

State of Arizona  
Senate  
Forty-ninth Legislature  
Third Special Session  
2009

# SENATE BILL 1020

## AN ACT

AMENDING LAWS 2009, CHAPTER 11, SECTION 21, AS AMENDED BY LAWS 2009, CHAPTER 12, SECTION 11; REPEALING LAWS 2009, CHAPTER 11, SECTION 31, AS AMENDED BY LAWS 2009, CHAPTER 12, SECTION 16; REPEALING LAWS 2009, CHAPTER 11, SECTION 34, AS AMENDED BY LAWS 2009, CHAPTER 12, SECTION 19; REPEALING LAWS 2009, CHAPTER 11, SECTION 47, AS AMENDED BY LAWS 2009, CHAPTER 12, SECTION 27; REPEALING LAWS 2009, CHAPTER 11, SECTIONS 100, 101, 102, 103, 104 AND 114; REPEALING LAWS 2009, CHAPTER 12, SECTION 60; REPEALING LAWS 2009, THIRD SPECIAL SESSION, CHAPTER 1, SECTIONS 1 AND 2; MAKING TRANSFERS AND APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. Laws 2009, chapter 11, section 21, as amended by Laws 2009, chapter 12, section 11, is amended to read:

Sec. 21. ARIZONA COMMUNITY COLLEGES

|  | <u>2009-10</u>      |
|--|---------------------|
| <u>Equalization aid</u>                          |                     |
| Cochise  | \$ 7,841,800        |
| Graham   | 17,465,400          |
| Navajo   | 6,624,000           |
| Yuma/La Paz                                      | <u>2,938,300</u>    |
| Total - equalization aid                         | \$ 34,869,500       |
| <u>Operating state aid</u>                       |                     |
| Cochise  | \$ 7,488,700        |
| Coconino   | 2,679,400           |
| Gila   | 658,400             |
| Graham   | 4,243,900           |
| Maricopa   | 45,327,400          |
| Mohave   | 3,682,900           |
| Navajo   | 3,590,000           |
| Pima   | 15,942,100          |
| Pinal  | 4,935,100           |
| Yavapai  | 4,196,000           |
| Yuma/La Paz                                      | <u>4,812,900</u>    |
| Total - operating state aid                      | \$ 97,556,800       |
| Rural county reimbursement subsidy               | <u>\$ 1,000,000</u> |
| Total appropriation - Arizona community colleges | \$133,426,300       |
| Fund sources:                                    |                     |
| State general fund                               | \$133,426,300       |

Performance measures:

Number of applied baccalaureate programs

collaboratively developed with universities 13

Of the \$1,000,000 appropriated to the rural county reimbursement subsidy line item, Apache county will receive ~~\$523,500~~ \$466,000, Greenlee county ~~\$188,700~~ \$382,800 and Santa Cruz county ~~\$287,800~~ \$151,200.

The appropriated monies shall not be used to implement the centennial scholars program.

Sec. 2. Repeal

The following sections are repealed:

1. Laws 2009, chapter 11, section 31, as amended by Laws 2009, chapter 12, section 16.

2. Laws 2009, chapter 11, section 34, as amended by Laws 2009, chapter 12, section 19.

3. Laws 2009, chapter 11, section 47, as amended by Laws 2009, chapter 12, section 27.

1 4. Laws 2009, chapter 11, sections 100, 101, 102, 103, 104 and 114.

2 5. Laws 2009, chapter 12, section 60.

3 6. Laws 2009, third special session, chapter 1, sections 1 and 2.

4 Sec. 3. Appropriation reductions: unavailable monies

5 A. Except as provided in section 5 of this act, the amounts  
6 appropriated in this act for the support and maintenance of departments of  
7 this state and state institutions for fiscal year 2009-2010 are reduced by  
8 the amount already spent in fiscal year 2009-2010 by any department of this  
9 state or state institutions under prior expenditure authority authorized by  
10 any of the sections being repealed in section 2 of this act.

