

State of Arizona
House of Representatives
Forty-eighth Legislature
Second Regular Session
2008

HOUSE BILL 2209

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. DEPARTMENT OF ADMINISTRATION

9 2008-09

| | | |
|----|----------------------------------|------------------|
| 10 | <u>State general fund</u> | |
| 11 | FTE positions | 301.3 |
| 12 | Operating lump sum appropriation | \$ 19,181,100 |
| 13 | ENSCO | 2,867,300 |
| 14 | Arizona financial information | |
| 15 | system | 1,115,200 |
| 16 | Statewide telecommunications | |
| 17 | management contract lease | |
| 18 | payment | 851,800 |
| 19 | Utilities | 625,700 |
| 20 | County attorney immigration | |
| 21 | enforcement | <u>2,430,000</u> |
| 22 | Total - general fund | \$ 27,071,100 |

23 Performance measures:

| | | |
|----|--|------|
| 24 | Per cent of ADOA services receiving a good | |
| 25 | (6) or better rating from customers, | |
| 26 | based on annual survey (Scale 1-8) | 85 |
| 27 | Per cent of procurement plan award dates | |
| 28 | met for the RFP process | 77 |
| 29 | Customer satisfaction with establishing | |
| 30 | contracts (Scale 1-8) | 6.9 |
| 31 | Customer satisfaction with administering | |
| 32 | contracts (Scale 1-8) | 6.7 |
| 33 | Customer satisfaction rating for the | |
| 34 | operation of AFIS (Scale 1-8) | 7.5 |
| 35 | Average capitol police response time to | |
| 36 | emergency calls (in minutes and seconds) | 1:40 |

37 The department may collect an amount of not to exceed \$1,762,600 from
38 other funding sources, excluding federal funds, to recover pro rata costs of
39 operating AFIS II. Any amounts left unspent from the Arizona financial
40 information system line item shall revert to the state general fund.

41 The \$2,430,000 appropriated to the county attorney immigration
42 enforcement line item shall be distributed as follows: \$1,430,000 to each
43 county attorney of a county in this state having a population of 1,500,000 or
44 more persons and \$500,000 to each county attorney of a county in this state
45 having a population of 800,000 or more persons but less than 1,500,000

1 persons. The remainder of the monies are to be distributed as equally as
2 possible to each county attorney of counties in this state having a
3 population of less than 500,000 persons. County attorneys may enter into
4 agreements with county sheriffs or other law enforcement agencies or
5 jurisdictions for the purposes of implementing section 23-212, Arizona
6 Revised Statutes. These appropriations are exempt from the provisions of
7 section 35-190, Arizona Revised Statutes, relating to lapsing of
8 appropriations.

9 Air quality fund
10 Lump sum appropriation \$ 850,100
11 Performance measures:
12 Customer satisfaction with all travel reduction
13 services (Scale 1-8) 6.7

14 The amounts appropriated for the state employee transportation service
15 subsidy shall be used for up to a one hundred per cent subsidy of charges
16 payable for transportation service expenses as provided in section 41-786,
17 Arizona Revised Statutes, of nonuniversity state employees in a vehicle
18 emissions control area as defined in section 49-541, Arizona Revised
19 Statutes, of a county with a population of more than four hundred thousand
20 persons.

21 Capital outlay stabilization fund
22 FTE positions 56.7
23 Operating lump sum appropriation \$ 5,650,100
24 Utilities 7,349,900
25 Relocation 60,000
26 Total - capital outlay stabilization
27 fund \$ 13,060,000
28 Performance measures:
29 Customer satisfaction rating for building
30 maintenance (Scale 1-8) 6.5

31 Monies in the relocation line item are exempt from the provisions of
32 section 35-190, Arizona Revised Statutes, relating to lapsing of
33 appropriations, until December 31, 2009.

34 Corrections fund
35 FTE positions 9.3
36 Lump sum appropriation \$ 741,700

37 The intent of the legislature is for the amount appropriated from the
38 corrections fund to be expended solely for the oversight of construction
39 projects benefiting the state department of corrections or the department of
40 juvenile corrections.

41 Motor vehicle pool revolving fund
42 FTE positions 19.0
43 Lump sum appropriation \$ 12,737,800

1 Performance measures:
2 Customer satisfaction with short-term (day use)
3 vehicle rental (Scale 1-8) 7.7
4 It is the intent of the legislature that the department not replace
5 vehicles until an average of 120,000 miles, or more.
6 Telecommunications fund
7 FTE positions 22.0
8 Lump sum appropriation \$ 3,181,700
9 Telecommunications fund -
10 infrastructure improvements
11 account
12 Lump sum appropriation \$ 4,713,700
13 Performance measures:
14 Customer satisfaction rating for the wide area
15 network (MAGNET) (Scale 1-8) 6.4
16 Customer satisfaction rating for statewide
17 telecommunications management contract
18 services (Scale 1-8) 6.0
19 All telecommunications fund infrastructure improvements account monies
20 received by the department of administration in excess of \$4,713,700 in
21 fiscal year 2008-2009 are appropriated to the department of administration.
22 Before expenditure of any telecommunications fund infrastructure improvements
23 account monies in excess of \$4,713,700 in fiscal year 2008-2009, the
24 department of administration shall report the intended use of the monies to
25 the joint legislative budget committee. The appropriation from the
26 telecommunications fund infrastructure improvements account is an estimate
27 representing all monies, including balance forward, revenue and transfers,
28 and is exempt from the provisions of section 35-190, Arizona Revised
29 Statutes, relating to lapsing of appropriations through June 30, 2010.
30 Automation operations fund
31 FTE positions 158.4
32 Lump sum appropriation \$ 24,230,600
33 Performance measures:
34 Customer satisfaction rating for mainframe
35 services based on annual survey (Scale 1-8) 7.0
36 The appropriation for the automation operations fund is an estimate
37 representing all monies, including balance forward, revenue and transfers
38 during fiscal year 2008-2009. These monies are appropriated to the
39 department of administration for the purposes established in section 41-711,
40 Arizona Revised Statutes. The appropriation shall be adjusted as necessary
41 to reflect receipts credited to the automation operations fund for automation
42 operation center projects. Expenditures for all additional automation
43 operation center projects above the \$24,230,600 appropriation shall be
44 subject to review by the joint legislative budget committee, following
45 approval of the government information technology agency. Expenditures for

1 each additional project shall not exceed the specific revenues of that
 2 project.

3 The department of administration and the government information
 4 technology agency shall explore the feasibility of acquiring business
 5 intelligence software for utilization throughout state government. The
 6 business intelligence software shall have at least the following
 7 capabilities: 1) performance management through budgeting, planning,
 8 reporting and analysis; 2) the generation and use of dashboards; 3) ability
 9 to interact with metrics and key performance indicator; 4) effective
 10 utilization and implementation in every state agency and 5) realization of
 11 end-user ease of use of administration. The department of administration and
 12 the government information technology agency shall undertake a comprehensive
 13 research effort leading to the identification of best practices and standards
 14 for implementation utilized in other public and private sector entities. The
 15 government information technology agency and the department of administration
 16 shall issue a report by December 15, 2008 to the joint legislative budget
 17 committee. Pursuant to the report, the department of administration may
 18 enter into a contract with a vendor for the purchase of software that is
 19 capable of being implemented in every state agency. The criteria for
 20 selection of the contract shall consider end-user ease of use and ease of
 21 administration and shall meet any related standards of the government
 22 information technology agency.

23 Risk management fund

| | | |
|----|-------------------------------------|------------------|
| 24 | FTE positions | 96.0 |
| 25 | Operating lump sum appropriation | \$ 8,841,200 |
| 26 | Burke settlement | 532,000 |
| 27 | Risk management losses and premiums | 45,371,300 |
| 28 | Workers' compensation losses and | |
| 29 | premiums | 30,112,300 |
| 30 | External legal services | 5,592,200 |
| 31 | Nonlegal related expenditures | <u>3,153,900</u> |
| 32 | Total - risk management fund | \$ 93,602,900 |

33 Performance measures:

| | | |
|----|---|-----|
| 34 | Workers' compensation incidence rates/100 | |
| 35 | FTE positions | 4.1 |
| 36 | Customer satisfaction with self-insurance | |
| 37 | (Scale 1-8) | 7.5 |

38 Personnel division fund

| | | |
|----|--------------------------------------|------------------|
| 39 | FTE positions | 139.0 |
| 40 | Operating lump sum appropriation | \$ 14,198,400 |
| 41 | Human resources information solution | |
| 42 | certificate of participation | <u>4,354,000</u> |
| 43 | Total - personnel division fund | \$ 18,552,400 |

44 Performance measures:

45 Customer satisfaction with employee training

| | | |
|----|--|------------------|
| 1 | (Scale 1-8) | 6.1 |
| 2 | <u>Special employee health insurance</u> | |
| 3 | <u>trust fund</u> | |
| 4 | FTE positions | 39.0 |
| 5 | Operating lump sum appropriation | \$ 5,230,700 |
| 6 | Employee wellness program | <u>300,000</u> |
| 7 | Total - special employee health | |
| 8 | insurance trust fund | \$ 5,530,700 |
| 9 | Performance measures: | |
| 10 | Customer satisfaction with benefit plans | |
| 11 | (Scale 1-8) | 6.2 |
| 12 | <u>State surplus materials revolving</u> | |
| 13 | <u>fund</u> | |
| 14 | FTE positions | 16.0 |
| 15 | Operating lump sum appropriation | \$ 1,272,300 |
| 16 | State surplus property sales | |
| 17 | proceeds | <u>3,000,000</u> |
| 18 | Total - state surplus materials | |
| 19 | revolving fund | \$ 4,272,300 |
| 20 | All state surplus property sales proceeds received by the department in | |
| 21 | excess of \$3,000,000 are appropriated. Before the expenditure of any state | |
| 22 | surplus property sales proceeds in excess of \$3,000,000, the department shall | |
| 23 | report the intended use of the monies to the joint legislative budget | |
| 24 | committee. | |
| 25 | <u>Federal surplus materials revolving</u> | |
| 26 | <u>fund</u> | |
| 27 | FTE positions | 7.0 |
| 28 | Lump sum appropriation | \$ 444,300 |
| 29 | Total appropriation - department of | |
| 30 | administration | \$208,989,300 |
| 31 | Fund sources: | |
| 32 | State general fund | \$ 27,071,100 |
| 33 | Other appropriated funds | 181,918,200 |
| 34 | Sec. 3. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM | |
| 35 | | <u>2008-09</u> |
| 36 | <u>Administration</u> | |
| 37 | FTE positions | 3,201.4 |
| 38 | Operating lump sum appropriation | \$ 70,107,600 |
| 39 | DOA data center charges | 5,717,500 |
| 40 | DES eligibility | 55,687,400 |
| 41 | DES title XIX pass-through | 357,800 |
| 42 | Healthcare group administration | |
| 43 | and reinsurance | 11,521,000 |
| 44 | Office of administrative hearings | 271,300 |
| 45 | Indian advisory council | 232,900 |

| | | |
|----|---|------------------|
| 1 | KidsCare - administration | 9,354,000 |
| 2 | Proposition 204 - AHCCCS | |
| 3 | administration | 11,401,700 |
| 4 | Proposition 204 - DES | |
| 5 | eligibility | 43,629,100 |
| 6 | DES eligibility system upgrade | <u>2,600,000</u> |
| 7 | Total appropriation and expenditure | |
| 8 | authority - administration | \$210,880,300 |
| 9 | Fund sources: | |
| 10 | State general fund | \$ 93,348,400 |
| 11 | Budget neutrality compliance | |
| 12 | fund | 2,841,000 |
| 13 | Children's health insurance | |
| 14 | program fund | 7,127,800 |
| 15 | Healthcare group fund | 6,521,000 |
| 16 | Expenditure authority | 101,042,100 |
| 17 | Performance measures: | |
| 18 | Per cent of applications processed on time | 95 |
| 19 | Customer satisfaction rating for eligibility | |
| 20 | determination clients (Scale 1-8) | 6.0 |
| 21 | The amounts appropriated for the department of economic security | |
| 22 | eligibility line item shall be used for intergovernmental agreements with the | |
| 23 | department of economic security for the purpose of eligibility determination | |
| 24 | and other functions. The general fund share may be used for eligibility | |
| 25 | determination for other programs administered by the division of benefits and | |
| 26 | medical eligibility based on the results of the Arizona random moment | |
| 27 | sampling survey. | |
| 28 | <u>Acute care</u> | |
| 29 | Capitation | \$2,110,483,500 |
| 30 | Reinsurance | 134,202,200 |
| 31 | Fee-for-service | 573,395,700 |
| 32 | Medicare premiums | 96,275,300 |
| 33 | Graduate medical education | 44,906,200 |
| 34 | Prior year temporary medical | |
| 35 | coverage reconciliation payments | 3,247,200 |
| 36 | Disproportionate share payments | 30,350,000 |
| 37 | Critical access hospitals | 1,700,000 |
| 38 | Breast and cervical cancer | 1,530,000 |
| 39 | Ticket to work | 8,913,400 |
| 40 | Dual eligible part D copay subsidy | 1,029,700 |
| 41 | Proposition 204 - capitation | 1,205,445,600 |
| 42 | Proposition 204 - reinsurance | 129,920,200 |
| 43 | Proposition 204 - fee-for-service | 243,375,100 |
| 44 | Proposition 204 - medicare | |
| 45 | premiums | 31,316,900 |

| | | |
|----|--|-------------------|
| 1 | Proposition 204 - county hold | |
| 2 | harmless | 4,825,600 |
| 3 | KidsCare - children | 145,267,700 |
| 4 | KidsCare - parents | 34,900,700 |
| 5 | Rural hospital reimbursement | 12,158,100 |
| 6 | Medicare clawback payments | <u>28,844,600</u> |
| 7 | Total appropriation and expenditure | |
| 8 | authority - acute care | \$4,842,087,700 |
| 9 | Fund sources: | |
| 10 | State general fund | \$1,216,752,400 |
| 11 | Children's health insurance | |
| 12 | program fund | 138,835,300 |
| 13 | Tobacco tax and health care | |
| 14 | fund - medically needy | |
| 15 | account | 62,886,200 |
| 16 | Tobacco products tax fund - | |
| 17 | emergency health services | |
| 18 | account | 25,716,500 |
| 19 | Temporary medical coverage fund | 3,247,200 |
| 20 | Expenditure authority | 3,394,650,100 |
| 21 | Performance measures: | |
| 22 | Per cent of AHCCCS children receiving well | |
| 23 | child visits in the first 15 months of | |
| 24 | life (EPSDT) | 60 |
| 25 | Per cent of AHCCCS children's access to | |
| 26 | primary care provider | 85 |
| 27 | Per cent of AHCCCS women receiving annual | |
| 28 | cervical screening | 60 |
| 29 | Member satisfaction as measured by | |
| 30 | percentage of enrollees that choose | |
| 31 | to change health plans | 2.0 |

32 The \$30,350,000 appropriation for disproportionate share payments for
33 fiscal year 2008-2009 made pursuant to section 36-2903.01, subsection P,
34 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county
35 healthcare district and \$26,147,700 for private qualifying disproportionate
36 share hospitals.

37 Of the \$4,825,600 appropriated for the proposition 204 county hold
38 harmless line item, \$234,200 is allocated to Graham county, \$3,817,800 to
39 Pima county, \$234,400 to Greenlee county, \$159,700 to La Paz county, \$214,800
40 to Santa Cruz county and \$164,700 to Yavapai county to offset a net loss in
41 revenue due to the implementation of proposition 204, and shall be used for
42 indigent health care costs.

43 The prior year temporary medical coverage program reconciliation
44 payments line item shall be used to pay reconciliation obligations incurred
45 for claims with dates of service before July 1, 2008.

| | | |
|----|--|------------------------|
| 1 | <u>Long-term care</u> | |
| 2 | Program lump sum appropriation | \$1,173,828,700 |
| 3 | Medicare clawback payments | 20,740,900 |
| 4 | Dual eligible part D copay | |
| 5 | subsidy | 470,300 |
| 6 | Board of nursing | <u>209,700</u> |
| 7 | Total appropriation and expenditure | |
| 8 | authority - long-term care | \$1,195,249,600 |
| 9 | Fund sources: | |
| 10 | State general fund | \$ 116,237,500 |
| 11 | Budget neutrality compliance fund | \$ 45,793,300 |
| 12 | Expenditure authority | 1,033,218,800 |
| 13 | Performance measures: | |
| 14 | Per cent of members utilizing home and | |
| 15 | community based services (HCBS) | 67 |
| 16 | Per cent of ALTCS eligibility as measured by | |
| 17 | quality control sample | 99 |
| 18 | Any federal funds that the Arizona health care cost containment system | |
| 19 | administration passes through to the department of economic security for use | |
| 20 | in long-term administration care for the developmentally disabled shall not | |
| 21 | count against the long-term care expenditure authority above. | |
| 22 | Pursuant to section 11-292, subsection B, Arizona Revised Statutes, the | |
| 23 | county portion of the fiscal year 2008-2009 nonfederal portion of the costs | |
| 24 | of providing long-term care system services is \$256,642,400. This amount is | |
| 25 | included in the expenditure authority fund source. | |
| 26 | Monies from the budget neutrality compliance fund may be used to | |
| 27 | support the Arizona long-term care system. | |
| 28 | Agencywide lump sum reduction | \$ (2,000,000) |
| 29 | Fund sources: | |
| 30 | State general fund | \$ (1,000,000) |
| 31 | Expenditure authority | \$ (1,000,000) |
| 32 | Total appropriation and expenditure | |
| 33 | authority - Arizona health | |
| 34 | care cost containment system | <u>\$6,246,217,600</u> |
| 35 | Appropriated fund sources: | |
| 36 | State general fund | \$1,425,338,300 |
| 37 | Budget neutrality compliance fund | 48,634,300 |
| 38 | Children's health insurance | |
| 39 | program fund | 145,963,100 |
| 40 | Healthcare group fund | 6,521,000 |
| 41 | Tobacco products tax fund - | |
| 42 | emergency health services | |
| 43 | account | 25,716,500 |
| 44 | Tobacco tax and health care | |
| 45 | fund - medically needy account | 62,886,200 |

| | | |
|---|--------------------------------------|-----------------|
| 1 | Temporary medical coverage fund | 3,247,200 |
| 2 | Expenditure authority | \$4,527,911,000 |
| 3 | Performance measures: | |
| 4 | Per cent of people under age 65 that | |
| 5 | are uninsured | 15.5 |

6 Before making fee-for-service program or rate changes that pertain to
 7 hospital, nursing facility or home and community based services rates or for
 8 any of the other fee-for-service rate categories that have increases that, in
 9 the aggregate, are two per cent above and \$1,500,000 from the state general
 10 fund greater than budgeted medical inflation in fiscal year 2008-2009, the
 11 Arizona health care cost containment system administration shall report its
 12 expenditure plan for review by the joint legislative budget committee.

