environmental laboratory licensure revolving fund,
7 estate and unclaimed property fund, Arizona exposition and state fair fund,
8 federal child care and development fund block grant, federal Reed act grant,
9 federal surplus materials revolving fund, federal temporary assistance for
10 needy families block grant, fertilizer materials fund, board of funeral
11 directors' and embalmers' fund, fingerprint clearance card fund, game and
12 fish fund, game, nongame, fish and endangered species fund, hazardous waste
13 management fund, healthcare group fund, hearing and speech professionals
14 fund, state highway fund, Arizona highway patrol fund, highway user revenue
15 fund, board of homeopathic medical examiners' fund, housing trust fund, DHS
16 indirect cost fund, ADEQ indirect cost recovery fund, industrial commission
17 administrative fund, information technology fund, interagency service
18 agreements fund, intergovernmental agreements and grants, investment
19 management regulatory and enforcement fund, judicial collection enhancement
20 fund, land conservation fund administration account, lease-purchase building
21 operating and maintenance fund, liability set-off fund, long-term care system
22 fund, long-term disability administration account, state lottery fund,
23 Arizona medical board fund, the miners' hospital for disabled miners land
24 fund, motor vehicle liability insurance enforcement fund, motor vehicle pool
25 revolving fund, naturopathic physicians board of medical examiners fund,
26 newborn screening program fund, board of nursing fund, nursing care
27 institution administrators' licensing and assisted living facility managers'
28 certification fund, occupational therapy fund, oil overcharge fund, board of
29 optometry fund, board of osteopathic examiners fund, state parks enhancement
30 fund, penitentiary land fund, personnel division fund, pesticide fund,
31 Arizona state board of pharmacy fund, board of physical therapy fund,
32 podiatry fund, postsecondary education fund, prison construction and
33 operations fund, board for private postsecondary education fund, professional
34 employer organization fund, Arizona protected native plant fund, board of
35 psychologist examiners fund, public access fund, public assistance
36 collections fund, racing administration fund, state radiologic technologist
37 certification fund, records services fund, recycling fund, registrar of
38 contractors fund, reservation surcharge revolving fund, residential utility
39 consumer office revolving fund, board of respiratory care examiners fund,
40 state retirement system administration account, risk management revolving
41 fund, safety enforcement and transportation infrastructure fund, Arizona
42 schools for the deaf and the blind fund, securities regulatory and
43 enforcement fund, seed law fund, solid waste fee fund, special administration
44 fund, special employee health insurance trust fund, special services
45 revolving fund, spinal and head injuries trust fund, state aid to the courts

1 fund, Arizona state hospital fund, state board of equalization fund, state
2 surplus materials revolving fund, structural pest control commission fund,
3 substance abuse services fund, teacher certification fund, technical
4 registration fund, telecommunications fund, telecommunication fund for the
5 deaf, telecommunications excise tax fund, tobacco tax and health care fund,
6 transportation department equipment fund, tribal-state compact fund, used oil
7 fund, utility regulation revolving fund, vehicle inspection and title
8 enforcement fund, state veterans' conservatorship fund, state home for
9 veterans' trust fund, veterinary medical examining board fund, victims'
10 rights fund, vital records electronic systems fund, watercraft licensing
11 fund, waterfowl conservation fund, water quality fee fund and workforce
12 investment act grant.

13 State employee health insurance adjustments

14 The amount appropriated for state employee health insurance adjustments
15 shall be for fiscal year 2007-2008 increases in the employer share of state
16 employee health insurance premiums. The joint legislative budget committee
17 staff shall determine and the department of administration shall allocate to
18 each agency's or department's employee-related expenditures an amount for the
19 employer share of the employee health insurance increases. The joint
20 legislative budget committee staff shall also determine and the department of
21 administration shall allocate adjustments, as necessary, in expenditure
22 authority to allow implementation of state employee health insurance
23 adjustments.

24 State employee retirement adjustments

25 The amount appropriated for state employee retirement contribution
26 adjustments shall be for fiscal year 2007-2008 increases in the employer
27 share of state employee retirement contributions. The joint legislative
28 budget committee staff shall determine and the department of administration
29 shall allocate to each agency's or department's employee-related expenditures
30 an amount for the employer share of the employee retirement contribution
31 increase. The joint legislative budget committee staff shall also determine
32 and the department of administration shall allocate adjustments, as
33 necessary, in expenditure authority to allow implementation of state employee
34 retirement contribution adjustments.

35 Salary adjustments

36 The amount appropriated for salary adjustments includes personal
37 services and employee-related expenditures for state officers and employees
38 in accordance with this act.

39 For fiscal year 2007-2008, the joint legislative budget committee staff
40 shall determine and the department of administration shall allocate to each
41 agency or department an amount for these adjustments. The joint legislative
42 budget committee staff shall also determine and the department of
43 administration shall allocate adjustments, as necessary, in expenditure
44 authority to allow implementation of salary adjustments.