11 B. If monies from funding sources in this act are unavailable, no  
12 other funding source shall be used.

13 Sec. 4. DEPARTMENT OF ECONOMIC SECURITY

14 2009-10

15 Agencywide operating

16 FTE positions 5,596.4

17 Operating lump sum appropriation \$191,615,600

18 Fund sources:

19 State general fund \$ 29,424,000

20 Federal child care and development

21 fund block grant 11,662,900

22 Federal temporary assistance

23 for needy families block grant 73,856,400

24 Public assistance collections

25 fund 315,600

26 Spinal and head injuries trust

27 fund 96,400

28 Statewide cost allocation plan

29 fund 1,000,000

30 Federal Reed act grant 3,495,700

31 Workforce investment act grant 2,283,700

32 Children and family services

33 training program fund 209,600

34 Child support enforcement

35 administration fund 11,423,100

36 Expenditure authority 57,848,200

37 Administration

38 Finger imaging \$ 738,800

39 Fund sources:

40 State general fund \$ 461,300

41 Federal temporary assistance

42 for needy families block

43 grant 277,500

44 Attorney general legal services \$ 1,042,000

1 Fund sources:  
 2 State general fund \$ 747,900  
 3 Federal child care and development  
 4 fund block grant 17,300  
 5 Federal temporary assistance for  
 6 needy families block grant 168,000  
 7 Public assistance collections  
 8 fund 108,800  
 9 Triagency disaster recovery \$ 271,500

10 Fund sources:  
 11 Risk management fund \$ 271,500

12 In accordance with section 35-142.01, Arizona Revised Statutes, the  
 13 department of economic security shall remit to the department of  
 14 administration any monies received as reimbursement from the federal  
 15 government or any other source for the operation of the department of  
 16 economic security west building and any other building lease-purchased by the  
 17 state of Arizona in which the department of economic security occupies space.  
 18 The department of administration shall deposit these monies in the state  
 19 general fund.

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

25 Developmental disabilities  
 26 Case management - title XIX \$ 42,509,800

27 Fund sources:  
 28 State general fund \$ 14,471,500  
 29 Expenditure authority 28,038,300  
 30 Home and community based  
 31 services - title XIX \$655,050,900

32 Fund sources:  
 33 State general fund \$219,352,000  
 34 Expenditure authority 435,698,900  
 35 Institutional services - title XIX \$ 15,873,000

36 Fund sources:  
 37 State general fund \$ 5,430,900  
 38 Expenditure authority 10,442,100  
 39 Medical services \$142,813,300

40 Fund sources:  
 41 State general fund \$ 48,904,800  
 42 Expenditure authority 93,908,500  
 43 Arizona training program at  
 44 Coolidge - title XIX \$ 17,018,800

|    |  |               |
|----|--|---------------|
| 1  | Fund sources:  |               |
| 2  | State general fund   | \$ 5,783,200  |
| 3  | Expenditure authority  | 11,235,600    |
| 4  | Medicare clawback payments   | \$ 2,456,100  |
| 5  | Fund sources:  |               |
| 6  | State general fund   | \$ 2,456,100  |
| 7  | Case management - state-only   | \$ 4,496,000  |
| 8  | Fund sources:  |               |
| 9  | State general fund   | \$ 4,496,000  |
| 10 | Home and community based   |               |
| 11 | services - state-only  | \$ 21,697,500 |
| 12 | Fund sources:  |               |
| 13 | State general fund   | \$ 20,849,400 |
| 14 | Long-term care system fund   | 848,100       |
| 15 | It is the intent of the legislature that in fiscal year 2009-2010,             |               |
| 16 | \$15,000,000 will be disbursed from the state fiscal stabilization fund to the |               |
| 17 | department of economic security for state-only home and community-based        |               |
| 18 | services. These monies shall be disbursed in accordance with the provisions    |               |
| 19 | of the American recovery and reinvestment act of 2009 (P.L. 111-5).            |               |
| 20 | Institutional services - state-only  | \$ 294,900    |
| 21 | Fund sources:  |               |
| 22 | State general fund   | \$ 294,900    |
| 23 | Arizona training program at  |               |
| 24 | Coolidge - state-only  | \$ 566,400    |
| 25 | Fund sources:  |               |
| 26 | State general fund   | \$ 566,400    |
| 27 | State-funded long-term care  |               |
| 28 | services   | \$ 26,383,300 |
| 29 | Fund sources:  |               |
| 30 | State general fund   | \$ 762,900    |
| 31 | Long-term care system fund   | 25,620,400    |
| 32 | Developmental disabilities non-title   |               |
| 33 | XIX reduction  | \$(2,959,100) |
| 34 | Fund sources:  |               |
| 35 | State general fund   | \$(2,959,100) |
| 36 | Autism training and oversight  | \$ 200,000    |
| 37 | Fund sources:  |               |
| 38 | Tobacco tax and healthcare -   |               |
| 39 | health research account  | \$ 200,000    |
| 40 | Arizona early intervention program   | \$ 2,041,700  |
| 41 | Fund sources:  |               |
| 42 | State general fund   | \$ 2,041,700  |
| 43 | Performance measures:  |               |
| 44 | Per cent of consumer satisfaction with   |               |
| 45 | case management services   | 99            |