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

29 For the contract year beginning October 1, 2008, the administration may
 30 expend funds for federally-matched hospice services to non-ALTCS members.

31 Sec. 4. ARIZONA COMMUNITY COLLEGES

| | | |
|----|----------------------------|------------------|
| 32 | | <u>2008-09</u> |
| 33 | <u>Equalization aid</u> | |
| 34 | Cochise | \$ 5,833,400 |
| 35 | Graham | 14,775,700 |
| 36 | Navajo | 5,386,500 |
| 37 | Yuma/La Paz | <u>1,931,400</u> |
| 38 | Total - equalization aid | \$ 27,927,000 |
| 39 | <u>Operating state aid</u> | |
| 40 | Cochise | \$ 8,303,100 |
| 41 | Coconino | 3,245,400 |
| 42 | Gila | 713,000 |
| 43 | Graham | 5,173,200 |
| 44 | Maricopa | 55,416,100 |
| 45 | Mohave | 4,063,300 |

| | | |
|----|---|---------------------|
| 1 | Navajo | 4,250,300 |
| 2 | Pima | 18,874,100 |
| 3 | Pinal | 5,854,300 |
| 4 | Yavapai | 4,903,400 |
| 5 | Yuma/La Paz | <u>5,512,600</u> |
| 6 | Total - operating state aid | \$116,308,800 |
| 7 | <u>Capital outlay state aid</u> | |
| 8 | Navajo | \$ <u>500,000</u> |
| 9 | Total - capital outlay state aid | \$ 500,000 |
| 10 | Rural county reimbursement subsidy | <u>\$ 1,000,000</u> |
| 11 | Total appropriation - Arizona community | |
| 12 | colleges | \$145,735,800 |
| 13 | Fund sources: | |
| 14 | State general fund | \$145,735,800 |
| 15 | Performance measures: | |
| 16 | Number of applied baccalaureate programs | |
| 17 | collaboratively developed with universities | 34 |
| 18 | Of the \$1,000,000 appropriated to the rural county reimbursement | |
| 19 | subsidy line item, Apache county will receive \$466,000, Greenlee county | |
| 20 | \$382,800, and Santa Cruz county \$151,200. | |
| 21 | The \$500,000 Navajo community college receives in capital outlay state | |
| 22 | aid shall be used to construct a public safety and emergency services | |
| 23 | training facility in Navajo county to be operated and controlled by the | |
| 24 | Northland Pioneer community college. The appropriation is exempt from the | |
| 25 | provisions of section 35-190, Arizona Revised Statutes, related to the | |
| 26 | lapsing of appropriations. | |
| 27 | Sec. 5. DEPARTMENT OF CORRECTIONS | |
| 28 | | <u>2008-09</u> |
| 29 | FTE positions | 9,932.5 |
| 30 | Correctional officer personal services | \$289,976,900 |
| 31 | Health care personal services | 37,449,400 |
| 32 | All other personal services | 71,794,000 |
| 33 | Employee-related expenditures | 160,727,900 |
| 34 | Personal services and employee-related | |
| 35 | expenditures for overtime/compensatory | |
| 36 | time | 24,331,400 |
| 37 | Health care all other operating | |
| 38 | expenditures | 86,607,900 |
| 39 | Non-health care all other operating | |
| 40 | expenditures | <u>122,671,300</u> |
| 41 | Total - operating budget | \$793,558,800 |
| 42 | Fund sources: | |
| 43 | State general fund | \$778,680,000 |
| 44 | State education fund for | |
| 45 | correctional education | 429,900 |

| | | |
|----|--|---------------|
| 1 | Alcohol abuse treatment fund | 599,300 |
| 2 | Penitentiary land fund | 198,700 |
| 3 | State charitable, penal and | |
| 4 | reformatory institutions | |
| 5 | land fund | 1,240,500 |
| 6 | Corrections fund | 380,400 |
| 7 | Transition office fund | 180,000 |
| 8 | Transition program drug treatment | |
| 9 | fund | 600,000 |
| 10 | Prison construction and operations | |
| 11 | fund | 11,250,000 |
| 12 | Agencywide lump sum reduction | \$(1,000,000) |
| 13 | Fund sources: | |
| 14 | State general fund | \$(1,000,000) |
| 15 | County jail beds | \$ 866,200 |
| 16 | Fund sources: | |
| 17 | State general fund | \$ 866,200 |
| 18 | New state prison beds | \$ 2,822,000 |
| 19 | Fund sources: | |
| 20 | State charitable, penal and | |
| 21 | reformatory land fund | \$ 2,822,000 |
| 22 | Private prison per diem | \$ 82,952,600 |
| 23 | Fund sources: | |
| 24 | State general fund | \$ 52,478,300 |
| 25 | Corrections fund | 28,674,300 |
| 26 | Penitentiary land fund | 1,000,000 |
| 27 | Prison construction and | |
| 28 | operations fund | 800,000 |
| 29 | Provisional beds | \$117,235,900 |
| 30 | Fund sources: | |
| 31 | State general fund | \$113,179,700 |
| 32 | Prison construction and | |
| 33 | operations fund | 3,000,000 |
| 34 | Penitentiary land fund | 1,056,200 |
| 35 | Performance measures: | |
| 36 | Escapes from secure facilities | 0 |
| 37 | Number of inmates receiving the general | |
| 38 | equivalency diploma | 2,500 |
| 39 | Number of inmate random positive | |
| 40 | urinalysis results | 1,400 |
| 41 | The personal services and employee-related expenditures for | |
| 42 | overtime/compensatory time line item includes monies for personal services | |
| 43 | and employee related expenditure costs from overtime and compensatory time | |
| 44 | payouts accrued by department employees in fiscal year 2008-2009. | |

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

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

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

14 A monthly report comparing state department of corrections expenditures
15 for the month and year-to-date as compared to prior year expenditures shall
16 be forwarded to the president of the senate, the speaker of the house of
17 representatives, the chairpersons of the senate and house of representatives
18 appropriations committees and the director of the joint legislative budget
19 committee by the thirtieth of the following month. The report shall include
20 at least each line item of appropriation and the main components of all other
21 operating expenditures. The report shall include an estimate of potential
22 shortfalls, potential surpluses that may be available to offset these
23 shortfalls and a plan, if necessary, for eliminating any shortfall without a
24 supplemental appropriation.

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

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

33 Twenty-five per cent of land earnings and interest from the state
34 charitable, penal and reformatory institutions land fund shall be distributed
35 to the state department of corrections in compliance with the enabling act
36 and the Constitution of Arizona to be used for the support of state penal
37 institutions.

38 Before the expenditure of any state education fund for correctional
39 education receipts in excess of \$429,900, the state department of corrections
40 shall report the intended use of the monies to the director of the joint
41 legislative budget committee.

42 The state department of corrections shall work with the department of
43 public safety's gang and immigration intelligence team enforcement mission to
44 combat gang activity. The state department of corrections and the department

1 of public safety shall report jointly to the joint legislative budget
2 committee by December 1, 2008 on their collaborative efforts and procedures.
3 Sec. 6. DEPARTMENT OF ECONOMIC SECURITY

| | <u>2008-09</u> |
|----|--|
| 4 | |
| 5 | <u>Administration</u> |
| 6 | FTE positions 302.5 |
| 7 | Operating lump sum appropriation \$ 43,588,800 |
| 8 | Fund sources: |
| 9 | State general fund \$ 34,119,400 |
| 10 | Federal child care and |
| 11 | development fund block grant 1,147,600 |
| 12 | Federal temporary assistance |
| 13 | for needy families block grant 6,565,500 |
| 14 | Public assistance collections |
| 15 | fund 408,100 |
| 16 | Spinal and head injuries trust |
| 17 | fund 89,000 |
| 18 | Statewide cost allocation plan |
| 19 | fund 1,000,000 |
| 20 | Federal Reed act grant 259,200 |
| 21 | Finger imaging \$ 738,900 |
| 22 | Fund sources: |
| 23 | State general fund \$ 461,400 |
| 24 | Federal temporary assistance |
| 25 | for needy families block |
| 26 | grant 277,500 |
| 27 | Attorney general legal services \$ 1,049,800 |
| 28 | Fund sources: |
| 29 | State general fund \$ 755,700 |
| 30 | Federal child care and development |
| 31 | fund block grant 17,300 |
| 32 | Federal temporary assistance for |
| 33 | needy families block grant 167,900 |
| 34 | Public assistance collections |
| 35 | fund 108,900 |
| 36 | Triagency disaster recovery \$ 271,500 |
| 37 | Fund sources: |
| 38 | Risk management fund \$ 271,500 |
| 39 | Document management \$ 494,600 |
| 40 | Fund sources: |
| 41 | State general fund \$ 494,600 |

42 In accordance with section 35-142.01, Arizona Revised Statutes, the
43 department of economic security shall remit to the department of
44 administration any monies received as reimbursement from the federal
45 government or any other source for the operation of the department of

1 economic security west building and any other building lease-purchased by the
 2 state of Arizona in which the department of economic security occupies space.
 3 The department of administration shall deposit these monies in the state
 4 general fund.

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

10 Developmental disabilities

| | | |
|----|------------------------------------|---------------|
| 11 | FTE positions | 1,921.9 |
| 12 | Operating lump sum appropriation | \$ 40,744,800 |
| 13 | Fund sources: | |
| 14 | State general fund | \$ 16,680,500 |
| 15 | Expenditure authority | 24,064,300 |
| 16 | Case management - Title XIX | \$ 42,630,900 |
| 17 | Fund sources: | |
| 18 | State general fund | \$ 14,546,700 |
| 19 | Expenditure authority | 28,084,200 |
| 20 | Home and community based | |
| 21 | services - Title XIX | \$608,905,600 |
| 22 | Fund sources: | |
| 23 | State general fund | \$207,298,400 |
| 24 | Expenditure authority | 401,607,200 |
| 25 | Institutional services - Title XIX | \$ 15,164,800 |
| 26 | Fund sources: | |
| 27 | State general fund | \$ 5,174,600 |
| 28 | Expenditure authority | 9,990,200 |
| 29 | Medical services | \$135,103,500 |
| 30 | Fund sources: | |
| 31 | State general fund | \$ 46,100,700 |
| 32 | Expenditure authority | 89,002,800 |
| 33 | Arizona training program at | |
| 34 | Coolidge - Title XIX | \$ 17,083,200 |
| 35 | Fund sources: | |
| 36 | State general fund | \$ 5,829,200 |
| 37 | Expenditure authority | 11,254,000 |
| 38 | Medicare clawback payments | \$ 2,206,600 |
| 39 | Fund sources: | |
| 40 | State general fund | \$ 2,206,600 |
| 41 | Case management - State-only | \$ 4,537,600 |
| 42 | Fund sources: | |
| 43 | State general fund | \$ 4,537,600 |
| 44 | Home and community based | |
| 45 | services - State-only | \$ 36,722,000 |

| | | |
|----|--|---------------|
| 1 | Fund sources: | |
| 2 | State general fund | \$ 35,873,900 |
| 3 | Long-term care system fund | 848,100 |
| 4 | Institutional services - State-only | \$ 294,900 |
| 5 | Fund sources: | |
| 6 | State general fund | \$ 294,900 |
| 7 | Arizona training program at | |
| 8 | Coolidge - State-only | \$ 572,400 |
| 9 | Fund sources: | |
| 10 | State general fund | \$ 572,400 |
| 11 | State-funded long-term care | |
| 12 | services | \$ 26,383,200 |
| 13 | Fund sources: | |
| 14 | State general fund | \$ 762,900 |
| 15 | Long-term care system fund | 25,620,300 |
| 16 | Autism training and oversight | \$ 200,000 |
| 17 | Fund sources: | |
| 18 | Tobacco tax and healthcare - | |
| 19 | health research account | \$ 200,000 |
| 20 | Children's autism intensive | |
| 21 | behavioral treatment services | \$ 1,800,000 |
| 22 | Fund sources: | |
| 23 | State general fund | \$ 1,800,000 |
| 24 | Children's autism intensive early | |
| 25 | intervention services for toddlers | \$ 500,000 |
| 26 | Fund sources: | |
| 27 | State general fund | \$ 500,000 |
| 28 | Arizona early intervention program | \$ 3,500,000 |
| 29 | Fund sources: | |
| 30 | State general fund | \$ 3,500,000 |
| 31 | Performance measures: | |
| 32 | Per cent of consumer satisfaction with | |
| 33 | case management services | 98 |
| 34 | Per cent of relatives and caregivers of | |
| 35 | consumers stating the services received | |
| 36 | meet the consumer's needs | 95 |
| 37 | Per cent of relatives and caregivers satisfied | |
| 38 | with the providers of services received | 95 |
| 39 | It is the intent of the legislature that any available surplus monies | |
| 40 | for developmental disability programs be applied toward the waiting list, | |
| 41 | unless there are insufficient monies to annualize these costs in the | |
| 42 | subsequent year. The children's waiting list shall receive first priority. | |
| 43 | The amount appropriated for developmental disabilities shall be used to | |
| 44 | provide for services for nontitle XIX eligible clients. The amount shall not | |

1 be used for other purposes, unless a transfer of monies is reviewed by the
2 joint legislative budget committee.

3 The department of economic security shall report all new placements
4 into a state-owned ICF-MR or the Arizona training program at Coolidge campus
5 in fiscal year 2008-2009 to the president of the senate, the speaker of the
6 house of representatives, the chairpersons of the senate and house of
7 representatives appropriations committees and the director of the joint
8 legislative budget committee and the reason why this placement, rather than a
9 placement into a privately run facility for the developmentally disabled, was
10 deemed as the most appropriate placement. The department shall also report
11 if no new placements were made. This report shall be made available by July
12 15, 2009.

13 The department shall report to the joint legislative budget committee
14 by March 1 of each year on preliminary actuarial estimates of the capitation
15 rate changes for the following fiscal year along with the reasons for the
16 estimated changes. For any actuarial estimates that include a range, the
17 total range from minimum to maximum shall be not more than two per cent.
18 Before implementation of any changes in capitation rates for the long-term
19 care program, the department of economic security shall report for review the
20 expenditure plan to the joint legislative budget committee. Before the
21 department implements any changes in policy affecting the amount,
22 sufficiency, duration and scope of health care services and who may provide
23 services, the department shall prepare a fiscal impact analysis on the
24 potential effects of this change on the following year's capitation rates.
25 If the fiscal analysis demonstrates that these changes will result in
26 additional state costs of \$500,000 or greater for a given fiscal year, the
27 department shall submit the policy changes for review by the joint
28 legislative budget committee.

29 For fiscal year 2008-2009, the department of economic security shall
30 not increase reimbursement rates for community service providers and
31 independent service agreement providers contracting with the division of
32 developmental disabilities.

33 Prior to the implementation of any developmentally disabled or
34 long-term care statewide provider rate increases not already specifically
35 authorized by the legislature, court mandates or changes to federal law, the
36 department shall submit a report for review by the joint legislative budget
37 committee. The report shall include, at a minimum, the estimated cost of the
38 provider rate increase and the ongoing source of funding for the increase.

39 All monies in the long-term care system fund unexpended and
40 unencumbered at the end of fiscal year 2008-2009 revert to the state general
41 fund, subject to approval by the Arizona health care cost containment system
42 administration.

43 Benefits and medical eligibility

| | |
|-------------------------------------|---------------|
| 44 FTE positions | 574.0 |
| 45 Operating lump sum appropriation | \$ 38,786,700 |

| | | |
|----|---|---------------|
| 1 | Fund sources: | |
| 2 | State general fund | \$ 23,851,900 |
| 3 | Federal temporary assistance | |
| 4 | for needy families block grant | 14,934,800 |
| 5 | Temporary assistance for | |
| 6 | needy families cash | |
| 7 | benefits | \$125,148,000 |
| 8 | Fund sources: | |
| 9 | State general fund | \$ 45,850,800 |
| 10 | Federal temporary assistance | |
| 11 | for needy families block | |
| 12 | grant | 79,297,200 |
| 13 | General assistance | \$ 2,060,800 |
| 14 | Fund sources: | |
| 15 | State general fund | \$ 2,060,800 |
| 16 | Tribal pass-through funding | \$ 4,288,700 |
| 17 | Fund sources: | |
| 18 | State general fund | \$ 4,288,700 |
| 19 | Tuberculosis control payments | \$ 32,200 |
| 20 | Fund sources: | |
| 21 | State general fund | \$ 32,200 |
| 22 | Eligibility system upgrade | 6,431,300 |
| 23 | Fund sources: | |
| 24 | State general fund | \$ 963,300 |
| 25 | Federal temporary assistance | |
| 26 | for needy families block grant | 5,468,000 |
| 27 | Performance measures: | |
| 28 | Per cent of cash benefits issued timely | 98.6 |
| 29 | Per cent of total cash benefits payments | |
| 30 | issued accurately | 95.0 |
| 31 | Per cent of total food stamps payments | |
| 32 | issued accurately | 96.0 |
| 33 | Per cent of clients satisfied with family | |
| 34 | assistance administration | 90.0 |

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

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

42 Of the amount appropriated for temporary assistance for needy families
43 cash benefits, \$500,000 reflects appropriation authority only to ensure
44 sufficient cashflow to administer cash benefits for tribes operating their
45 own welfare programs. The department shall notify the joint legislative

1 budget committee and the governor's office of strategic planning and
 2 budgeting staff before the use of any of the \$500,000 appropriation
 3 authority.

| | | |
|----|---|---------------|
| 4 | <u>Child support enforcement</u> | |
| 5 | FTE positions | 863.8 |
| 6 | Operating lump sum appropriation | \$ 48,729,300 |
| 7 | Fund sources: | |
| 8 | State general fund | \$ 8,087,000 |
| 9 | Child support enforcement | |
| 10 | administration fund | 11,310,400 |
| 11 | Expenditure authority | 29,331,900 |
| 12 | Genetic testing | \$ 360,000 |
| 13 | Fund sources: | |
| 14 | State general fund | \$ 122,400 |
| 15 | Expenditure authority | 237,600 |
| 16 | County participation | \$ 6,845,200 |
| 17 | Fund sources: | |
| 18 | Child support enforcement | |
| 19 | administration fund | \$ 1,384,100 |
| 20 | Expenditure authority | 5,461,100 |
| 21 | Attorney general legal services | \$ 9,922,500 |
| 22 | Fund sources: | |
| 23 | State general fund | \$ 910,600 |
| 24 | Child support enforcement | |
| 25 | administration fund | 2,425,100 |
| 26 | Expenditure authority | 6,586,800 |
| 27 | Performance measures: | |
| 28 | Total IV-D collections | \$370,700,000 |
| 29 | Ratio of current IV-D support collected | |
| 30 | and distributed to current IV-D support | |
| 31 | due | 50.4 |