1 The annual salary level of each employee shall be increased by 3.00 per
2 cent. In addition to the 3.00 per cent general salary adjustment, the amount
3 appropriated also includes 0.25 per cent for a salary adjustment which shall
4 be designated as performance pay and subject to section 38-618.01, Arizona
5 Revised Statutes, or for those employees who are not subject to the
6 performance pay provisions of section 38-618.01, Arizona Revised Statutes,
7 the salary adjustments shall be in accordance with the department's or
8 agency's compensation plan.

9 The following exceptions apply to the salary adjustments. All
10 adjustments are effective July 1, 2007 and shall apply to less than full-time
11 employees on a prorated basis. For personnel employed by the Arizona board
12 of regents or a university under the jurisdiction of the Arizona board of
13 regents, the salary adjustments shall be in accordance with the board's
14 approved compensation plans. Board and commission members who are paid on a
15 per diem basis and agency heads who are appointed for a fixed term of office
16 shall not receive the salary adjustments pursuant to this section.

17 State owned space rent adjustments

18 The amount appropriated for rent adjustments shall be used to fund
19 agency rent charges for state owned space increases from \$15.50 per square
20 foot to \$19.50 per square foot for office space, and increases from \$6.00 per
21 square foot to \$7.00 per square foot for storage space.

22 For fiscal year 2007-2008, the joint legislative budget committee staff
23 shall determine and the department of administration shall allocate to each
24 agency or department an amount for these adjustments.

25 State telecommunications adjustments

26 The amount appropriated for state telecommunications adjustments shall
27 be to annualize fiscal year 2006-2007 increases and for new fiscal year
28 2007-2008 adjustments in agency or department telecommunication charges. The
29 joint legislative budget committee staff shall determine and the department
30 of administration shall allocate to each agency or department an amount for
31 the contribution increase. The joint legislative budget committee staff
32 shall also determine and the department of administration shall allocate
33 adjustments, as necessary, in expenditure authority to allow implementation
34 of state telecommunications adjustments.

35 State lease-purchase and privatized-lease-to-own adjustments

36 The amount appropriated for state lease-purchase and
37 privatized-lease-to-own adjustments shall be for fiscal year 2007-2008
38 adjustments in agency or department lease-purchase and
39 privatized-lease-to-own charges. The joint legislative budget committee
40 staff shall determine and the department of administration shall allocate to
41 each agency or department an amount for the contribution increase. The joint
42 legislative budget committee staff shall also determine and the department of
43 administration shall allocate adjustments, as necessary, in expenditure
44 authority to allow implementation of state lease-purchase and
45 privatized-lease-to-own adjustments.

1 Human resources pro rata adjustments

2 The amount appropriated for state human resources pro rata adjustments
3 shall be for increased fiscal year 2007-2008 rates in agency or department
4 human resources pro rata charges. The joint legislative budget committee
5 staff shall determine and the department of administration shall allocate to
6 each agency or department an amount for the contribution increase. The joint
7 legislative budget committee staff shall also determine and the department of
8 administration shall allocate adjustments, as necessary, in expenditure
9 authority to allow implementation of state human resources pro rata
10 adjustments.

11 Risk management adjustments

12 The amount appropriated for state risk management adjustments shall be
13 for new fiscal year 2007-2008 adjustments in agency or department risk
14 management charges. The joint legislative budget committee staff shall
15 determine and the department of administration shall allocate to each agency
16 or department an amount for the contribution increase. The joint legislative
17 budget committee staff shall also determine and the department of
18 administration shall allocate adjustments, as necessary, in expenditure
19 authority to allow implementation of state risk management adjustments.

20 Assistant attorney general salary adjustments

21 For fiscal year 2007-2008, the joint legislative budget committee staff
22 shall determine and the department of administration shall allocate to the
23 office of the attorney general and its client agencies the amount necessary
24 to provide a salary adjustment to assistant attorney generals. The amount of
25 the salary adjustment for each assistant attorney general shall be determined
26 by the attorney general and is in addition to the statewide salary adjustment
27 provided by this section.

28 Of the total \$2,595,800 general fund allocations, \$859,100 is for
29 distribution to the attorney general, \$1,211,900 is for distribution to the
30 department of economic security, \$248,500 is for distribution to agencies
31 that pay interagency service agreements with general fund appropriations, and
32 \$276,300 is for distribution to agencies that pay the attorney general pro
33 rata charge with general fund appropriations. Of the total \$2,147,800 other
34 appropriated fund allocation, \$1,638,500 is for distribution to the attorney
35 general, \$18,800 is for distribution to the game and fish department,
36 \$446,000 is for distribution to agencies that pay interagency service
37 agreements with other appropriated fund appropriations, and \$44,500 is for
38 distribution to agencies that pay the attorney general pro rata charge with
39 other appropriated fund appropriations.