|   |                                      |    |
|---|--------------------------------------|----|
| 1 | Per cent of relatives and caregivers |    |
| 2 | of consumers stating the services    |    |
| 3 | received meet the consumers needs    | 95 |
| 4 | Per cent of relatives and caregivers |    |
| 5 | of consumers satisfied with the      |    |
| 6 | providers and services received      | 95 |

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

15       The department of economic security shall report all new placements  
16 into a state-owned ICF-MR or the Arizona training program at Coolidge campus  
17 in fiscal year 2009-2010 to the president of the senate, the speaker of the  
18 house of representatives, the chairpersons of the senate and house of  
19 representatives appropriations committees and the director of the joint  
20 legislative budget committee and the reason why this placement, rather than a  
21 placement into a privately run facility for the developmentally disabled, was  
22 deemed as the most appropriate placement. The department shall also report  
23 if no new placements were made. This report shall be made available by July  
24 15, 2010.

25       All monies in the long-term care system fund unexpended and  
26 unencumbered at the end of fiscal year 2009-2010 revert to the state general  
27 fund, subject to approval by the Arizona health care cost containment system  
28 administration.

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

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

For fiscal year 2009-2010, the department of economic security shall not increase reimbursement rates for community service providers and independent service agreement providers contracting with the division of developmental disabilities.

It is the intent of the legislature that in fiscal year 2009-2010, \$2,300,000 will be disbursed from the state fiscal stabilization fund to the department of economic security for children's autism intensive behavioral treatment services and for children's autism intensive early intervention services for toddlers. These monies shall be disbursed in accordance with the provisions of the American recovery and reinvestment act of 2009 (P.L. 111-5).

Benefits and medical eligibility

Temporary assistance for

needy families cash

benefits

\$121,873,400

Fund sources:

State general fund

\$ 41,242,700

Federal temporary assistance

for needy families block

grant

80,630,700

Tribal pass-through funding

\$ 5,192,300

Fund sources:

State general fund

\$ 5,192,300

Tuberculosis control payments

\$ 32,200

Fund sources:

State general fund

\$ 32,200

Performance measures:

Per cent of cash benefits issued timely

96.0

Per cent of total cash benefits payments

issued accurately

95.0

Per cent of total food stamps payments

issued accurately

96.0

Per cent of clients satisfied with family

assistance administration

90.0

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

Any transfer to or from the \$121,873,400 appropriated for temporary assistance for needy families cash benefits requires review by the joint legislative budget committee.

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

|   |    |               |
|---|----|---------------|
| <u>Child support enforcement</u>  |    |               |
| Genetic testing   | \$ | 360,000       |
| Fund sources:   |    |               |
| State general fund  | \$ | 122,400       |
| Expenditure authority   |    | 237,600       |
| County participation  | \$ | 8,645,200     |
| Fund sources:   |    |               |
| Child support enforcement administration fund                                       | \$ | 1,384,100     |
| Expenditure authority   |    | 7,261,100     |
| Attorney general legal services   | \$ | 9,901,400     |
| Fund sources:   |    |               |
| State general fund  | \$ | 887,500       |
| Child support enforcement administration fund                                       |    | 2,426,500     |
| Expenditure authority   |    | 6,587,400     |
| Performance measures:   |    |               |
| Total IV-D collections  |    | \$371,500,000 |
| Ratio of current IV-D support collected and distributed to current IV-D support due |    | 50.4          |