32 All state share of retained earnings, fees and federal incentives above
 33 \$15,119,600 received by the division of child support enforcement are
 34 appropriated for operating expenditures. New full-time equivalent positions
 35 may be authorized with the increased funding. The division of child support
 36 enforcement shall report the intended use of the monies to the president of
 37 the senate, the speaker of the house of representatives, the chairpersons of
 38 the senate and house of representatives appropriations committees and the
 39 director of the joint legislative budget committee and the director of the
 40 governor's office of strategic planning and budgeting.

| | | |
|----|-------------------------------------|--------------|
| 41 | <u>Aging and community services</u> | |
| 42 | FTE positions | 109.6 |
| 43 | Operating lump sum appropriation | \$ 7,069,900 |
| 44 | Fund sources: | |
| 45 | State general fund | \$ 6,822,400 |

| | | |
|----|---|---------------|
| 1 | Federal temporary assistance | |
| 2 | for needy families block | |
| 3 | grant | 247,500 |
| 4 | Adult services | \$ 19,277,700 |
| 5 | Fund sources: | |
| 6 | State general fund | \$ 19,277,700 |
| 7 | Community and emergency | |
| 8 | services | \$ 5,424,900 |
| 9 | Fund sources: | |
| 10 | Federal temporary assistance | |
| 11 | for needy families block | |
| 12 | grant | \$ 5,424,900 |
| 13 | Coordinated hunger | \$ 2,014,600 |
| 14 | Fund sources: | |
| 15 | State general fund | \$ 1,514,600 |
| 16 | Federal temporary assistance | |
| 17 | for needy families block | |
| 18 | grant | 500,000 |
| 19 | Coordinated homeless | \$ 2,804,900 |
| 20 | Fund sources: | |
| 21 | State general fund | \$ 1,155,400 |
| 22 | Federal temporary assistance | |
| 23 | for needy families block | |
| 24 | grant | 1,649,500 |
| 25 | Domestic violence prevention | \$ 16,647,400 |
| 26 | Fund sources: | |
| 27 | State general fund | \$ 8,326,700 |
| 28 | Federal temporary assistance | |
| 29 | for needy families block | |
| 30 | grant | 6,620,700 |
| 31 | Domestic violence shelter fund | 1,700,000 |
| 32 | Lifespan respite care | \$ 500,000 |
| 33 | Fund sources: | |
| 34 | State general fund | \$ 500,000 |
| 35 | Performance measures: | |
| 36 | Adult protective services investigation | |
| 37 | per cent rate | 100 |

38 The department shall report on activities of food distribution efforts
39 funded through the monies in the coordinated hunger line item to the joint
40 legislative budget committee by March 15, 2009. The report shall demonstrate
41 how the food was distributed and shall include letters from each
42 participating food bank stating its satisfaction with the distribution and
43 the department shall verify that food products have been distributed through
44 regional food banks to all rural areas of the state.

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

6 The department of economic security shall report to the joint
 7 legislative budget committee on the amount of state and federal monies
 8 available statewide for domestic violence funding by December 15, 2008. The
 9 report shall include, at a minimum, the amount of monies available and the
 10 state fiscal agent receiving those monies.

11 Children, youth and families

| | | |
|----|----------------------------------|---------------|
| 12 | FTE positions | 1,616.7 |
| 13 | Operating lump sum appropriation | \$ 98,202,700 |
| 14 | Fund sources: | |
| 15 | State general fund | \$ 61,447,000 |
| 16 | Children and family services | |
| 17 | training program fund | 209,600 |
| 18 | Federal temporary assistance | |
| 19 | for needy families block | |
| 20 | grant | 36,546,100 |
| 21 | Adoption services | \$ 55,244,600 |
| 22 | Fund sources: | |
| 23 | State general fund | \$ 35,942,200 |
| 24 | Federal temporary assistance | |
| 25 | for needy families block | |
| 26 | grant | 19,302,400 |
| 27 | Adoption services - family | |
| 28 | preservation projects | \$ 700,000 |
| 29 | Fund sources: | |
| 30 | Federal temporary assistance | |
| 31 | for needy families block | |
| 32 | grant | \$ 700,000 |
| 33 | Attorney general legal | |
| 34 | services | \$ 12,273,900 |
| 35 | Fund sources: | |
| 36 | State general fund | \$ 12,221,700 |
| 37 | Federal temporary assistance | |
| 38 | for needy families block | |
| 39 | grant | 52,200 |
| 40 | Child abuse prevention | \$ 826,900 |
| 41 | Fund sources: | |
| 42 | Child abuse prevention fund | \$ 826,900 |
| 43 | Children support services | \$ 76,082,400 |

| | | |
|----|-----------------------------------|---------------|
| 1 | Fund sources: | |
| 2 | State general fund | \$ 45,403,300 |
| 3 | Child abuse prevention fund | 750,000 |
| 4 | Federal temporary assistance | |
| 5 | for needy families block | |
| 6 | grant | 29,929,100 |
| 7 | Comprehensive medical and dental | |
| 8 | program | \$ 2,057,000 |
| 9 | Fund sources: | |
| 10 | State general fund | \$ 2,057,000 |
| 11 | Child protective services appeals | \$ 732,900 |
| 12 | Fund sources: | |
| 13 | State general fund | \$ 732,900 |
| 14 | CPS emergency placement | \$ 5,186,500 |
| 15 | Fund sources: | |
| 16 | State general fund | \$ 2,180,100 |
| 17 | Federal temporary assistance | |
| 18 | for needy families block | |
| 19 | grant | 3,006,400 |
| 20 | Education and training vouchers | \$ 700,000 |
| 21 | Fund sources: | |
| 22 | State general fund | \$ 700,000 |
| 23 | Family builders program | \$ 5,200,000 |
| 24 | Fund sources: | |
| 25 | Federal temporary assistance for | |
| 26 | needy families block grant | \$ 5,200,000 |
| 27 | Foster care placement | \$ 23,362,600 |
| 28 | Fund sources: | |
| 29 | State general fund | \$ 17,139,500 |
| 30 | Federal temporary assistance for | |
| 31 | needy families block grant | 6,223,100 |
| 32 | Healthy families | \$ 10,750,000 |
| 33 | Fund sources: | |
| 34 | State general fund | \$ 5,715,800 |
| 35 | Federal temporary assistance for | |
| 36 | needy families block grant | 5,034,200 |
| 37 | Homeless youth intervention | \$ 400,000 |
| 38 | Fund sources: | |
| 39 | Federal temporary assistance for | |
| 40 | needy families block grant | \$ 400,000 |
| 41 | Independent living maintenance | \$ 3,136,000 |
| 42 | Fund sources: | |
| 43 | State general fund | \$ 3,136,000 |

| | | |
|----|---|---------------|
| 1 | Intensive family services | \$ 1,985,600 |
| 2 | Fund sources: | |
| 3 | State general fund | \$ 1,985,600 |
| 4 | Joint substance abuse - AZ families | |
| 5 | F.I.R.S.T. | \$ 7,224,500 |
| 6 | Fund sources: | |
| 7 | State general fund | \$ 5,224,500 |
| 8 | Federal TANF block grant | 2,000,000 |
| 9 | Permanent guardianship subsidy | \$ 8,935,300 |
| 10 | Fund sources: | |
| 11 | State general fund | \$ 7,192,300 |
| 12 | Federal temporary assistance for | |
| 13 | needy families block grant | 1,743,000 |
| 14 | CPS residential placement | \$ 17,710,000 |
| 15 | Fund sources: | |
| 16 | State general fund | \$ 6,543,400 |
| 17 | Federal temporary assistance for | |
| 18 | needy families block grant | 11,166,600 |
| 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 Employment and rehabilitation services

| | | |
|----|------------------------------------|---------------|
| 21 | FTE positions | 559.9 |
| 22 | Operating lump sum appropriation | \$ 32,426,800 |
| 23 | Fund sources: | |
| 24 | State general fund | \$ 9,847,000 |
| 25 | Federal child care and development | |
| 26 | fund block grant | 10,508,800 |
| 27 | Federal temporary assistance for | |
| 28 | needy families block grant | 5,897,400 |
| 29 | Workforce investment act grant | 2,282,600 |
| 30 | Special administration fund | 85,000 |
| 31 | Spinal and head injuries trust | |
| 32 | fund | 569,500 |
| 33 | Federal Reed act grant | 3,236,500 |

34 JOBS \$ 23,571,700

35 Fund sources:

| | | |
|----|----------------------------------|---------------|
| 36 | State general fund | \$ 1,825,200 |
| 37 | Federal temporary assistance for | |
| 38 | needy families block grant | 18,246,500 |
| 39 | Workforce investment act grant | 2,000,000 |
| 40 | Special administration fund | 1,500,000 |
| 41 | Day care subsidy | \$162,289,000 |
| 42 | Fund sources: | |
| 43 | State general fund | \$ 82,920,100 |

| | | |
|----|---|---------------|
| 1 | Federal child care and | |
| 2 | development fund block grant | 64,285,800 |
| 3 | Federal temporary assistance for | |
| 4 | needy families block grant | 15,083,100 |
| 5 | Transitional child care | \$ 36,193,000 |
| 6 | Fund sources: | |
| 7 | Federal child care and | |
| 8 | development fund block | |
| 9 | grant | \$ 36,193,000 |
| 10 | Vocational rehabilitation | |
| 11 | services | \$ 4,919,100 |
| 12 | Fund sources: | |
| 13 | State general fund | \$ 4,714,400 |
| 14 | Spinal and head injuries | |
| 15 | trust fund | 204,700 |
| 16 | Independent living rehabilitation | |
| 17 | services | \$ 2,491,900 |
| 18 | Fund sources: | |
| 19 | State general fund | \$ 784,200 |
| 20 | Spinal and head injuries trust | |
| 21 | fund | 1,707,700 |
| 22 | Summer youth employment and training | 750,000 |
| 23 | Fund sources: | |
| 24 | State general fund | \$ 750,000 |
| 25 | Workforce investment act - local | |
| 26 | governments | \$ 48,040,600 |
| 27 | Fund sources: | |
| 28 | Workforce investment act grant | \$ 48,040,600 |
| 29 | Workforce investment act - | |
| 30 | discretionary | \$ 3,614,000 |
| 31 | Fund sources: | |
| 32 | Workforce investment act grant | \$ 3,614,000 |
| 33 | Performance measures: | |
| 34 | Number of TANF recipients who obtained | |
| 35 | employment | 17,000 |
| 36 | Per cent of customer satisfaction with | |
| 37 | child care | 95.0 |
| 38 | Vocational rehabilitation individuals | |
| 39 | successfully rehabilitated | 4,000 |
| 40 | It is the intent of the legislature to fully fund child care caseloads | |
| 41 | and not create a wait list. | |
| 42 | Of the \$162,289,000 appropriated for day care subsidy, \$115,019,900 is | |
| 43 | for a program in which the upper income limit is no more than one hundred | |
| 44 | sixty-five per cent of the federal poverty level. | |

1 projected surplus in state supported programs that may be available to offset
2 these shortfalls and a plan, if necessary, for eliminating any shortfall
3 without a supplemental appropriation, (3) shortfalls resulting from new
4 leases or renegotiations of current leases and associated costs and (4) total
5 expenditure authority of the child support enforcement program for the month
6 and year-to-date as compared to prior year totals.

7 Sec. 7. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION
8 2008-09

9 Administration

10 FTE positions 72.5
11 Lump sum appropriation \$ 6,705,300

12 Fund sources:

13 State general fund \$ 6,705,300

14 The lump sum appropriation includes \$291,100 and 4 FTE positions for
15 average daily membership auditing and \$200,000 and 2 FTE positions for
16 information technology security services.

17 Formula programs

18 FTE positions 29.0
19 Operating lump sum appropriation \$ 2,198,700
20 Basic state aid \$3,341,770,200

21 Fund sources:

22 State general fund \$3,296,549,500
23 Permanent state school fund 45,220,700

24 The above appropriation provides basic state support to school
25 districts for maintenance and operations funding as provided by section
26 15-973, Arizona Revised Statutes, and includes an estimated \$45,220,700 in
27 expendable income derived from the permanent state school fund and from state
28 trust lands pursuant to section 37-521, subsection B, Arizona Revised
29 Statutes, for fiscal year 2008-2009.

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

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

44 Additional state aid \$ 404,880,500
45 Special education fund 35,237,700

| | | |
|---|----------------------------------|-----------------|
| 1 | Other state aid to districts | <u>983,900</u> |
| 2 | Total - formula programs | \$3,785,071,000 |
| 3 | Fund sources: | |
| 4 | State general fund | \$3,739,850,300 |
| 5 | Permanent state school fund | 45,220,700 |
| 6 | <u>Non-formula programs</u> | |
| 7 | FTE positions | 149.4 |
| 8 | Operating lump sum appropriation | \$ 1,766,100 |
| 9 | Achievement testing | 10,246,200 |

10 Before making any changes to the achievement testing program that will
 11 increase program costs, the state board of education shall report the
 12 estimated fiscal impact of those changes to the joint legislative budget
 13 committee.

| | | |
|----|--------------------------------|-----------|
| 14 | AIMS intervention; dropout | |
| 15 | prevention | 5,550,000 |
| 16 | School accountability | 4,699,100 |
| 17 | Adult education and GED | 4,477,900 |
| 18 | Chemical abuse | 826,300 |
| 19 | English learner administration | 5,025,500 |

20 The appropriated amount is to be used by the department of education to
 21 provide English language acquisition services for the purposes of section
 22 15-756.07, Arizona Revised Statutes, and for the costs of providing English
 23 language proficiency assessments, scoring and ancillary materials as
 24 prescribed by the department of education to school districts and charter
 25 schools for the purposes of title 15, chapter 7, article 3.1, Arizona Revised
 26 Statutes. The department of education may use a portion of the appropriated
 27 amount to hire staff or contract with a third party to carry out the purposes
 28 of section 15-756.07, Arizona Revised Statutes. Notwithstanding section
 29 41-192, Arizona Revised Statutes, the superintendent of public instruction
 30 also may use a portion of the appropriated amount to contract with one or
 31 more private attorneys to provide legal services in connection with the case
 32 of Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

| | | |
|----|-------------------------------|------------|
| 33 | Compensatory instruction fund | |
| 34 | deposit | 10,000,000 |
| 35 | Extended school year | 500,000 |
| 36 | Family literacy | 1,011,300 |
| 37 | Gifted support | 3,385,300 |
| 38 | School safety program | 6,728,300 |
| 39 | Small pass-through programs | 681,600 |

40 The appropriated amount includes \$50,000 for the academic contest fund,
 41 \$82,400 for academic decathlon, \$50,000 for Arizona geographic alliance,
 42 \$40,000 for the Arizona humanities council, \$25,200 for Arizona principal's
 43 academy, \$234,000 for Arizona school service through education technology,
 44 \$50,000 for project citizen and \$50,000 for the economic academic council and
 45 \$100,000 for civics training.

| | | |
|----|--|----------------|
| 1 | State block grant for early | |
| 2 | childhood education | 19,457,100 |
| 3 | State block grant for vocational | |
| 4 | education | 11,467,200 |
| 5 | Vocational education extended year | 600,000 |
| 6 | Teacher certification | 1,994,000 |
| 7 | Monies collected by the department of education for teacher | |
| 8 | certification fees, as authorized by section 15-531, paragraphs 1 and 2, | |
| 9 | Arizona Revised Statutes, shall be deposited in a teacher certification fund | |
| 10 | for use in funding costs of the teacher certification program. | |
| 11 | Parental choice for reading success | 1,000,000 |
| 12 | Optional performance incentive | |
| 13 | programs | <u>120,000</u> |
| 14 | Total - nonformula programs | \$ 89,535,900 |
| 15 | Fund sources: | |
| 16 | State general fund | \$ 80,324,200 |
| 17 | Proposition 301 fund | 7,000,000 |
| 18 | Teacher certification fund | 2,211,700 |
| 19 | Performance measures: | |
| 20 | Per cent of students tested who perform | |
| 21 | at or above the national norm on the | |
| 22 | norm-referenced test (grade 2) | |
| 23 | -- reading | 50 |
| 24 | -- math | 55 |
| 25 | Per cent of students tested who perform | |
| 26 | at or above the national norm on the | |
| 27 | norm-referenced test (grade 9) | |
| 28 | -- reading | 56 |
| 29 | -- math | 56 |
| 30 | Per cent of schools with at least 75% of | |
| 31 | students meeting or exceeding standards in: | |
| 32 | -- reading | 42 |
| 33 | -- writing | 56 |
| 34 | -- math | 42 |
| 35 | Per cent of Arizona high school students | |
| 36 | who enter grade 9 and graduate within | |
| 37 | 4 years | 70 |
| 38 | Per cent of students in grade 3 meeting | |
| 39 | or exceeding state academic standards in: | |
| 40 | -- reading | 80 |
| 41 | -- writing | 84 |
| 42 | -- math | 80 |
| 43 | Per cent of students in grade 5 meeting | |
| 44 | or exceeding state academic standards in: | |
| 45 | -- reading | 77 |

| | | |
|----|--|---------------------|
| 1 | -- writing | 75 |
| 2 | -- math | 77 |
| 3 | Per cent of students in grade 8 meeting | |
| 4 | or exceeding state academic standards in: | |
| 5 | -- reading | 73 |
| 6 | -- writing | 86 |
| 7 | -- math | 70 |
| 8 | Per cent of students in grade 12 meeting | |
| 9 | or exceeding state academic standards in: | |
| 10 | -- reading | 41 |
| 11 | -- writing | 40 |
| 12 | -- math | 27 |
| 13 | Per cent of students tested: | |
| 14 | -- norm-referenced test (grades 2 and 9) | 96 |
| 15 | -- AIMS | 98 |
| 16 | Per cent of Arizona schools receiving an | |
| 17 | underperforming label | 4 |
| 18 | Maximum number of days to process | |
| 19 | complete certification applications | 8 |
| 20 | Per cent of customers satisfied with | |
| 21 | certification services | 92 |
| 22 | <u>State board of education</u> | |
| 23 | FTE positions | 10.0 |
| 24 | Operating lump sum appropriation | \$ 1,076,100 |
| 25 | Math or science initiatives | <u>\$ 2,500,000</u> |
| 26 | Total - state board of education | \$ 3,576,100 |
| 27 | Fund sources: | |
| 28 | State general fund | \$ 3,192,500 |
| 29 | Teacher certification fund | 383,600 |
| 30 | Performance measures: | |
| 31 | Per cent of parents who rate "A+" the public | |
| 32 | school that their oldest school-age child | |
| 33 | attends | 9.0 |
| 34 | The appropriated amount includes \$100,000 for administering a survey to | |
| 35 | a random sample of parents of children in public schools statewide. The | |
| 36 | survey shall consist of the following question: "Students are given the | |
| 37 | grades A+, A, B, C, D and Fail to denote the quality of their work. Using | |
| 38 | the same A+, A, B, C, D and Fail scale, what grade would you give the school | |
| 39 | that your oldest child attends?" | |
| 40 | The state board of education program may establish its own strategic | |
| 41 | plan separate from that of the department of education and based on its own | |
| 42 | separate mission, goals and performance measures. | |
| 43 | Agencywide lump sum reduction | \$ (2,200,000) |
| 44 | Fund sources: | |
| 45 | State general fund | \$ (2,200,000) |

| | | |
|---|--------------------------------------|-----------------|
| 1 | Total appropriation - state board of | |
| 2 | education and superintendent | |
| 3 | of public instruction | \$3,882,688,300 |
| 4 | Fund sources: | |
| 5 | State general fund | \$3,827,872,300 |
| 6 | Proposition 301 fund | 7,000,000 |
| 7 | Permanent state school fund | 45,220,700 |
| 8 | Teacher certification fund | 2,595,300 |

9 The department of education agencywide lump sum reduction may not be
 10 taken against the appropriation made to the state board of education or
 11 funding normally passed on to school districts or charter schools.