40 Sec. 110. Legislative intent; expenditure reporting

41 It is the intent of the legislature that all departments, agencies or
42 budget units receiving appropriations under the terms of this act shall
43 continue to report actual, estimated and requested expenditures by budget
44 programs and budget classes in a format that is similar to the budget
45 programs and budget classes used for budgetary purposes in prior years. A

1 different format may be used if deemed necessary to implement section 35-113,
2 Arizona Revised Statutes, agreed to by the director of the joint legislative
3 budget committee and incorporated into the budget preparation instructions
4 adopted by the governor's office of strategic planning and budgeting pursuant
5 to section 35-112, Arizona Revised Statutes.

6 Sec. 111. FTE positions; reporting; definition

7 Full-time equivalent (FTE) positions contained in this act are subject
8 to appropriation. The director of the department of administration shall
9 account for the use of all appropriated FTE positions excluding those in the
10 department of economic security, the universities and the department of
11 environmental quality. The director shall submit the fiscal year 2007-2008
12 report by August 1, 2008 to the director of the joint legislative budget
13 committee. The reports shall compare the level of FTE usage in each fiscal
14 year to the appropriated level. For the purposes of this section, "FTE
15 positions" shall mean the total number of hours worked, including both
16 regular and overtime hours as well as hours taken as leave, divided by the
17 number of hours in a work year. The director of the department of
18 administration shall notify the director of each budget unit if the budget
19 unit has exceeded its number of appropriated FTE positions. The above
20 excluded agencies shall each report to the director of the joint legislative
21 budget committee in a manner comparable to the department of administration
22 reporting.

23 Sec. 112. Filled FTE positions; reporting

24 By October 1, 2007, each agency, including the judiciary and
25 universities, shall submit a report to the director of the joint legislative
26 budget committee on the number of filled, appropriated FTE positions by fund
27 source. The number of filled, appropriated FTE positions reported shall be
28 as of September 1, 2007.

29 Sec. 113. Performance measure results; reporting

30 As part of its fiscal year 2008-2009 budget request, agencies shall
31 submit the fiscal year 2006-2007 result for the performance measures listed
32 in this act. If an agency fails to submit this information, it shall submit
33 a report to the joint legislative budget committee staff and the office of
34 strategic planning and budgeting as part of its fiscal year 2008-2009 budget
35 request on why the agency failed to submit its results for the performance
36 measure.

37 Sec. 114. Transfer of spending authority

38 The department of administration shall report monthly to the director
39 of the joint legislative budget committee on any transfers of spending
40 authority made pursuant to section 35-173, subsection C, Arizona Revised
41 Statutes, during the prior month.

42 Sec. 115. Interim reporting requirements

43 A. State general fund revenue for fiscal year 2006-2007, not including
44 the beginning balance and including one-time revenues, is forecasted to be
45 \$9,850,930,000.

1 B. State general fund revenue for fiscal year 2007-2008, not including
2 the beginning balance and including one-time revenues, is forecasted to be
3 \$10,074,726,100.

4 C. The executive branch shall provide to the joint legislative budget
5 committee a preliminary estimate of the fiscal year 2006-2007 state general
6 fund ending balance by September 15, 2007. The preliminary estimate of the
7 fiscal year 2007-2008 state general fund ending balance shall be provided by
8 September 15, 2008. The estimate shall include projections of total
9 revenues, total expenditures and ending balance. The department of
10 administration shall continue to provide the final report for the fiscal year
11 in its annual financial report pursuant to section 35-131, Arizona Revised
12 Statutes.

13 D. Based on the information provided by the executive branch, the
14 staff of the joint legislative budget committee shall report to the joint
15 legislative budget committee by October 15 of 2007 and 2008 as to whether
16 that fiscal year's revenues and ending balance are expected to change by more
17 than \$50,000,000 from the budgeted projections. The executive branch may
18 also provide its own estimates to the joint legislative budget committee by
19 October 15 of each year.

20 Sec. 116. Definition

21 For the purposes of this act, "*" means this appropriation is a
22 continuing appropriation and is exempt from the provisions of section 35-190,
23 Arizona Revised Statutes, relating to lapsing of appropriations.

24 Sec. 117. Definition

25 For the purposes of this act, "***" means this appropriation is
26 available for use pursuant to section 35-143.01, subsection C, Arizona
27 Revised Statutes, and is exempt from the provisions of section 35-190,
28 Arizona Revised Statutes, relating to lapsing of appropriations, until June
29 30, 2009.

30 Sec. 118. Definition

31 For the purposes of this act, "expenditure authority" means that the
32 fund sources are continuously appropriated monies that are included in the
33 individual line items of appropriations.

34 Sec. 119. Definition

35 For the purposes of this act, "review by the joint legislative budget
36 committee" means a review by a vote of a majority of a quorum of the members.
37 The committee review is to occur within forty-five days of the date of
38 receipt of the agency's request for review being received by the office of
39 the chairman of the committee with a copy to the staff director of the
40 committee. The agency shall respond to the committee or joint legislative
41 budget committee staff requests for information within fifteen days of the
42 request.