All state share of retained earnings, fees and federal incentives above \$15,233,700 received by the division of child support enforcement are appropriated for operating expenditures. New full-time equivalent positions may be authorized with the increased funding. The division of child support enforcement shall report the intended use of the monies to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting.

|                                     |    |            |
|-------------------------------------|----|------------|
| <u>Aging and community services</u> |    |            |
| Adult services                      | \$ | 18,977,700 |
| Fund sources:                       |    |            |
| State general fund                  | \$ | 18,977,700 |



|    |                                |               |
|----|--------------------------------|---------------|
| 1  | Aging and community services - |               |
| 2  | 25% reduction                  | \$(1,131,400) |
| 3  | Fund sources:                  |               |
| 4  | State general fund             | \$(1,131,400) |
| 5  | Community and emergency        |               |
| 6  | services                       | \$ 5,424,900  |
| 7  | Fund sources:                  |               |
| 8  | Federal temporary assistance   |               |
| 9  | for needy families block       |               |
| 10 | grant                          | \$ 5,424,900  |
| 11 | Coordinated hunger             | \$ 2,014,600  |
| 12 | Fund sources:                  |               |
| 13 | State general fund             | \$ 1,514,600  |
| 14 | Federal temporary assistance   |               |
| 15 | for needy families block       |               |
| 16 | grant                          | 500,000       |
| 17 | Coordinated homeless           | \$ 2,804,900  |
| 18 | Fund sources:                  |               |
| 19 | State general fund             | \$ 1,155,400  |
| 20 | Federal temporary assistance   |               |
| 21 | for needy families block       |               |
| 22 | grant                          | 1,649,500     |
| 23 | Domestic violence prevention   | \$ 16,647,400 |
| 24 | Fund sources:                  |               |
| 25 | State general fund             | \$ 7,626,700  |
| 26 | Federal temporary assistance   |               |
| 27 | for needy families block       |               |
| 28 | grant                          | 6,620,700     |
| 29 | Domestic violence shelter fund | 2,400,000     |

30 Performance measures:

|    |   |     |
|----|---|-----|
| 31 | Adult protective services investigation |     |
| 32 | per cent rate                           | 100 |

33 The department of economic security shall report to the joint  
34 legislative budget committee on the amount of state and federal monies  
35 available statewide for domestic violence funding by December 15, 2009. The  
36 report shall include, at a minimum, the amount of monies available and the  
37 state fiscal agent receiving those monies.

38 All domestic violence shelter fund monies above \$2,400,000 received by  
39 the department of economic security are appropriated for the domestic  
40 violence prevention line item. The department of economic security shall  
41 report the intended use of the monies above \$2,400,000 to the joint  
42 legislative budget committee.

|    |   |               |
|----|---|---------------|
| 1  | <u>Children, youth and families</u>   |               |
| 2  | Adoption services   | \$ 55,244,600 |
| 3  | Fund sources:   |               |
| 4  | State general fund  | \$ 35,942,200 |
| 5  | Federal temporary assistance  |               |
| 6  | for needy families block  |               |
| 7  | grant   | 19,302,400    |
| 8  | It is the intent of the legislature that in fiscal year 2009-2010,            |               |
| 9  | \$2,500,000 will be disbursed from the state fiscal stabilization fund to the |               |
| 10 | department of economic security for adoption services caseload growth. These  |               |
| 11 | monies shall be disbursed in accordance with the provisions of the American   |               |
| 12 | recovery and reinvestment act of 2009 (P.L. 111-5).                           |               |
| 13 | Adoption services - family  |               |
| 14 | preservation projects   | \$ 700,000    |
| 15 | Fund sources:   |               |
| 16 | Federal temporary assistance  |               |
| 17 | for needy families block  |               |
| 18 | grant   | \$ 700,000    |
| 19 | Attorney general legal  |               |
| 20 | services  | \$ 12,168,800 |
| 21 | Fund sources:   |               |
| 22 | State general fund  | \$ 12,116,600 |
| 23 | Federal temporary assistance  |               |
| 24 | for needy families block  |               |
| 25 | grant   | 52,200        |
| 26 | Child abuse prevention  | \$ 826,900    |
| 27 | Fund sources:   |               |
| 28 | Child abuse prevention fund   | \$ 826,900    |
| 29 | Children support services   | \$ 64,882,400 |
| 30 | Fund sources:   |               |
| 31 | State general fund  | \$ 34,203,300 |
| 32 | Child abuse prevention fund   | 750,000       |
| 33 | Federal temporary assistance  |               |
| 34 | for needy families block  |               |
| 35 | grant   | 29,929,100    |
| 36 | Comprehensive medical and dental  |               |
| 37 | program   | \$ 2,057,000  |
| 38 | Fund sources:   |               |
| 39 | State general fund  | \$ 2,057,000  |
| 40 | Child protective services appeals   | \$ 732,300    |
| 41 | Fund sources:   |               |
| 42 | State general fund  | \$ 732,300    |
| 43 | CPS emergency placement   | \$ 4,786,500  |