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

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

29 Sec. 8. DEPARTMENT OF FINANCIAL INSTITUTIONS

| | | |
|----|---|----------------|
| 30 | | <u>2008-09</u> |
| 31 | FTE positions | 57.1 |
| 32 | Lump sum appropriation | \$ 3,806,800 |
| 33 | Fund sources: | |
| 34 | State general fund | \$ 3,806,800 |
| 35 | Performance measures: | |
| 36 | Per cent of examinations reports mailed | |
| 37 | within 25 days of examiner's completion | |
| 38 | of exam procedures | 78.0 |
| 39 | Per cent of license applications approved | |
| 40 | within 45 days of receipt | 65.0 |
| 41 | Per cent of examinations receiving | |
| 42 | satisfactory rating | 91.0 |
| 43 | Average days from receipt to resolution | |
| 44 | of regular complaints | 100.0 |

| | | |
|----|---|----------------|
| 1 | Per cent of complainants indicating they | |
| 2 | received "good" or "better" service when | |
| 3 | filing a complaint | 75.0 |
| 4 | The department of financial institutions shall assess and set fees to | |
| 5 | ensure that monies deposited in the state general fund will equal or exceed | |
| 6 | its expenditure from the state general fund. | |
| 7 | Sec. 9. DEPARTMENT OF HEALTH SERVICES | |
| 8 | | <u>2008-09</u> |
| 9 | <u>Administration</u> | |
| 10 | FTE positions | 432.8 |
| 11 | Operating lump sum appropriation | \$ 17,658,300 |
| 12 | Fund sources: | |
| 13 | State general fund | \$ 14,876,300 |
| 14 | Capital outlay stabilization | |
| 15 | fund | 1,578,100 |
| 16 | Emergency medical services | |
| 17 | operating fund | 203,900 |
| 18 | Indirect cost fund | 1,000,000 |
| 19 | Assurance and licensure | \$ 11,553,100 |
| 20 | Fund sources: | |
| 21 | State general fund | \$ 9,392,500 |
| 22 | Federal child care and development | |
| 23 | fund block grant | 829,200 |
| 24 | Hearing and speech professionals | |
| 25 | fund | 343,200 |
| 26 | Nursing care institution resident | |
| 27 | protection revolving fund | 38,000 |
| 28 | Expenditure authority | 950,200 |
| 29 | Attorney general legal services | \$ 444,900 |
| 30 | Fund sources: | |
| 31 | State general fund | \$ 394,900 |
| 32 | Emergency medical services | |
| 33 | operating fund | 50,000 |
| 34 | Newborn screening program fund - | |
| 35 | indirect costs | \$ 478,600 |
| 36 | Fund sources: | |
| 37 | Newborn screening program fund | \$ 478,600 |
| 38 | Indirect cost fund | \$ 8,053,000 |
| 39 | Fund sources: | |
| 40 | Indirect cost fund | \$ 8,053,000 |
| 41 | Performance measures: | |
| 42 | Per cent of relicensure surveys completed | |
| 43 | on time: | |
| 44 | Child care facilities | 97 |
| 45 | Health care facilities | 85 |

| | | |
|----|--|---------------|
| 1 | Per cent of complaint investigations initiated | |
| 2 | later than investigative guidelines: | |
| 3 | Child care facilities | 0 |
| 4 | Health care facilities | 30 |
| 5 | <u>Public health</u> | |
| 6 | FTE positions | 245.1 |
| 7 | Operating lump sum appropriation | \$ 6,660,500 |
| 8 | Fund sources: | |
| 9 | State general fund | \$ 5,823,200 |
| 10 | Emergency medical services | |
| 11 | operating fund | 837,300 |
| 12 | AIDS reporting and surveillance | \$ 1,125,000 |
| 13 | Fund sources: | |
| 14 | State general fund | \$ 1,125,000 |
| 15 | Alzheimer's disease research | \$ 4,000,000 |
| 16 | Fund sources: | |
| 17 | State general fund | \$ 3,000,000 |
| 18 | Tobacco tax and health care | |
| 19 | fund - health research account | 1,000,000 |
| 20 | Arizona statewide immunization | |
| 21 | information system | \$ 517,500 |
| 22 | Fund sources: | |
| 23 | State general fund | \$ 517,500 |
| 24 | Community health centers | \$ 13,481,300 |
| 25 | Fund sources: | |
| 26 | State general fund | \$ 8,981,300 |
| 27 | Tobacco tax and health care | |
| 28 | fund - medically needy | |
| 29 | account | 4,500,000 |
| 30 | County public health | \$ 200,000 |
| 31 | Fund sources: | |
| 32 | State general fund | \$ 200,000 |
| 33 | County tuberculosis provider | |
| 34 | care and control | \$ 1,410,500 |
| 35 | Fund sources: | |
| 36 | State general fund | \$ 1,410,500 |
| 37 | Diabetes prevention and control | \$ 400,000 |
| 38 | Fund sources: | |
| 39 | State general fund | \$ 400,000 |
| 40 | Direct grants | \$ 460,300 |
| 41 | Fund sources: | |
| 42 | State general fund | \$ 460,300 |
| 43 | EMS operations | \$ 3,263,900 |

| | | |
|----|---------------------------------------|--------------|
| 1 | Fund sources: | |
| 2 | Emergency medical services | |
| 3 | operating fund | \$ 3,263,900 |
| 4 | Hepatitis C surveillance | \$ 409,300 |
| 5 | Fund sources: | |
| 6 | State general fund | \$ 409,300 |
| 7 | Kidney program | \$ 50,500 |
| 8 | Fund sources: | |
| 9 | State general fund | \$ 50,500 |
| 10 | Laboratory services | \$ 5,064,300 |
| 11 | Fund sources: | |
| 12 | State general fund | \$ 4,087,900 |
| 13 | Environmental laboratory licensure | |
| 14 | revolving fund | 976,400 |
| 15 | Loan repayment | \$ 750,000 |
| 16 | Fund sources: | |
| 17 | State general fund | \$ 100,000 |
| 18 | Emergency medical services | |
| 19 | operating fund | 650,000 |
| 20 | Poison control center funding | \$ 675,000 |
| 21 | Fund sources: | |
| 22 | State general fund | \$ 675,000 |
| 23 | Reimbursement to counties | \$ 67,900 |
| 24 | Fund sources: | |
| 25 | State general fund | \$ 67,900 |
| 26 | Renal and nonrenal disease management | \$ 468,000 |
| 27 | Fund sources: | |
| 28 | State general fund | \$ 468,000 |
| 29 | Scorpion antivenom | \$ 150,000 |
| 30 | Fund sources: | |
| 31 | State general fund | \$ 150,000 |
| 32 | STD control subventions | \$ 26,300 |
| 33 | Fund sources: | |
| 34 | State general fund | \$ 26,300 |
| 35 | Telemedicine | \$ 260,000 |
| 36 | Fund sources: | |
| 37 | State general fund | \$ 260,000 |
| 38 | Teratogen program | \$ 60,000 |
| 39 | Fund sources: | |
| 40 | State general fund | \$ 60,000 |
| 41 | Trauma advisory board | \$ 405,400 |
| 42 | Fund sources: | |
| 43 | Emergency medical services | |
| 44 | operating fund | \$ 405,400 |

| | | |
|----|--|--------------|
| 1 | University of Arizona poison | |
| 2 | control center funding | \$ 1,275,000 |
| 3 | Fund sources: | |
| 4 | State general fund | \$ 1,275,000 |
| 5 | Vaccines | \$ 8,410,400 |
| 6 | Fund sources: | |
| 7 | State general fund | \$ 8,410,400 |
| 8 | Vital records maintenance | \$ 502,200 |
| 9 | Fund sources: | |
| 10 | Vital records electronic | |
| 11 | systems fund | \$ 502,200 |
| 12 | Performance measures: | |
| 13 | Immunization rate among two-year-old | |
| 14 | children | 84 |
| 15 | Per cent of high school youth who smoked | |
| 16 | in the last month | 18 |
| 17 | Customer waiting time in vital records | |
| 18 | lobby (in minutes) | 13 |

19 Of the \$13,481,300 appropriated for community health centers, at least
20 \$564,000 shall be distributed to Yavapai county for county primary care
21 programs.

22 The department of health services may use up to four per cent of the
23 amounts appropriated for renal and nonrenal disease management, community
24 health centers and telemedicine for the administrative costs to implement
25 each program.

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

30 The department of health services shall report to the joint legislative
31 budget committee by February 1, 2009 on the amount of federal monies received
32 for fiscal year 2008-2009 for the 317 vaccine program.

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

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

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

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

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

| | | |
|----|------------------------------------|---------------|
| 16 | <u>Family health</u> | |
| 17 | FTE positions | 96.8 |
| 18 | Operating lump sum appropriation | \$ 6,002,700 |
| 19 | Fund sources: | |
| 20 | State general fund | \$ 3,821,700 |
| 21 | Expenditure authority | 2,181,000 |
| 22 | Adult cystic fibrosis | \$ 105,200 |
| 23 | Fund sources: | |
| 24 | State general fund | \$ 105,200 |
| 25 | Adult sickle cell anemia | \$ 33,000 |
| 26 | Fund sources: | |
| 27 | State general fund | \$ 33,000 |
| 28 | AHCCCS - children's rehabilitative | |
| 29 | services | \$ 81,151,300 |
| 30 | Fund sources: | |
| 31 | State general fund | \$ 27,688,800 |
| 32 | Expenditure authority | 53,462,500 |
| 33 | Breast and cervical cancer and | |
| 34 | bone density screening | \$ 1,348,600 |
| 35 | Fund sources: | |
| 36 | State general fund | \$ 1,348,600 |
| 37 | Child fatality review team | \$ 247,200 |
| 38 | Fund sources: | |
| 39 | Child fatality review fund | \$ 100,000 |
| 40 | Emergency medical services | |
| 41 | operating fund | 147,200 |
| 42 | Children's rehabilitative | |
| 43 | services | \$ 3,587,000 |
| 44 | Fund sources: | |
| 45 | State general fund | \$ 3,587,000 |

| | | |
|----|---|---------------|
| 1 | County prenatal services grant | \$ 1,148,500 |
| 2 | Fund sources: | |
| 3 | State general fund | \$ 1,148,500 |
| 4 | Folic acid | \$ 400,000 |
| 5 | Fund sources: | |
| 6 | Tobacco tax and health care fund - | |
| 7 | medically needy account | \$ 400,000 |
| 8 | High risk perinatal services | \$ 5,430,600 |
| 9 | Fund sources: | |
| 10 | State general fund | \$ 4,980,600 |
| 11 | Emergency medical services | |
| 12 | operating fund | 450,000 |
| 13 | Medicaid special exemption | |
| 14 | payments | \$ 1,803,400 |
| 15 | Fund sources: | |
| 16 | State general fund | \$ 615,300 |
| 17 | Expenditure authority | 1,188,100 |
| 18 | Newborn screening program | \$ 6,351,000 |
| 19 | Fund sources: | |
| 20 | Newborn screening program fund | \$ 6,351,000 |
| 21 | Senior food program | \$ 600,000 |
| 22 | Fund sources: | |
| 23 | State general fund | \$ 600,000 |
| 24 | Performance measures: | |
| 25 | Number of newborns screened under newborn | |
| 26 | screening program | 107,214 |
| 27 | The amounts appropriated for children's rehabilitative services and for | |
| 28 | AHCCCS - children's rehabilitative services are intended to cover all costs | |
| 29 | in full for contracts for the provision of services to clients, unless a | |
| 30 | transfer of monies is reviewed by the joint legislative budget committee. | |
| 31 | The department of health services may transfer up to \$350,000 in | |
| 32 | revenues from the indirect cost fund to the Arizona health care cost | |
| 33 | containment system administration for the purpose of meeting indirect cost | |
| 34 | state match requirements related to AHCCCS - children's rehabilitative | |
| 35 | services program. | |
| 36 | Of the \$5,430,600 appropriated for high risk perinatal services | |
| 37 | \$583,000 shall be distributed to counties. | |
| 38 | <u>Behavioral health</u> | |
| 39 | FTE positions | 166.0 |
| 40 | Operating lump sum appropriation | \$ 9,592,700 |
| 41 | Fund sources: | |
| 42 | State general fund | \$ 4,528,800 |
| 43 | Expenditure authority | 5,063,900 |
| 44 | Arnold v. Sarn | \$ 37,153,100 |

| | | |
|----|------------------------------------|---------------|
| 1 | Fund sources: | |
| 2 | State general fund | \$ 27,500,000 |
| 3 | Expenditure authority | 9,653,100 |
| 4 | Children's behavioral health | |
| 5 | services | \$ 9,351,800 |
| 6 | Fund sources: | |
| 7 | State general fund | \$ 9,351,800 |
| 8 | Children's behavioral health state | |
| 9 | match for title XIX | \$358,971,200 |
| 10 | Fund sources: | |
| 11 | State general fund | \$122,432,700 |
| 12 | Expenditure authority | 236,538,500 |
| 13 | Court monitoring | \$ 197,500 |
| 14 | Fund sources: | |
| 15 | State general fund | \$ 197,500 |
| 16 | Dual eligible part D copay subsidy | \$ 802,600 |
| 17 | Fund sources: | |
| 18 | State general fund | \$ 802,600 |
| 19 | Medicaid special exemption | |
| 20 | payments | \$ 20,423,900 |
| 21 | Fund sources: | |
| 22 | State general fund | \$ 6,969,100 |
| 23 | Expenditure authority | 13,454,800 |
| 24 | Medicare clawback payments | \$ 10,718,100 |
| 25 | Fund sources: | |
| 26 | State general fund | \$ 10,718,100 |
| 27 | Mental health and substance abuse | |
| 28 | state match for title XIX | \$105,892,800 |
| 29 | Fund sources: | |
| 30 | State general fund | \$ 36,133,300 |
| 31 | Expenditure authority | 69,759,500 |
| 32 | Mental health nontitle XIX | \$ 2,447,300 |
| 33 | Fund sources: | |
| 34 | State general fund | \$ 2,447,300 |
| 35 | Proposition 204 - administration | \$ 6,534,800 |
| 36 | Fund sources: | |
| 37 | State general fund | \$ 2,130,200 |
| 38 | Expenditure authority | 4,404,600 |
| 39 | Proposition 204 - children's | |
| 40 | behavioral health services | \$ 4,532,100 |
| 41 | Fund sources: | |
| 42 | State general fund | \$ 1,546,500 |
| 43 | Expenditure authority | 2,985,600 |
| 44 | Proposition 204 - general mental | |
| 45 | health and substance abuse | \$108,329,900 |

| | | |
|----|---|---------------|
| 1 | Fund sources: | |
| 2 | State general fund | \$ 36,964,900 |
| 3 | Expenditure authority | 71,365,000 |
| 4 | Proposition 204 - seriously | |
| 5 | mentally ill services | \$208,954,800 |
| 6 | Fund sources: | |
| 7 | State general fund | \$ 71,300,600 |
| 8 | Expenditure authority | 137,654,200 |
| 9 | Seriously emotionally handicapped | |
| 10 | children | \$ 500,000 |
| 11 | Fund sources: | |
| 12 | State general fund | \$ 500,000 |
| 13 | Seriously mentally ill nontitle | |
| 14 | XIX | \$ 61,116,700 |
| 15 | Fund sources: | |
| 16 | State general fund | \$ 30,191,900 |
| 17 | Tobacco tax and health care | |
| 18 | fund-medically needy account | 30,924,800 |
| 19 | Seriously mentally ill state match | |
| 20 | for title XIX | \$201,129,500 |
| 21 | Fund sources: | |
| 22 | State general fund | \$ 68,585,400 |
| 23 | Expenditure authority | 132,544,100 |
| 24 | Substance abuse nontitle XIX | \$ 14,635,400 |
| 25 | Fund sources: | |
| 26 | State general fund | \$ 12,135,400 |
| 27 | Substance abuse services fund | 2,500,000 |
| 28 | Contract compliance | \$ 5,523,500 |
| 29 | Fund sources: | |
| 30 | State general fund | \$ 1,856,100 |
| 31 | Expenditure authority | 3,667,400 |
| 32 | Performance measures: | |
| 33 | Per cent of RBHA title XIX clients | |
| 34 | satisfied with services | 90 |
| 35 | Per cent of title XIX population that is | |
| 36 | enrolled in a behavioral health service | 12 |
| 37 | The amount appropriated for children's behavioral health services shall | |
| 38 | be used to provide services for nontitle XIX eligible children. The amount | |
| 39 | shall not be used to pay for either federally or nonfederally reimbursed | |
| 40 | services for title XIX eligible children, unless a transfer of monies is | |
| 41 | reviewed by the joint legislative budget committee. | |
| 42 | It is the intent of the legislature that the total amount available in | |
| 43 | the <u>Arnold v. Sarn</u> line item be used for the population covered by the <u>Arnold</u> | |
| 44 | <u>v. Sarn</u> lawsuit in counties with a population of two million or more persons | |
| 45 | and for seriously mentally ill persons that meet the same criteria as those | |

1 covered by the Arnold v. Sarn lawsuit in counties with populations of less
 2 than two million persons.

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

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

12 Arizona state hospital

| | | |
|----|---|---------------|
| 13 | FTE positions | 877.7 |
| 14 | Operating lump sum appropriation | \$ 56,984,000 |
| 15 | Fund sources: | |
| 16 | State general fund | \$ 50,932,100 |
| 17 | Arizona state hospital fund | 4,901,900 |
| 18 | Arizona state hospital land | |
| 19 | earnings fund | 1,150,000 |
| 20 | Community placement treatment | \$ 6,704,800 |
| 21 | Fund sources: | |
| 22 | State general fund | \$ 5,574,100 |
| 23 | Arizona state hospital fund | 1,130,700 |
| 24 | Sexually violent persons | \$ 10,628,100 |
| 25 | Fund sources: | |
| 26 | State general fund | \$ 10,628,100 |
| 27 | Electronic medical records | \$ 300,000 |
| 28 | Fund sources: | |
| 29 | State general fund | \$ 300,000 |
| 30 | Performance measures: | |
| 31 | Per cent of adult clients successfully | |
| 32 | placed in community who return for | |
| 33 | another stay within one year of discharge | 6.0 |
| 34 | Agencywide lump sum reduction | \$(8,650,000) |
| 35 | Fund sources: | |
| 36 | State general fund | \$(8,650,000) |

37 The department shall report to the joint legislative budget committee
 38 by March 1 of each year on preliminary actuarial estimates of the capitation
 39 rate changes for the following fiscal year along with the reasons for the
 40 estimated changes. For any actuarial estimates that include a range, the
 41 total range from minimum to maximum shall be no more than two per cent.
 42 Before implementation of any changes in capitation rates for the
 43 AHCCCS - children's rehabilitative services line item and any title XIX
 44 behavioral health line items, the department of health services shall report
 45 its expenditure plan for review by the joint legislative budget committee.

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

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

13 A monthly report comparing total expenditures for the month and
14 year-to-date as compared to prior year totals shall be forwarded to the
15 president of the senate, the speaker of the house of representatives, the
16 chairpersons of the senate and house of representatives appropriations
17 committees and the director of the joint legislative budget committee by the
18 thirtieth of the following month. The report shall include an estimate of
19 (1) potential shortfalls in programs, (2) potential federal and other funds,
20 such as the statewide assessment for indirect costs, that may be available to
21 offset these shortfalls, and a plan, if necessary, for eliminating any
22 shortfall without a supplemental appropriation, and (3) total expenditure
23 authority of the month and year-to-date for seriously mentally ill state
24 match for title XIX, seriously mentally ill nontitle XIX, children's
25 behavioral health services, children's behavioral health state match for
26 title XIX, mental health nontitle XIX, substance abuse nontitle XIX,
27 seriously emotionally handicapped children and children's rehabilitative
28 services.

29 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,
30 any transfer to or from the amounts appropriated for seriously mentally ill
31 state match for title XIX, seriously mentally ill nontitle XIX,
32 Arnold v. Sarn, vital records maintenance, folic acid, children's behavioral
33 health services, children's behavioral health state match for title XIX,
34 mental health nontitle XIX, substance abuse nontitle XIX, mental health and
35 substance abuse state match for title XIX, seriously emotionally handicapped
36 children, children's rehabilitative services, AHCCCS - children's
37 rehabilitative services, adult cystic fibrosis, adult sickle cell anemia,
38 high risk perinatal services, county prenatal services grant, community
39 placement treatment, dual eligible copay subsidy, sexually violent persons,
40 county tuberculosis provider care and control, kidney program, county
41 nutrition services, community health centers, vaccines, renal and nonrenal
42 disease management, AIDS reporting and surveillance, telemedicine, university
43 of Arizona poison center funding, poison control center funding, and women's
44 services shall require review by the joint legislative budget committee. The
45 department may transfer monies between the amounts appropriated for

1 proposition 204 children's behavioral health services, proposition 204
 2 seriously mentally ill services and proposition 204 general mental health and
 3 substance abuse without review by the joint legislative budget committee but
 4 may not transfer monies to and from these line items to any other line item
 5 except as provided above without review by the joint legislative budget
 6 committee. The amounts appropriated for these items shall be used
 7 exclusively for contracts for the provision of services to clients unless a
 8 transfer of monies is reviewed by the joint legislative budget committee or
 9 unless otherwise permitted to be expended for administrative costs as
 10 specified in this act. Monies shall not be used from these appropriated
 11 amounts for any other expenses of the department of health services, unless a
 12 transfer of monies is reviewed by the joint legislative budget committee.
 13 Sec. 10. ARIZONA JUDICIARY

| | | <u>2008-09</u> |
|----|-------------------------------------|------------------|
| 14 | | |
| 15 | <u>Supreme court</u> | |
| 16 | FTE positions | 194.0 |
| 17 | Operating lump sum appropriation | \$ 16,854,600 |
| 18 | Automation | 12,420,400 |
| 19 | Case and cash management system | 1,517,300 |
| 20 | County reimbursements | 208,800 |
| 21 | Court appointed special advocate | 3,558,000 |
| 22 | Domestic relations | 586,400 |
| 23 | Foster care review board | 2,429,800 |
| 24 | Commission on judicial conduct | 436,800 |
| 25 | Judicial nominations and | |
| 26 | performance review | 323,200 |
| 27 | Model court | 497,300 |
| 28 | State aid | <u>6,054,300</u> |
| 29 | Total appropriation - supreme court | \$ 44,886,900 |
| 30 | Fund sources: | |
| 31 | State general fund | \$ 17,426,600 |
| 32 | Confidential intermediary and | |
| 33 | fiduciary fund | 488,900 |
| 34 | Court appointed special advocate | |
| 35 | fund | 3,456,000 |
| 36 | Criminal justice enhancement fund | 3,068,200 |
| 37 | Defensive driving school fund | 5,419,300 |
| 38 | Judicial collection enhancement | |
| 39 | fund | 12,082,000 |
| 40 | State aid to the courts fund | 2,945,900 |

41 By September 1, 2008, the supreme court shall report to the joint
 42 legislative budget committee on current and future automation projects
 43 coordinated by the administrative office of the courts. The report shall
 44 include a list of court automation projects receiving or anticipated to
 45 receive state monies in the current or next two fiscal years as well as a

1 description of each project, number of FTE positions, the entities involved
2 and the goals and anticipated results for each automation project. The
3 report shall be submitted in one summary document. The report shall indicate
4 each project's total multi-year cost by fund source and budget line item,
5 including any prior year, current year and any future year expenditures.

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

8 All case processing assistance fund receipts received by the
9 administrative office of the courts in excess of \$3,068,200 in fiscal year
10 2008-2009 are appropriated to the supreme court. Before the expenditure of
11 any case processing assistance fund receipts in excess of \$3,068,200 in
12 fiscal year 2008-2009, the administrative office of the courts shall submit
13 the intended use of the monies for review by the joint legislative budget
14 committee.

15 All defensive driving school fund receipts received by the
16 administrative office of the courts in excess of \$5,419,300 in fiscal year
17 2008-2009 are appropriated to the supreme court. Before the expenditure of
18 any defensive driving school fund receipts in excess of \$5,419,300 in fiscal
19 year 2008-2009, the administrative office of the courts shall submit the
20 intended use of the monies for review by the joint legislative budget
21 committee.

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

25 All judicial collection enhancement fund receipts, excluding revenues
26 resulting from the probation surcharge, received by the administrative office
27 of the courts in excess of \$12,082,000 in fiscal year 2008-2009 are
28 appropriated to the supreme court. Before the expenditure of judicial
29 collection enhancement fund receipts in excess of \$12,082,000 in fiscal year
30 2008-2009, the administrative office of the courts shall submit the intended
31 use of the monies for review by the joint legislative budget committee.

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

35 Court of appeals

| | | |
|----|--|---------------|
| 36 | FTE positions | 147.5 |
| 37 | Division I | \$ 9,657,700 |
| 38 | Performance measures: | |
| 39 | Customer satisfaction rating for | |
| 40 | settlement program (Scale 1-8) | 7.3 |
| 41 | Division II | \$ 4,296,100 |
| 42 | Performance measures: | |
| 43 | Customer satisfaction rating for | |
| 44 | settlement program (Scale 1-8) | <u>7.8</u> |
| 45 | Total appropriation - court of appeals | \$ 13,953,800 |

| | | |
|----|--|---------------|
| 1 | Fund sources: | |
| 2 | State general fund | \$ 13,953,800 |
| 3 | Of the 147.5 FTE positions for fiscal year 2008-2009, 107.2 FTE | |
| 4 | positions are for Division I and 40.3 FTE positions are for Division II. | |
| 5 | <u>Superior court</u> | |
| 6 | FTE positions | 230.5 |
| 7 | Judges compensation | \$ 18,136,100 |
| 8 | Adult standard probation | 15,060,600 |
| 9 | Adult intensive probation | 11,338,000 |
| 10 | Community punishment | 2,871,700 |
| 11 | Interstate compact | 656,100 |
| 12 | Sex offenders GPS monitoring | 436,800 |
| 13 | Drug court | 1,013,600 |
| 14 | Juvenile standard probation | 4,726,000 |
| 15 | Juvenile intensive probation | 9,886,100 |
| 16 | Juvenile treatment services | 22,504,700 |
| 17 | Juvenile family counseling | 660,400 |
| 18 | Juvenile crime reduction | 5,221,800 |
| 19 | Probation surcharge | 3,425,700 |
| 20 | Juvenile diversion consequences | 10,160,300 |
| 21 | Special water master | <u>20,000</u> |
| 22 | Total appropriation - superior court | \$106,117,900 |
| 23 | Fund sources: | |
| 24 | State general fund | \$ 95,140,000 |
| 25 | Criminal justice enhancement fund | 7,052,200 |
| 26 | Drug treatment and education fund | 500,000 |
| 27 | Judicial collection enhancement | |
| 28 | fund | 3,425,700 |
| 29 | Performance measures: | |
| 30 | Customer satisfaction rating by states | |
| 31 | participating in the interstate compact | |
| 32 | (Scale 1-8) | 7.0 |
| 33 | <u>Juvenile standard probation:</u> | |
| 34 | Per cent of probationers successfully | |
| 35 | completing probation without a referral | |
| 36 | (a notice of misbehavior) | 85 |
| 37 | <u>Juvenile intensive probation (JIPS):</u> | |
| 38 | Per cent of probationers successfully | |
| 39 | completing probation without a referral | |
| 40 | (a notice of misbehavior) | 70 |
| 41 | <u>Adult standard probation:</u> | |
| 42 | Per cent of probationers exiting probation | |
| 43 | and not committed to county jail or prison | 80 |

1 Adult intensive probation (AIPS):

2 Per cent of probationers exiting intensive
3 probation and not committed to county jail
4 or prison

50

5 Of the 230.5 FTE positions, 173 FTE positions represent superior court
6 judges. One-half of their salaries are provided by state general fund
7 appropriations pursuant to section 12-128, Arizona Revised Statutes. This is
8 not meant to limit the counties' ability to add judges pursuant to section
9 12-121, Arizona Revised Statutes.

10 Up to 4.6 per cent of the amounts appropriated for juvenile probation
11 services - treatment services and juvenile diversion consequences may be
12 retained and expended by the supreme court to administer the programs
13 established by section 8-322, Arizona Revised Statutes, and to conduct
14 evaluations as needed. The remaining portion of the treatment services and
15 juvenile diversion consequences programs shall be deposited in the juvenile
16 probation services fund established by section 8-322, Arizona Revised
17 Statutes.

18 Receipt of state probation monies by the counties is contingent on the
19 county maintenance of fiscal year 2003-2004 expenditure levels for each
20 probation program. State probation monies are not intended to supplant
21 county dollars for probation programs.

22 All community punishment program receipts received by the
23 administrative office of the courts in excess of \$2,871,700 in fiscal year
24 2008-2009 are appropriated to the community punishment line item. Before the
25 expenditure of any community punishment receipts in excess of \$2,871,700 in
26 fiscal year 2008-2009, the administrative office of the courts shall submit
27 the intended use of the monies for review by the joint legislative budget
28 committee.

29 All juvenile crime reduction fund receipts received by the
30 administrative office of the courts in excess of \$5,221,800 in fiscal year
31 2008-2009 are appropriated to the juvenile crime reduction line item. Before
32 the expenditure of any juvenile crime reduction fund receipts in excess of
33 \$5,221,800 in fiscal year 2008-2009, the administrative office of the courts
34 shall submit the intended use of the monies for review by the joint
35 legislative budget committee.

36 All judicial collection enhancement fund receipts received by the
37 administrative office of the courts resulting from the probation surcharge in
38 excess of \$3,425,700 in fiscal year 2008-2009 are appropriated to the
39 superior court. Before the expenditure of judicial collection enhancement
40 fund receipts in excess of \$3,425,700 in fiscal year 2008-2009, the
41 administrative office of the courts shall submit the intended use of the
42 monies for review by the joint legislative budget committee.

43 By November 1, 2008, the administrative office of the courts shall
44 report to the joint legislative budget committee the fiscal year 2007-2008

1 actual, fiscal year 2008-2009 estimated and fiscal year 2009-2010 requested
2 amounts for the following:

3 1. On a county-by-county basis, the number of authorized and filled
4 case carrying probation positions and non-case carrying positions,
5 distinguishing between adult standard, adult intensive, juvenile standard and
6 juvenile intensive. The report shall indicate the level of state probation
7 funding, other state funding, county funding and probation surcharge funding
8 for those positions.

9 2. Total receipts and expenditures by county and fund source for the
10 adult standard, adult intensive, juvenile standard and juvenile intensive
11 line items, including the amount of personal services expended from each
12 revenue source of each account.

13 3. The amount of monies from the adult standard, adult intensive,
14 juvenile standard and juvenile intensive line items that the office does not
15 distribute as direct aid to counties. The report shall delineate how the
16 office expends these monies that are not distributed as direct aid to
17 counties.

18 Total appropriation - Arizona judiciary \$164,958,600

19 Fund sources:

20 State general fund \$126,520,400

21 Confidential intermediary and
22 fiduciary fund 488,900

23 Court appointed special advocate
24 fund 3,456,000

25 Criminal justice enhancement fund 10,120,400

26 Defensive driving school fund 5,419,300

27 Drug treatment and education fund 500,000

28 Judicial collection enhancement
29 fund 15,507,700

30 State aid to the courts fund 2,945,900

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

34 Sec. 11. DEPARTMENT OF JUVENILE CORRECTIONS

35 2008-09

36 FTE positions 1,163.7

37 Lump sum appropriation \$ 81,728,800

38 Fund sources:

39 State general fund \$ 74,057,900

40 State charitable, penal and
41 reformatory institutions
42 land fund 4,298,600

43 Criminal justice enhancement fund 689,800

44 State education fund for committed
45 youth 2,682,500

| | | |
|---|--|----|
| 1 | Performance measures: | |
| 2 | Escapes from DJC secure care facilities | 0 |
| 3 | Per cent of juveniles passing the general | |
| 4 | equivalency diploma language test | 56 |
| 5 | Per cent of juveniles who show progress in | |
| 6 | their primary treatment problem area | 75 |
| 7 | Per cent of juveniles returned to custody | |
| 8 | within 12 months of release | 36 |

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

12 Twenty-five per cent of land earnings and interest from the state
 13 charitable, penal and reformatory institutions land fund shall be distributed
 14 to the department of juvenile corrections, in compliance with section 25 of
 15 the enabling act and the Constitution of Arizona, to be used for the support
 16 of state juvenile institutions and reformatories.

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

21 Sec. 12. STATE MINE INSPECTOR

| | | |
|----|--|----------------|
| 22 | | <u>2008-09</u> |
| 23 | | |
| 24 | FTE positions | 17.0 |
| 25 | Operating lump sum appropriation | \$ 1,382,800 |
| 26 | Abandoned mines safety fund deposit | <u>182,000</u> |
| 27 | Total appropriation - state mine inspector | \$ 1,564,800 |
| 28 | Fund sources: | |
| 29 | State general fund | \$ 1,564,800 |
| 30 | Performance measures: | |
| 31 | Per cent of mandated inspections completed | 80 |
| 32 | Number of inspections | 632 |
| 33 | Customer satisfaction rating for mines | |
| 34 | (Scale 1-8) | 6.0 |

35 Sec. 13. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

| | | |
|----|------------------------|----------------|
| 36 | | <u>2008-09</u> |
| 37 | FTE positions | 2.0 |
| 38 | Lump sum appropriation | \$ 180,000 |
| 39 | Fund sources: | |
| 40 | State general fund | \$ 180,000 |

41 Sec. 14. DEPARTMENT OF PUBLIC SAFETY

| | | |
|----|----------------------------------|----------------|
| 42 | | <u>2008-09</u> |
| 43 | FTE positions | 2,114.8 |
| 44 | Operating lump sum appropriation | \$191,253,100 |
| 45 | GIITEM | 31,799,700 |

| | | |
|----|--|------------------|
| 1 | Motor vehicle fuel | 3,935,500 |
| 2 | Sworn officer salary adjustments | <u>1,274,100</u> |
| 3 | Total appropriation - department of public | |
| 4 | safety | \$228,262,400 |
| 5 | Fund sources: | |
| 6 | State general fund | \$ 59,121,500 |
| 7 | Highway user revenue fund | 84,949,500 |
| 8 | State highway fund | 41,050,500 |
| 9 | Arizona highway patrol fund | 21,620,000 |
| 10 | Criminal justice enhancement fund | 3,290,300 |
| 11 | Safety enforcement and transportation | |
| 12 | infrastructure fund | 1,564,100 |
| 13 | Crime laboratory assessment fund | 5,844,600 |
| 14 | Arizona deoxyribonucleic acid | |
| 15 | identification system fund | 3,623,200 |
| 16 | Automated fingerprint identification | |
| 17 | system fund | 3,299,200 |
| 18 | Motorcycle safety fund | 205,000 |
| 19 | Risk management fund | 296,200 |
| 20 | Parity compensation fund | 3,398,300 |

| | | |
|----|---|-----|
| 21 | Performance measures: | |
| 22 | Per cent of scientific analysis cases over | |
| 23 | 30 calendar days old | 3.0 |
| 24 | Per cent of system reliability of the Arizona | |
| 25 | automated fingerprint identification network | 98 |
| 26 | Clandestine labs dismantled | 50 |

27 Of the \$31,799,700 appropriated to GIITEM, \$10,000,000 is to be used
 28 for the multijurisdictional task force known as the gang and immigration
 29 intelligence team enforcement mission (GIITEM). If the department of public
 30 safety uses any of the monies appropriated for GIITEM for an agreement or
 31 contract with a city, town, county or other entity to provide services for
 32 the GIITEM program, the city, town, county or other entity shall provide not
 33 less than 15 per cent of the cost of the services and the department of
 34 public safety shall provide not more than 85 per cent of the cost for each
 35 agreement or contract. The distribution of these monies are contingent on
 36 the department of public safety entering into a 287 memorandum of
 37 understanding with the United States department of homeland security. The
 38 \$10,000,000 is to be used for functions relating to immigration enforcement,
 39 including border security and border personnel. As state and local law
 40 enforcement officers trained pursuant to a 287 memorandum of understanding
 41 come into contact with gang or suspected gang members and there is reason to
 42 believe that the individual has entered or remained in the United States
 43 illegally, the use of these monies is contingent on law enforcement agencies
 44 verifying the immigration status of these individuals and taking appropriate
 45 action that will not jeopardize an ongoing investigation or damage an

1 informant relationship with a law enforcement agency. The \$10,000,000 is
2 exempt from the provisions of section 35-190, Arizona Revised Statutes,
3 relating to the lapsing of appropriations, except that all unexpended and
4 unencumbered monies shall revert on June 30, 2009. The department shall
5 submit an expenditure plan to the joint legislative budget committee for
6 review before expending any monies not identified in the department's previous
7 expenditure plans. Within thirty days after the last day of each calendar
8 quarter, the department shall provide a summary of quarterly and year-to-date
9 expenditures and progress to the joint legislative budget committee.

10 Of the \$31,799,700 appropriated to GIITEM, \$10,045,900 is to be used
11 for one hundred department of public safety GIITEM personnel located anywhere
12 in this state. The additional staff shall include at least fifty sworn
13 department of public safety positions to be used for immigration enforcement
14 and border security and up to fifty department of public safety positions to
15 expand GIITEM's public awareness, investigation and intelligence efforts.
16 The additional positions would assist GIITEM in various efforts, including
17 arresting illegal aliens, responding to and investigating complaints of
18 employers hiring illegal aliens, investigating crimes of identity theft in
19 the context of hiring illegal aliens and the unlawful entry into the country
20 and taking enforcement action, as permitted under federal law and article VI
21 of the U.S. Constitution. As state and local law enforcement officers
22 trained pursuant to a 287 memorandum of understanding come into contact with
23 gang or suspected gang members and there is reason to believe that the
24 individual has entered or remained in the United States illegally, the use of
25 these monies is contingent on law enforcement agencies verifying the
26 immigration status of these individuals and taking appropriate action that
27 will not jeopardize an ongoing investigation or damage an informant
28 relationship with a law enforcement agency. The department shall submit an
29 expenditure plan to the joint legislative budget committee for review before
30 expending any monies not identified in the department's previous expenditure
31 plans. Within thirty days after the last day of each calendar quarter, the
32 department shall provide a summary of quarterly and year-to-date expenditures
33 and progress to the joint legislative budget committee.

34 It is the intent of the legislature that in fiscal year 2009-2010 the
35 remaining \$1,274,100 will be appropriated for sworn officer pay to complete
36 the five-year officer pay plan.

37 The operating lump sum appropriation includes a lump sum reduction of
38 \$(1,200,000). This reduction shall not be taken against any monies
39 appropriated to GIITEM or sworn officers.

40 Any monies remaining in the department of public safety joint account
41 on June 30, 2009 shall revert to the funds from which they were appropriated.
42 The reverted monies shall be returned in direct proportion to the amounts
43 appropriated.

| | | |
|----|---|-------------------|
| 1 | Sec. 15. SCHOOL FACILITIES BOARD | |
| 2 | | <u>2008-09</u> |
| 3 | FTE positions | 20.0 |
| 4 | Operating lump sum appropriation | \$ 1,944,400 |
| 5 | New school facilities debt service | 79,268,400 |
| 6 | Building renewal grant | <u>20,000,000</u> |
| 7 | Total appropriation - school facilities | |
| 8 | board | \$101,212,800 |
| 9 | Fund sources: | |
| 10 | State general fund | \$101,212,800 |
| 11 | Performance measures: | |
| 12 | Per cent of school districts inspected | |
| 13 | meeting minimum adequacy standards | 100 |
| 14 | Per cent of school districts rating the | |
| 15 | board's services as "good" or "excellent" | |
| 16 | in an annual survey | 95 |
| 17 | Sec. 16. DEPARTMENT OF TRANSPORTATION | |
| 18 | | <u>2008-09</u> |
| 19 | <u>Administration</u> | |
| 20 | FTE positions | 412.0 |
| 21 | Operating lump sum appropriation | \$ 42,409,600 |
| 22 | Attorney general legal services | <u>3,052,600</u> |
| 23 | Total appropriation - administration | \$ 45,462,200 |
| 24 | Fund sources: | |
| 25 | State highway fund | \$ 45,462,200 |
| 26 | <u>Highways</u> | |
| 27 | FTE positions | 2,548.0 |
| 28 | Operating lump sum appropriation | \$137,939,600 |
| 29 | Highway maintenance | 132,027,000 |
| 30 | Vehicles and heavy equipment | 38,147,800 |
| 31 | Vehicles and heavy equipment | |
| 32 | fuel surcharge | <u>2,000,000</u> |
| 33 | Total - highways | \$310,114,400 |
| 34 | Fund sources: | |
| 35 | State general fund | \$ 84,600 |
| 36 | Safety enforcement and | |
| 37 | transportation | |
| 38 | infrastructure fund | 558,700 |
| 39 | State highway fund | 270,323,300 |
| 40 | Transportation department | |
| 41 | equipment fund | 39,147,800 |
| 42 | Performance measures: | |
| 43 | Per cent of Maricopa regional freeway | |
| 44 | miles completed for the original | |
| 45 | twenty-year half cent sales tax | |

| | | |
|---|--|------|
| 1 | ending December 31, 2005 | 100 |
| 2 | Per cent of Maricopa regional freeway | |
| 3 | travel lane miles completed for | |
| 4 | the twenty-year half cent sales tax | |
| 5 | extension effective January 1, 2006 | 10.5 |
| 6 | Per cent of overall highway construction | |
| 7 | projects completed on schedule | 97 |

8 Of the total amount appropriated for the highways program, \$132,027,000
 9 in fiscal year 2008-2009 for highway maintenance is exempt from the
 10 provisions of section 35-190, Arizona Revised Statutes, relating to lapsing
 11 of appropriations, except that all unexpended and unencumbered monies of the
 12 appropriation revert to their fund of origin, either the state highway fund
 13 or the safety enforcement and transportation infrastructure fund, on August
 14 31, 2009.

15 Of the total amount appropriated for the highways program, \$2,663,000
 16 in fiscal year 2008-2009 is for performance pay for participants in the
 17 department's engineer pay plan. The department shall establish performance
 18 measures with measurable quality and quantity objectives for participants in
 19 the engineer pay plan that are designed to result in increased productivity
 20 and improved quality of the delivery of state services or products. The
 21 department shall either apply these performance measures to the entire
 22 engineer pay plan or apply relevant performance measures to subsets within
 23 the engineering pay plan either on a group or individual basis. Every
 24 quarter or month, the department shall review the participants' performance
 25 to determine if the performance measures were met. If the performance
 26 measures are met or exceeded, the applicable participants are entitled to
 27 receive the performance pay for the corresponding quarter.

| | | |
|----|-------------------------------------|----------------|
| 28 | <u>Motor vehicle</u> | |
| 29 | FTE positions | 1,755.0 |
| 30 | Operating lump sum appropriation | \$108,003,600 |
| 31 | Abandoned vehicle administration | 1,039,800 |
| 32 | Fraud investigation | 788,300 |
| 33 | New third party funding | <u>960,300</u> |
| 34 | Total appropriation - motor vehicle | \$110,792,000 |
| 35 | Fund sources: | |
| 36 | Air quality fund | \$ 71,700 |
| 37 | Driving under the influence | |
| 38 | abatement fund | 143,300 |
| 39 | Highway user revenue fund | 617,000 |
| 40 | Motor vehicle liability insurance | |
| 41 | enforcement fund | 2,456,900 |
| 42 | Safety enforcement and | |
| 43 | transportation infrastructure | |
| 44 | fund | 1,613,700 |
| 45 | State highway fund | 104,169,700 |

| | | |
|----|---|-----------|
| 1 | Vehicle inspection and title | |
| 2 | enforcement fund | 1,719,700 |
| 3 | Performance measures: | |
| 4 | Average office wait time from arriving at | |
| 5 | MVD office to receiving numbered ticket | |
| 6 | (minutes) | 2.0 |
| 7 | Average office wait time from receiving | |
| 8 | numbered ticket to arriving at counter | |
| 9 | (minutes) | 15.0 |
| 10 | Per cent of office customers rating | |
| 11 | services "good" or "excellent" | 83 |
| 12 | Average telephone wait time to speak | |
| 13 | to an MVD employee (minutes) | 15.2 |
| 14 | Per cent of alternative vehicle | |
| 15 | registration renewal methods | |
| 16 | (mail, internet, third party) | 80 |

17 The department shall not transfer any funds to or from the motor
 18 vehicle division without the review by the joint legislative budget
 19 committee.

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

| | | |
|----|---|----------------------|
| 1 | <u>Aeronautics</u> | |
| 2 | FTE positions | 33.0 |
| 3 | Lump sum appropriation | \$ 2,353,900 |
| 4 | Fund sources: | |
| 5 | State aviation fund | \$ 2,353,900 |
| 6 | Performance measures: | |
| 7 | Per cent of airport development projects | |
| 8 | completed on schedule | 95 |
| 9 | Total appropriation - department | |
| 10 | of transportation | <u>\$468,722,500</u> |
| 11 | Fund sources: | |
| 12 | State general fund | \$ 84,600 |
| 13 | Air quality fund | 71,700 |
| 14 | Driving under the influence | |
| 15 | abatement fund | 143,300 |
| 16 | Highway user revenue fund | 617,000 |
| 17 | Motor vehicle liability | |
| 18 | insurance enforcement fund | 2,456,900 |
| 19 | Safety enforcement and | |
| 20 | transportation infrastructure | |
| 21 | fund | 2,172,400 |
| 22 | State aviation fund | 2,353,900 |
| 23 | State highway fund | 419,955,200 |
| 24 | Transportation department | |
| 25 | equipment fund | 39,147,800 |
| 26 | Vehicle inspection and title | |
| 27 | enforcement fund | 1,719,700 |
| 28 | Of the \$468,722,500 appropriation to the department of transportation, | |
| 29 | the department of transportation shall pay \$16,773,800 in fiscal year | |
| 30 | 2008-2009 from all funds to the department of administration for its risk | |
| 31 | management payment. | |
| 32 | Sec. 17. STATE TREASURER | |
| 33 | | <u>2008-09</u> |
| 34 | FTE positions | 34.4 |
| 35 | Operating lump sum appropriation | \$ 2,842,700 |
| 36 | Justice of the peace salaries | <u>2,230,100</u> |
| 37 | Total appropriation - state treasurer | \$ 5,072,800 |
| 38 | Fund sources: | |
| 39 | State general fund | \$ 5,071,500 |
| 40 | State treasurer's management fund | 1,300 |
| 41 | Performance measures: | |
| 42 | Ratio of yield of LGIP to Standard | |
| 43 | and Poor's LGIP index | 1.2 |
| 44 | Ratio of yield of endowment pools to | |
| 45 | Big Bond Index | 1.1 |

1 Customer satisfaction rating for local
 2 government investment pool participants
 3 (Scale 1-8) 7.4
 4 Before changing the six basis point investment management fee, the
 5 treasurer shall submit the proposed change and its fiscal impact for review
 6 by the joint legislative budget committee.

7 Sec. 18. UNIVERSITIES

8 ARIZONA BOARD OF REGENTS

| | <u>2008-09</u> |
|---|------------------|
| 9 FTE positions | 27.9 |
| 10 Operating lump sum appropriation | \$ 2,404,100 |
| 11 Arizona teachers incentive program | 90,000 |
| 12 Arizona transfer articulation | |
| 13 support system | 213,700 |
| 14 Student financial assistance | 10,041,200 |
| 15 Math and science teacher initiative | 2,250,000 |
| 16 Western interstate commission | |
| 17 office | 116,000 |
| 18 WICHE student subsidies | <u>4,115,000</u> |
| 19 Total appropriation - Arizona board of | |
| 20 regents | \$ 19,230,000 |
| 21 Fund sources: | |
| 22 State general fund | \$ 19,230,000 |
| 23 Performance measures: | |
| 24 Per cent of graduating seniors who rate | |
| 25 their overall university experience | |
| 26 as "good"/"excellent" | 96 |
| 27 Per cent of full-time undergraduate students | |
| 28 enrolled per semester in three or more | |
| 29 primary courses with ranked faculty | 77 |
| 30 Per cent of full-time undergraduate students | |
| 31 enrolled per semester in three or more | |
| 32 primary courses with professors of any rank | 44 |
| 33 Average number of years taken to graduate | |
| 34 for students who began as freshmen | 4.5 |

35 The \$2,250,000 appropriation from the state general fund for the math
 36 and science teacher initiative shall be deposited into the mathematics,
 37 science and special education teacher student loan fund if established by
 38 section 15-1784, Arizona Revised Statutes. Of this amount, the Arizona board
 39 of regents shall use \$1,750,000 for student loans to eligible prospective
 40 math and science teachers and \$500,000 for student loans to eligible
 41 prospective special education teachers. The Arizona board of regents may
 42 retain up to \$100,000 of the appropriation for the math and science teacher
 43 initiative for administrative costs directly incurred by the board.
 44

| | | |
|----|--|-----|
| 1 | Performance measures: | |
| 2 | Per cent of graduating seniors who rate | |
| 3 | their overall university experience | |
| 4 | as "good"/"excellent" | 97 |
| 5 | Per cent of full-time undergraduate students | |
| 6 | enrolled per semester in three or more | |
| 7 | primary courses with ranked faculty | 68 |
| 8 | Per cent of full-time undergraduate students | |
| 9 | enrolled per semester in three or more | |
| 10 | primary courses with professors of any rank | 27 |
| 11 | Average number of years taken to graduate | |
| 12 | for students who began as freshmen | 5.0 |

| | | |
|----|------------------------------------|------------------|
| 13 | <u>West campus</u> | |
| 14 | FTE positions | 847.9 |
| 15 | Operating lump sum appropriation | \$ 81,888,800 |
| 16 | TRIF lease-purchase payment | <u>1,600,000</u> |
| 17 | Total - West campus | \$ 83,488,800 |
| 18 | Fund sources: | |
| 19 | State general fund | \$ 56,796,300 |
| 20 | University collections fund | 25,092,500 |
| 21 | Technology and research initiative | |
| 22 | fund | 1,600,000 |

| | | |
|----|---|-----|
| 23 | Performance measures: | |
| 24 | Per cent of graduating seniors who rate | |
| 25 | their overall university experience | |
| 26 | as "good"/"excellent" | 98 |
| 27 | Per cent of full-time undergraduate students | |
| 28 | enrolled per semester in three or more | |
| 29 | primary courses with ranked faculty | 69 |
| 30 | Per cent of full-time undergraduate students | |
| 31 | enrolled per semester in three or more | |
| 32 | primary courses with professors of any rank | 35 |
| 33 | Average number of years taken to graduate for | |
| 34 | students who began as freshmen | 4.5 |

| | | |
|----|-------------------------------------|----------------------|
| 35 | Total appropriation - Arizona state | |
| 36 | university | <u>\$779,710,100</u> |
| 37 | Fund sources: | |
| 38 | State general fund | \$489,792,700 |
| 39 | University collections fund | 286,317,400 |
| 40 | Technology and research initiative | |
| 41 | fund | 3,600,000 |

42 The state general fund appropriations shall not be used for alumni
 43 association funding.

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

1 The appropriated monies are not to be used to support any student
2 newspaper.

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

6 Any unencumbered balances remaining in the collections account on June
7 30, 2008 and all collections received by the university during the fiscal
8 year, when paid into the state treasury, are appropriated for operating
9 expenditures, capital outlay and fixed charges. Earnings on state lands and
10 interest on the investment of the permanent land funds are appropriated in
11 compliance with the enabling act and the Constitution of Arizona. No part of
12 this appropriation may be expended for supplemental life insurance or
13 supplemental retirement. Receipts from summer session, when deposited in the
14 state treasury, together with any unencumbered balance in the summer session
15 account, are appropriated for the purpose of conducting summer sessions but
16 are excluded from the amounts enumerated above.

17 NORTHERN ARIZONA UNIVERSITY

| | <u>2008-09</u> |
|-------------------------------------|----------------|
| 18 FTE positions | 2,238.9 |
| 19 Operating lump sum appropriation | \$210,718,700 |
| 20 NAU - Yuma | 2,489,500 |
| 21 Teacher training | 2,000,000 |

22 The appropriated amount for the teacher training line item is to be
23 distributed to the Arizona K-12 center for program implementation and mentor
24 training for the Arizona mentor teacher program prescribed by the state board
25 of education.

| | |
|---|---------------|
| 26 Total appropriation - Northern Arizona | |
| 27 university | \$215,208,200 |
| 28 Fund sources: | |
| 29 State general fund | \$163,468,600 |
| 30 University collections fund | 51,739,600 |

| | |
|--|-----|
| 31 Performance measures: | |
| 32 Per cent of graduating seniors who rate | |
| 33 their overall university experience | |
| 34 as "good"/"excellent" | 98 |
| 35 Per cent of full-time undergraduate | |
| 36 students enrolled per semester in | |
| 37 three or more primary courses with | |
| 38 ranked faculty | 93 |
| 39 Per cent of full-time undergraduate students | |
| 40 enrolled per semester in three or more | |
| 41 primary courses with professors of any rank | 65 |
| 42 Average number of years taken to graduate for | |
| 43 students who began as freshmen | 4.5 |

1 The state general fund appropriations shall not be used for alumni
2 association funding.

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

4 The appropriated monies are not to be used to support any student
5 newspaper.

6 Any unencumbered balances remaining in the collections account on June
7 30, 2008 and all collections received by the university during the fiscal
8 year, when paid into the state treasury, are appropriated for operating
9 expenditures, capital outlay and fixed charges. Earnings on state lands and
10 interest on the investment of the permanent land funds are appropriated in
11 compliance with the enabling act and the Constitution of Arizona. No part of
12 this appropriation may be expended for supplemental life insurance or
13 supplemental retirement. Receipts from summer session, when deposited in the
14 state treasury, together with any unencumbered balance in the summer session
15 account, are appropriated for the purpose of conducting summer sessions but
16 are excluded from the amounts enumerated above.

17 UNIVERSITY OF ARIZONA

18 2008-09

19 Main campus

| | | |
|----|----------------------------------|------------------|
| 20 | FTE positions | 5,679.5 |
| 21 | Operating lump sum appropriation | \$412,684,200 |
| 22 | Agriculture | 40,427,500 |
| 23 | Arizona cooperative extension | 14,511,900 |
| 24 | Sierra Vista campus | <u>5,625,300</u> |
| 25 | Total - Main campus | \$473,248,900 |

26 Fund sources:

| | | |
|----|-----------------------------|---------------|
| 27 | State general fund | \$344,004,000 |
| 28 | University collections fund | 129,244,900 |

29 Performance measures:

| | | |
|----|--|-----|
| 30 | Per cent of graduating seniors who rate | |
| 31 | their overall university experience | |
| 32 | as "good"/"excellent" | 96 |
| 33 | Per cent of full-time undergraduate students | |
| 34 | enrolled per semester in three or more | |
| 35 | primary courses with ranked faculty | 80 |
| 36 | Per cent of full-time undergraduate students | |
| 37 | enrolled per semester in three or more | |
| 38 | primary courses with professors of any rank | 50 |
| 39 | Average number of years taken to graduate | |
| 40 | for students who began as freshmen | 4.6 |

41 Health sciences center

| | | |
|----|----------------------------------|---------------|
| 42 | FTE positions | 966.1 |
| 43 | Operating lump sum appropriation | \$ 68,939,500 |
| 44 | Clinical rural rotation | 515,200 |
| 45 | Clinical teaching support | 9,969,700 |

| | | |
|----|---|----------------------|
| 1 | Liver research institute | 544,800 |
| 2 | Phoenix medical campus | 12,701,700 |
| 3 | Telemedicine network | <u>2,237,900</u> |
| 4 | Total - health sciences center | \$ 94,908,800 |
| 5 | Fund sources: | |
| 6 | State general fund | \$ 80,845,800 |
| 7 | University collections fund | 14,063,000 |
| 8 | Performance measures: | |
| 9 | Per cent of graduating seniors who rate | |
| 10 | their overall university experience | |
| 11 | as "good"/"excellent" | 97 |
| 12 | Total appropriation - university of | |
| 13 | Arizona | <u>\$568,157,700</u> |
| 14 | Fund sources: | |
| 15 | State general fund | \$424,849,800 |
| 16 | University collections fund | 143,307,900 |

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, 2008 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 University budget requests shall provide as much detail for the Phoenix
34 medical campus as for any other budget program. Notwithstanding section
35 35-173, subsection C, Arizona Revised Statutes, any proposed transfer to or
36 from the amounts appropriated for the Phoenix medical campus line item shall
37 require prior review by the joint legislative budget committee.

38 On August 15, 2008 and February 15, 2009, the university of Arizona and
39 the Arizona board of regents shall report to the joint legislative budget
40 committee updates concerning the formal relationship between the Phoenix
41 medical campus and area hospitals, partnerships with private medical schools,
42 the availability of clinical rotations for medical students in this state,
43 the creation of new residency positions in this state, the expansion of
44 medical services in this state's rural areas, the attraction of out-of-state
45 medical students to practice in this state and any other strategies being

1 considered or employed to prevent a doctor shortage in this state or the
2 rural areas of this state.

3 Lump sum reduction \$ (50,000,000)

4 Fund sources:

5 State general fund \$ (50,000,000)

6 On August 15, 2008, the Arizona board of regents shall report to the
7 joint legislative budget committee the final allocation of the \$50,000,000
8 general fund reduction among university campuses.

9 Total appropriation - universities \$1,532,306,000

10 Fund sources:

11 State general fund \$1,047,341,100

12 University collections fund 481,364,900

13 Technology and research

14 initiative fund 3,600,000

15 Sec. 19. Appropriation reductions; fiscal year 2008-2009

16 Notwithstanding any other law, the following amounts are reduced from
17 the state general fund in fiscal year 2008-2009 as listed below from
18 appropriations made to state agencies:

19 1. Office of administrative hearings - \$4,500.

20 2. Arizona department of agriculture - \$1,100,000.

21 3. Commission on the arts - \$200,000.

22 4. Attorney general - \$750,000.

23 5. State board for charter schools - \$262,400 and 3 FTE positions.

24 6. Department of commerce - \$3,725,900 and 10 FTE positions.

25 7. Corporation commission - \$1,092,000.

26 8. Arizona criminal justice commission - \$2,930,000.

27 9. Department of emergency and military affairs - \$200,000.

28 10. Department of environmental quality - \$8,600,000.

29 11. Governor's office of equal opportunity - \$13,000.

30 12. State board of equalization - \$14,000.

31 13. Board of executive clemency - \$60,000.

32 14. Department of fire, building and life safety - \$300,000.

33 15. Arizona geological survey - \$60,000. The geological survey
34 reduction may not be taken against the appropriation made for earth fissure
35 maps.

36 16. Government information technology agency - \$600,000. No more than
37 \$100,000 of the government information technology agency agencywide lump sum
38 reduction may be taken against the appropriation for the e-health initiative.

39 17. Office of the governor - \$367,900.

40 18. Governor's office of strategic planning and budgeting - \$115,700.

41 19. Arizona historical society - \$80,000.

42 20. Prescott historical society - \$15,000.

43 21. Arizona commission of Indian affairs - \$5,000.

44 22. Department of insurance - \$435,500.

45 23. State land department - \$3,155,500.

1 Sec. 24. Transfer of fund monies to the state general fund:
2 fiscal year 2008-2009

3 A. On or before June 30, 2009, the following amounts from the funds or
4 sources indicated are transferred to the state general fund for the purposes
5 of providing adequate support and maintenance for agencies of this state:

- 6 1. State board of accountancy:
 - 7 Board of accountancy fund - \$1,016,700.
- 8 2. Acupuncture board of examiners:
 - 9 Acupuncture board of examiners fund - \$88,300.
- 10 3. Department of administration:
 - 11 Certificate of participation fund - \$750,000.
 - 12 Construction insurance fund - \$11,628,800.
 - 13 Motor vehicle pool revolving fund - \$4,793,500.
 - 14 Retiree accumulated sick leave fund - \$7,597,300.
 - 15 Emergency telecommunication services revolving fund - \$25,085,500.
 - 16 Capital outlay stabilization fund - \$1,500,000.
 - 17 Risk management revolving fund - \$16,337,000.
 - 18 Special employee health insurance trust fund - \$453,800.
- 19 4. Arizona department of agriculture:
 - 20 Agricultural consulting and training fund - \$250,000.
 - 21 Pesticide fund - \$25,000.
 - 22 Seed law fund - \$15,000.
- 23 5. State board of appraisal:
 - 24 Board of appraisal fund - \$590,000.
- 25 6. Attorney general - department of law:
 - 26 Anti-racketeering revolving fund - \$302,100.
 - 27 Prosecuting attorney council fund - \$95,000.
- 28 7. Board of barbers:
 - 29 Board of barbers fund - \$406,000.
- 30 8. State board of chiropractic examiners:
 - 31 Board of chiropractic examiners fund - \$66,800.
- 32 9. Department of commerce:
 - 33 Commerce and economic development commission fund - \$1,100,000.
 - 34 Greater Arizona development authority revolving fund - \$2,000,000.
 - 35 Job training fund - \$10,300,000.
 - 36 Military installation fund - \$3,000,000.
- 37 10. Registrar of contractors:
 - 38 Registrar of contractors fund - \$2,000,000.
 - 39 Residential contractors' recovery fund - \$6,600,000.
- 40 11. Corporation commission:
 - 41 Utility regulation revolving fund - \$2,632,600.
 - 42 Securities regulatory and enforcement fund - \$1,200,000.
 - 43 Investment management regulatory and enforcement fund - \$500,000.
 - 44 Public access fund - \$339,300.

- 1 12. State department of corrections:
 - 2 Transition office fund - \$339,600.
 - 3 Transition program drug treatment fund - \$100,000.
 - 4 Alcohol abuse treatment fund - \$1,300,000.
- 5 13. Board of cosmetology:
 - 6 Board of cosmetology fund - \$1,803,800.
- 7 14. Arizona criminal justice commission:
 - 8 Criminal justice enhancement fund - \$100,000.
 - 9 State aid to county attorneys fund - \$1,550,000.
 - 10 State aid to indigent defense fund - \$1,550,000.
- 11 15. Commission for the deaf and the hard of hearing:
 - 12 Telecommunication fund for the deaf - \$1,044,600.
- 13 16. State board of dental examiners:
 - 14 Dental board fund - \$1,489,000.
- 15 17. Department of economic security:
 - 16 Spinal and head injuries trust fund - \$395,200.
 - 17 Special administration fund - \$2,900,000.
 - 18 Public assistance collections fund - \$186,900.
 - 19 Utility assistance fund - \$550,000.
- 20 18. Department of education:
 - 21 Special education fund - \$4,234,000.
 - 22 Internal services fund - \$500,000.
 - 23 Assistance for education - \$100,000.
 - 24 Golden rule special plate fund - \$274,600.
- 25 19. Department of emergency military affairs:
 - 26 State armory property fund - \$44,600.
- 27 20. Department of environmental quality:
 - 28 Air quality fund - \$1,100,000.
 - 29 Indirect cost recovery fund - \$2,000,000.
 - 30 Recycling fund - \$3,000,000.
 - 31 Water quality assurance revolving fund - \$4,000,000.
 - 32 Underground storage tank revolving fund - \$12,000,000.
 - 33 Emissions inspection fund - \$2,500,000.
 - 34 Solid waste fee fund - \$400,000.
 - 35 Voluntary vehicle repair and retrofit program fund - \$750,000.
 - 36 Water quality fee fund - \$850,000.
 - 37 Clean water revolving fund - \$10,700,000.
 - 38 Drinking water fund - \$5,000,000.
- 39 21. Department of financial institutions:
 - 40 Arizona escrow guaranty fund - \$450,000.
 - 41 Receivership revolving fund - \$500,000.
- 42 22. State board of funeral directors and embalmers:
 - 43 Board of funeral directors and embalmers fund - \$491,700.
- 44 23. Arizona game and fish department:
 - 45 Watercraft licensing fund - \$2,000,000.

- 1 Off-highway vehicle fund - \$200,000.
- 2 Game and fish publications revolving fund - \$100,000.
- 3 24. Government information technology agency:
- 4 State web portal fund - \$100,000.
- 5 25. Department of health services:
- 6 Intergovernmental agreements fund - \$1,000,000.
- 7 Emergency medical services operating fund - \$1,000,000.
- 8 Indirect cost fund - \$4,000,000.
- 9 Substance abuse services fund - \$750,000.
- 10 Internal services fund - \$50,000.
- 11 Vital records electronic systems fund - \$100,000.
- 12 Hearing and speech professionals fund - \$25,000.
- 13 Poison control fund - \$4,600.
- 14 Arizona medical board fund - \$25,800.
- 15 Prescription drug advisory council - \$10,000.
- 16 26. Arizona department of housing:
- 17 Housing program fund - \$583,700.
- 18 Housing trust fund - \$8,237,400.
- 19 27. Industrial commission of Arizona:
- 20 Industrial commission administrative fund - \$10,000,000.
- 21 28. Department of insurance:
- 22 Insurance examiners' revolving fund - \$750,000.
- 23 29. Judiciary:
- 24 Juvenile delinquent reduction fund - \$5,500,000.
- 25 Drug treatment and education fund - \$500,800.
- 26 Arizona lengthy trial fund - \$750,000.
- 27 30. Juvenile corrections:
- 28 Criminal justice enhancement fund - \$150,000.
- 29 31. Department of liquor license and control:
- 30 Liquor license special collections fund - \$670,000.
- 31 32. Arizona state lottery commission:
- 32 State lottery fund - \$4,543,600.
- 33 33. Naturopathic physicians board of medical examiners:
- 34 Naturopathic physicians board of medical examiners fund - \$618,000.
- 35 34. State board of nursing:
- 36 Board of nursing fund - \$1,004,900.
- 37 35. Board of occupational therapy examiners:
- 38 Occupational therapy fund - \$239,500.
- 39 36. State board of optometry:
- 40 Board of optometry fund - \$185,600.
- 41 37. Arizona board of osteopathic examiners:
- 42 Board of osteopathic examiners fund - \$541,100.
- 43 38. Arizona state parks board:
- 44 Off-highway vehicle recreation fund - \$1,086,000.
- 45 State lake improvement fund - \$6,353,500.

- 1 39. Arizona state board of pharmacy:
2 Board of pharmacy fund - \$549,700.
- 3 40. State board for private postsecondary education:
4 Board for private postsecondary education fund - \$142,400.
- 5 41. State board of psychologist examiners:
6 Board of psychologist examiners fund - \$563,000.
- 7 42. Department of public safety:
8 Automated fingerprint identification system fund - \$500,000.
9 Arizona deoxyribonucleic acid (DNA) identification system fund -
10 \$2,500,000.
11 Arizona highway patrol fund - \$2,000,000.
12 Records processing fund - \$301,600.
- 13 43. Arizona department of racing:
14 Arizona breeders award fund - \$113,500.
15 County fairs racing betterment fund - \$200,000.
- 16 44. State real estate department:
17 Condominium recovery fund - \$5,000.
18 Recovery fund - \$202,500.
- 19 45. Department of revenue:
20 Liability setoff fund - \$850,000.
- 21 46. Structural pest control commission:
22 Structural pest control commission fund - \$554,900.
- 23 47. State board of technical registration:
24 Technical registration fund - \$978,700.
- 25 48. Office of tourism:
26 Tourism fund - \$4,500,000.
- 27 49. Department of transportation:
28 Economic strength project fund - \$1,000,000.
29 Motor vehicle liability insurance enforcement fund - \$4,000,000.
30 State aviation fund - \$18,300,000.
31 Transportation department equipment fund - \$3,100,000.
32 Vehicle inspection and title enforcement fund - \$1,750,000.
- 33 50. Veterinary medical examining board fund - \$609,500.
- 34 51. Department of water resources:
35 Arizona water banking fund - \$5,500,000.
- 36 52. Budget stabilization fund - \$20,000,000.
- 37 B. Agencies listed shall reduce expenditures from the listed funds
38 accordingly in order to ensure a sufficient fund balance for these fund
39 transfers.
- 40 C. The fund transfers in this section shall be made as soon as is
41 practicable to avoid a shortfall in each fund. On or before September 1,
42 2008, the governor's office of strategic planning and budgeting shall report
43 to the joint legislative budget committee on any fund transfers that have not
44 been fully made as of August 15, 2008. For each fund transfer not fully made
45 as of September 1, 2008, the report shall list when the fund transfer will be

1 completed or additional steps required, in addition to those authorized under
2 subsection D, to make the full fund transfer.

3 D. Notwithstanding any other law, to provide for effective continuity
4 of state operations a budget unit may request a temporary cash transfer from
5 one of its own funds to another of its own funds from the state comptroller
6 to accommodate a temporary cash flow issue. The state comptroller shall
7 coordinate all activity with the governor's office of strategic planning and
8 budgeting and shall notify the joint legislative budget committee staff of
9 any cash transfers pursuant to this section. This notice shall include a
10 monthly cash flow of all funds involved and shall include a plan for
11 returning the monies to their original fund. All monies temporarily used
12 shall be returned to the original fund no later than June 30, 2009. The
13 state comptroller shall file a final report on all activity under this
14 provision with the joint legislative budget committee staff and the
15 governor's office of strategic planning and budgeting no later than
16 August 1, 2009.

17 Sec. 25. Vehicle license tax; transfer

18 Notwithstanding section 28-6538, Arizona Revised Statutes, or any other
19 law, the first \$8,390,600 received in fiscal year 2008-2009 pursuant to title
20 28, chapter 16, article 3, Arizona Revised Statutes, relating to vehicle
21 license tax, for distribution to the state highway fund pursuant to section
22 28-6538, subsection A, paragraph 1, Arizona Revised Statutes, shall be
23 deposited in the state general fund.

24 Sec. 26. Arizona state lottery commission; advertising cap
25 suspension

26 Notwithstanding Laws 2007, chapter 255, section 59, the Arizona state
27 lottery commission 2.7 per cent rate and \$11,000,000 advertising caps are
28 suspended for fiscal year 2008-2009.

29 Sec. 27. Supplemental appropriation; corporation commission

30 A. The sum of \$391,400 and 9 FTE positions are appropriated from the
31 public access fund in fiscal year 2008-2009 to the corporation commission for
32 supplemental funding as follows:

- 33 1. \$338,300 to replace the state of Arizona public access system.
- 34 2. \$53,100 and 1 FTE position to address slow processing times for the
35 annual reports division.
- 36 3. 8 FTE positions for the corporations filings same day service line
37 item.

38 B. The sum of \$546,000 is appropriated from the utility regulating
39 revolving fund in fiscal year 2008-2009 to the corporation commission for
40 operating expenses.

41 Sec. 28. Supplemental appropriation; state board of nursing

42 The sum of \$561,300 is appropriated to the state board of nursing from
43 the board of nursing fund in fiscal year 2008-2009 to investigate certified
44 nursing assistants.

1 examiners for supplemental funding for board member reimbursement and other
2 operating expenditures.

3 Sec. 37. Supplemental appropriation; board of homeopathic
4 medical examiners

5 The sum of \$22,400 is appropriated from the board of homeopathic
6 medical examiners' fund in fiscal year 2008-2009 to the board of homeopathic
7 medical examiners for supplemental funding to comply with auditor general
8 performance audit recommendations.

9 Sec. 38. Supplemental appropriation; department of commerce

10 The sum of \$750,000 and 4 FTE positions is appropriated to the
11 department of commerce from the commerce and economic development fund in
12 fiscal year 2008-2009 to provide supplemental funding to offset a state
13 general fund reduction.

14 Sec. 39. Supplemental appropriation; Arizona pioneers' home

15 The sum of \$1,236,000 is appropriated from the miners' hospital fund in
16 fiscal year 2008-2009 to the Arizona pioneers' home to provide supplemental
17 funding to offset a state general fund reduction.

18 Sec. 40. Supplemental appropriations; department of
19 environmental quality

20 A. The sum of \$2,000,000 is appropriated from the indirect cost
21 recovery fund in fiscal year 2008-2009 to the department of environmental
22 quality to provide supplemental funding to offset a state general fund
23 reduction.

24 B. The sum of \$5,000,000 is appropriated from the clean water
25 revolving fund in fiscal year 2008-2009 to the department of environmental
26 quality to provide supplemental funding to offset a state general fund
27 reduction.

28 Sec. 41. Supplemental appropriation; department of emergency
29 and military affairs

30 The sum of \$104,200 and 1 FTE position are appropriated from the state
31 general fund in fiscal year 2008-2009 to the department of emergency and
32 military affairs for supplemental funding for the transfer of 2-1-1 services
33 from GITA.

34 Sec. 42. Supplemental appropriation; attorney general

35 The sum of \$1,700,000 is appropriated from the consumer fraud revolving
36 fund in fiscal year 2008-2009 to the attorney general for expenditures
37 relating to the master settlement agreement litigation.

38 Sec. 43. Supplemental appropriation; department of water
39 resources

40 The sum of \$6,900,000 is appropriated from the water banking fund in
41 fiscal year 2008-2009 to the department of water resources to provide
42 supplemental funding to offset a state general fund reduction.

1 theft authority fund, automation operations fund, state aviation fund, board
2 of barbers fund, board of behavioral health examiners fund, Arizona benefits
3 fund, bond fund, capital outlay stabilization fund, state charitable fund,
4 child abuse prevention fund, child fatality review fund, child support
5 enforcement administration fund, children's health insurance program fund,
6 board of chiropractic examiners fund, citrus, fruit and vegetable revolving
7 fund, collection enforcement revolving fund, commerce and economic
8 development commission fund, commercial feed fund, confidential intermediary
9 and fiduciary fund, agricultural consulting and training fund, consumer
10 protection-consumer fraud revolving fund, corrections fund, board of
11 cosmetology fund, crime laboratory assessment fund, criminal justice
12 enhancement fund, county fair racing fund, court appointed special advocate
13 fund, defensive driving school fund, dental board fund, Arizona
14 deoxyribonucleic acid identification system fund, board of dispensing
15 opticians fund, driving under the influence abatement fund, drug and gang
16 prevention resource center fund, state education fund for committed youth,
17 state education fund for correctional education, state egg inspection fund,
18 election systems improvement fund, emergency medical services operating fund,
19 emissions inspection fund, environmental laboratory licensure revolving fund,
20 estate and unclaimed property fund, Arizona exposition and state fair fund,
21 federal child care and development fund block grant, federal Reed act grant,
22 federal surplus materials revolving fund, federal temporary assistance for
23 needy families block grant, fertilizer materials fund, board of funeral
24 directors' and embalmers' fund, fingerprint clearance card fund, game and
25 fish fund, game, nongame, fish and endangered species fund, hazardous waste
26 management fund, healthcare group fund, hearing and speech professionals
27 fund, state highway fund, Arizona highway patrol fund, highway user revenue
28 fund, board of homeopathic medical examiners' fund, housing trust fund, DHS
29 indirect cost fund, ADEQ indirect cost recovery fund, industrial commission
30 administrative fund, information technology fund, interagency service
31 agreements fund, intergovernmental agreements and grants, investment
32 management regulatory and enforcement fund, judicial collection enhancement
33 fund, land conservation fund administration account, lease-purchase building
34 operating and maintenance fund, liability set-off fund, long-term care system
35 fund, long-term disability administration account, state lottery fund,
36 Arizona medical board fund, the miners' hospital for disabled miners land
37 fund, motor vehicle liability insurance enforcement fund, motor vehicle pool
38 revolving fund, naturopathic physicians board of medical examiners fund,
39 newborn screening program fund, board of nursing fund, nursing care
40 institution administrators' licensing and assisted living facility managers'
41 certification fund, occupational therapy fund, oil overcharge fund, board of
42 optometry fund, board of osteopathic examiners fund, state parks enhancement
43 fund, penitentiary land fund, personnel division fund, pesticide fund,
44 Arizona state board of pharmacy fund, board of physical therapy fund,
45 podiatry fund, postsecondary education fund, prison construction and

1 operations fund, board for private postsecondary education fund, professional
2 employer organization fund, Arizona protected native plant fund, board of
3 psychologist examiners fund, public access fund, public assistance
4 collections fund, racing administration fund, state radiologic technologist
5 certification fund, records services fund, recycling fund, registrar of
6 contractors fund, reservation surcharge revolving fund, residential utility
7 consumer office revolving fund, board of respiratory care examiners fund,
8 state retirement system administration account, risk management revolving
9 fund, safety enforcement and transportation infrastructure fund, Arizona
10 schools for the deaf and the blind fund, securities regulatory and
11 enforcement fund, seed law fund, solid waste fee fund, special administration
12 fund, special employee health insurance trust fund, special services
13 revolving fund, spinal and head injuries trust fund, state aid to the courts
14 fund, Arizona state hospital fund, state board of equalization fund, state
15 surplus materials revolving fund, structural pest control commission fund,
16 substance abuse services fund, teacher certification fund, technical
17 registration fund, telecommunications fund, telecommunication fund for the
18 deaf, telecommunications excise tax fund, tobacco tax and health care fund,
19 transportation department equipment fund, tribal-state compact fund, used oil
20 fund, utility regulation revolving fund, vehicle inspection and title
21 enforcement fund, state veterans' conservatorship fund, state home for
22 veterans' trust fund, veterinary medical examining board fund, victims'
23 rights fund, vital records electronic systems fund, watercraft licensing
24 fund, waterfowl conservation fund, water quality fee fund and workforce
25 investment act grant.

26 State employee health insurance adjustments

27 The amount appropriated for state employee health insurance adjustments
28 shall be for annualizing fiscal year 2007-2008 increases in the employer
29 share of state employee health insurance premiums in agencies receiving
30 fiscal year 2008-2009 appropriations in Laws 2007, chapter 255. The joint
31 legislative budget committee staff shall determine and the department of
32 administration shall allocate to each agency's or department's
33 employee-related expenditures an amount for the employer share of the
34 employee health insurance increases. The joint legislative budget committee
35 staff shall also determine and the department of administration shall
36 allocate adjustments, as necessary, in expenditure authority to allow
37 implementation of state employee health insurance adjustments.

38 State employee retirement adjustments

39 The amount appropriated for state employee retirement contribution
40 adjustments shall be for annualizing fiscal year 2007-2008 increases in the
41 employer share of state employee retirement contributions in agencies
42 receiving fiscal year 2008-2009 appropriations in Laws 2007, chapter 255.
43 The joint legislative budget committee staff shall determine and the
44 department of administration shall allocate to each agency's or department's
45 employee-related expenditures an amount for the employer share of the

1 employee retirement contribution increase. The joint legislative budget
2 committee staff shall also determine and the department of administration
3 shall allocate adjustments, as necessary, in expenditure authority to allow
4 implementation of state employee retirement contribution adjustments.

5 Salary adjustments

6 The amount appropriated for salary adjustments includes personal
7 services and employee-related expenditures for state officers and employees
8 in accordance with this act.

9 For fiscal year 2008-2009, the joint legislative budget committee staff
10 shall determine and the department of administration shall allocate to each
11 agency or department an amount for annualizing fiscal year 2007-2008
12 adjustments in agencies receiving fiscal year 2008-2009 appropriations in
13 Laws 2007, chapter 255. The joint legislative budget committee staff shall
14 also determine and the department of administration shall allocate
15 adjustments, as necessary, in expenditure authority to allow implementation
16 of salary adjustments.

17 State owned space rent adjustments

18 The amount appropriated for agency rent adjustments shall be used for
19 annualizing fiscal year 2007-2008 adjustments for state owned space increases
20 from \$15.50 per square foot to \$19.50 per square foot for office space, and
21 increases from \$6.00 per square foot to \$7.00 per square foot for storage
22 space in agencies receiving fiscal year 2008-2009 appropriations in Laws
23 2007, chapter 255.

24 For fiscal year 2008-2009, the joint legislative budget committee staff
25 shall determine and the department of administration shall allocate to each
26 agency or department an amount for annualizing fiscal year 2007-2008
27 adjustments in agencies receiving fiscal year 2008-2009 appropriations in
28 Laws 2007, chapter 255.

29 State telecommunications adjustments

30 The amount appropriated for state telecommunications adjustments shall
31 be to annualize fiscal year 2006-2007 increases and for fiscal year 2007-2008
32 adjustments in agency or department telecommunication charges in agencies
33 receiving fiscal year 2008-2009 appropriations in Laws 2007, chapter 255.
34 The joint legislative budget committee staff shall determine and the
35 department of administration shall allocate to each agency or department an
36 amount for the contribution increase. The joint legislative budget committee
37 staff shall also determine and the department of administration shall
38 allocate adjustments, as necessary, in expenditure authority to allow
39 implementation of state telecommunications adjustments.

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

41 The amount appropriated for state lease-purchase and
42 privatized-lease-to-own adjustments shall be for annualizing fiscal year
43 2007-2008 adjustments in agency or department lease-purchase and
44 privatized-lease-to-own charges in agencies receiving fiscal year 2008-2009
45 appropriations in Laws 2007, chapter 255. The joint legislative budget

1 committee staff shall determine and the department of administration shall
2 allocate to each agency or department an amount for the contribution
3 increase. The joint legislative budget committee staff shall also determine
4 and the department of administration shall allocate adjustments, as
5 necessary, in expenditure authority to allow implementation of state
6 lease-purchase and privatized-lease-to-own adjustments.

7 Human resources pro rata adjustments

8 The amount appropriated for state human resources pro rata adjustments
9 shall be for annualizing increased fiscal year 2007-2008 rates in agency or
10 department human resources pro rata charges in agencies receiving fiscal year
11 2008-2009 appropriations in Laws 2007, chapter 255. The joint legislative
12 budget committee staff shall determine and the department of administration
13 shall allocate to each agency or department an amount for the contribution
14 increase. The joint legislative budget committee staff shall also determine
15 and the department of administration shall allocate adjustments, as
16 necessary, in expenditure authority to allow implementation of state human
17 resources pro rata adjustments.

18 Risk management adjustments

19 The amount appropriated for state risk management adjustments shall be
20 for annualizing new fiscal year 2007-2008 adjustments in agency or department
21 risk management charges in agencies receiving fiscal year 2008-2009
22 appropriations in Laws 2007, chapter 255. The joint legislative budget
23 committee staff shall determine and the department of administration shall
24 allocate to each agency or department an amount for the contribution
25 increase. The joint legislative budget committee staff shall also determine
26 and the department of administration shall allocate adjustments, as
27 necessary, in expenditure authority to allow implementation of state risk
28 management adjustments.

29 Assistant attorney general salary adjustments

30 For fiscal year 2008-2009, the joint legislative budget committee staff
31 shall determine and the department of administration shall allocate to the
32 office of the attorney general and its client agencies the amount necessary
33 to annualize a fiscal year 2007-2008 salary adjustment to assistant attorney
34 generals. The amount of the salary adjustment for each assistant attorney
35 general shall be determined by the attorney general and is in addition to the
36 statewide salary adjustment provided by this section.

37 Of the total \$982,800 general fund allocations, \$859,100 is for
38 distribution to the attorney general, \$83,900 is for distribution to agencies
39 that pay interagency service agreements with general fund appropriations, and
40 \$39,800 is for distribution to agencies that pay the attorney general pro
41 rata charge with general fund appropriations. Of the total \$1,923,400 other
42 appropriated fund allocation, \$1,638,500 is for distribution to the attorney
43 general, \$18,800 is for distribution to the game and fish department,
44 \$244,300 is for distribution to agencies that pay interagency service
45 agreements with other appropriated fund appropriations, and \$21,800 is for

1 distribution to agencies that pay the attorney general pro rata charge with
2 other appropriated fund appropriations.

3 Sec. 45. State employee retirement adjustment; information
4 technology adjustments; state owned space rent
5 adjustments; state lease-purchase and privatized
6 lease-to-own adjustments

7 State employee retirement adjustment \$10,694,000

8 Fund sources:

9 State general fund \$ 9,033,400

10 Other appropriated funds 1,660,600

11 Information technology planning
12 adjustment \$ 602,700

13 Fund sources:

14 State general fund \$ 375,000

15 Other appropriated funds 227,700

16 State owned space rent adjustments \$ 1,340,000

17 Fund sources:

18 State general fund \$ 1,060,000

19 Other appropriated funds 280,000

20 State lease-purchase and privatized
21 lease-to-own adjustments \$ (150,000)

22 Fund sources:

23 Other appropriated funds \$ (150,000)

24 The other appropriated funds may be allocated from the funds listed in
25 section 44 of this act, relating to operating adjustments.

26 The amount appropriated for state employee retirement contribution
27 adjustments shall be for fiscal year 2008-2009 increases in the employer
28 share of state employee retirement contributions. The joint legislative
29 budget committee staff shall determine and the department of administration
30 shall allocate to each agency's or department's employee-related expenditures
31 an amount for the employer share of the employee retirement contribution
32 increase. The joint legislative budget committee staff shall also determine
33 and the department of administration shall allocate adjustments, as
34 necessary, in expenditure authority to allow implementation of state employee
35 retirement contribution adjustments.

36 The joint legislative budget committee staff shall determine and the
37 department of administration shall allocate to each agency's or department's
38 personal services an amount for the adjustment. The joint legislative budget
39 committee staff shall also determine and the department of administration
40 shall allocate adjustments, as necessary, in expenditure authority to allow
41 implementation of information technology planning adjustments.

42 The amount appropriated for rent adjustments shall be used to fund
43 agency rent charges for state owned space increases from \$19.50 per square
44 foot to \$21.02 per square foot for office space and increases from \$7.00 per
45 square foot to \$7.62 per square foot for storage space.

1 For fiscal year 2008-2009, the joint legislative budget committee staff
2 shall determine and the department of administration shall allocate to each
3 agency or department an amount for these adjustments.

4 The amount appropriated for state lease-purchase and privatized
5 lease-to-own adjustments shall be for fiscal year 2008-2009 adjustments in
6 agency or department lease-purchase and privatized lease-to-own charges. The
7 joint legislative budget committee staff shall determine and the department
8 of administration shall allocate to each agency or department an amount for
9 the contribution increase. The joint legislative budget committee staff
10 shall also determine and the department of administration shall allocate
11 adjustments, as necessary, in expenditure authority to allow implementation
12 of state lease-purchase and privatized lease-to-own adjustments.

13 Sec. 46. Hiring appropriations; fiscal year 2007-2008;
14 reversion

15 A. Notwithstanding any other law, \$5,309,300 appropriated from the
16 state general fund and \$4,690,700 appropriated from other state funds that
17 were appropriated to state budget units for fiscal year 2008-2009 and from
18 nonfederal nonappropriated funds for hiring of state employees shall not be
19 expended or encumbered. The governor's office of strategic planning and
20 budgeting and the joint legislative budget committee shall determine and the
21 department of administration shall allocate the amount of the reversion or
22 transfer to each state agency or department.

23 B. The amounts determined pursuant to subsection A shall remain in or
24 be reverted or transferred to the state general fund on the effective date of
25 this act.

26 Sec. 47. Counties; incorporated cities and towns; deposits;
27 fiscal year 2008-2009; county expenditure
28 limitations

29 A. Notwithstanding any other law, in fiscal year 2008-2009, counties,
30 incorporated cities and towns shall deposit \$29,748,400 into the state
31 general fund. The amount transferred to the state general fund by each
32 county, incorporated city and town shall be calculated by the joint
33 legislative budget committee staff, who shall publish the allocations by
34 August 31, 2008. The joint legislative budget committee staff shall base its
35 allocation on the distributions provided under section 28-6538, subsection A,
36 paragraphs 2, 3, and 4, Arizona Revised Statutes.

37 B. Notwithstanding any other law, a county may meet any statutory
38 funding requirements of this section from any source of county revenue
39 designated by the county, including funds of any county wide special taxing
40 district in which the board of supervisors serves as the board of directors.

41 C. Contributions made pursuant to this section are excluded from the
42 county expenditure limitations.

43 Sec. 48. Legislative intent; expenditure reporting

44 It is the intent of the legislature that all departments, agencies or
45 budget units receiving appropriations under the terms of this act shall

1 continue to report actual, estimated and requested expenditures by budget
2 programs and budget classes in a format that is similar to the budget
3 programs and budget classes used for budgetary purposes in prior years. A
4 different format may be used if deemed necessary to implement section 35-113,
5 Arizona Revised Statutes, agreed to by the director of the joint legislative
6 budget committee and incorporated into the budget preparation instructions
7 adopted by the governor's office of strategic planning and budgeting pursuant
8 to section 35-112, Arizona Revised Statutes.

9 Sec. 49. FTE positions; reporting; definition

10 Full-time equivalent (FTE) positions contained in this act are subject
11 to appropriation. The director of the department of administration shall
12 account for the use of all appropriated FTE positions excluding those in the
13 department of economic security, the universities and the department of
14 environmental quality. The director shall submit the fiscal year 2008-2009
15 report by August 1, 2009 to the director of the joint legislative budget
16 committee. The reports shall compare the level of FTE usage in each fiscal
17 year to the appropriated level. For the purposes of this section, "FTE
18 positions" shall mean the total number of hours worked, including both
19 regular and overtime hours as well as hours taken as leave, divided by the
20 number of hours in a work year. The director of the department of
21 administration shall notify the director of each budget unit if the budget
22 unit has exceeded its number of appropriated FTE positions. The above
23 excluded agencies shall each report to the director of the joint legislative
24 budget committee in a manner comparable to the department of administration
25 reporting.

26 Sec. 50. Filled FTE positions; reporting

27 By October 1, 2008, each agency, including the judiciary and
28 universities, shall submit a report to the director of the joint legislative
29 budget committee on the number of filled, appropriated FTE positions by fund
30 source. The number of filled, appropriated FTE positions reported shall be
31 as of September 1, 2008.

32 Sec. 51. Performance measure results; reporting

33 As part of its fiscal year 2009-2010 budget request, agencies shall
34 submit the fiscal year 2007-2008 result for the performance measures listed
35 in this act. Agencies receiving fiscal year 2008-2009 budgets in Laws 2007,
36 chapter 235, shall submit the fiscal year 2007-2008 result for the
37 performance measures listed in that act as part of their fiscal year
38 2009-2010 budget request. If an agency fails to submit this information, it
39 shall submit a report to the joint legislative budget committee staff and the
40 office of strategic planning and budgeting as part of its fiscal year
41 2009-2010 budget request on why the agency failed to submit its results for
42 the performance measure.

43 Sec. 52. Transfer of spending authority

44 The department of administration shall report monthly to the director
45 of the joint legislative budget committee on any transfers of spending

1 authority made pursuant to section 35-173, subsection C, Arizona Revised
2 Statutes, during the prior month.

3 Sec. 53. Interim reporting requirements

4 A. State general fund revenue for fiscal year 2007-2008, not including
5 the beginning balance and including one-time revenues, is forecasted to be
6 \$9,138,365,500.

7 B. State general fund revenue for fiscal year 2008-2009, not including
8 the beginning balance and including one-time revenues, is forecasted to be
9 \$9,982,561,400.

10 C. The executive branch shall provide to the joint legislative budget
11 committee a preliminary estimate of the fiscal year 2007-2008 state general
12 fund ending balance by September 15, 2008. The preliminary estimate of the
13 fiscal year 2008-2009 state general fund ending balance shall be provided by
14 September 15, 2009. The estimate shall include projections of total
15 revenues, total expenditures and ending balance. The department of
16 administration shall continue to provide the final report for the fiscal year
17 in its annual financial report pursuant to section 35-131, Arizona Revised
18 Statutes.

19 D. Based on the information provided by the executive branch, the
20 staff of the joint legislative budget committee shall report to the joint
21 legislative budget committee by October 15 of 2008 and 2009 as to whether
22 that fiscal year's revenues and ending balance are expected to change by more
23 than \$50,000,000 from the budgeted projections. The executive branch may
24 also provide its own estimates to the joint legislative budget committee by
25 October 15 of each year.

26 Sec. 54. Definition

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

30 Sec. 55. Definition

31 For the purposes of this act, "review by the joint legislative budget
32 committee" means a review by a vote of a majority of a quorum of the members.