|    |                                  |               |
|----|----------------------------------|---------------|
| 1  | Fund sources:                    |               |
| 2  | State general fund               | \$ 1,780,100  |
| 3  | Federal temporary assistance     |               |
| 4  | for needy families block         |               |
| 5  | grant                            | 3,006,400     |
| 6  | Family support reduction         | \$(2,620,800) |
| 7  | Fund sources:                    |               |
| 8  | State general fund               | \$(2,620,800) |
| 9  | Education and training vouchers  | \$ 700,000    |
| 10 | Fund sources:                    |               |
| 11 | State general fund               | \$ 700,000    |
| 12 | Family builders program          | \$ 5,200,000  |
| 13 | Fund sources:                    |               |
| 14 | Federal temporary assistance for |               |
| 15 | needy families block grant       | \$ 5,200,000  |
| 16 | Foster care placement            | \$ 21,462,600 |
| 17 | Fund sources:                    |               |
| 18 | State general fund               | \$ 15,239,500 |
| 19 | Federal temporary assistance for |               |
| 20 | needy families block grant       | 6,223,100     |
| 21 | Healthy families                 | \$ 10,750,000 |
| 22 | Fund sources:                    |               |
| 23 | State general fund               | \$ 5,715,800  |
| 24 | Federal temporary assistance for |               |
| 25 | needy families block grant       | 5,034,200     |
| 26 | Homeless youth intervention      | \$ 400,000    |
| 27 | Fund sources:                    |               |
| 28 | Federal temporary assistance for |               |
| 29 | needy families block grant       | \$ 400,000    |
| 30 | Independent living maintenance   | \$ 2,719,300  |
| 31 | Fund sources:                    |               |
| 32 | State general fund               | \$ 2,719,300  |
| 33 | Intensive family services        | \$ 1,985,600  |
| 34 | Fund sources:                    |               |
| 35 | State general fund               | \$ 1,985,600  |
| 36 | Joint substance abuse - Arizona  |               |
| 37 | families in recovery succeeding  |               |
| 38 | together                         | \$ 7,224,500  |
| 39 | Fund sources:                    |               |
| 40 | State general fund               | \$ 5,224,500  |
| 41 | Federal temporary assistance for |               |
| 42 | needy families block grant       | \$ 2,000,000  |
| 43 | Permanent guardianship subsidy   | \$ 8,935,300  |

|    |  |               |
|----|--|---------------|
| 1  | Fund sources:  |               |
| 2  | State general fund   | \$ 7,192,300  |
| 3  | Federal temporary assistance for   |               |
| 4  | needy families block grant   | 1,743,000     |
| 5  | CPS residential placement  | \$ 16,310,000 |
| 6  | Fund sources:  |               |
| 7  | State general fund   | \$ 5,143,400  |
| 8  | Federal temporary assistance for   |               |
| 9  | needy families block grant   | 11,166,600    |
| 10 | Performance measures:  |               |
| 11 | Per cent of newly hired CPS specialists                                      |               |
| 12 | completing training within 7 months  |               |
| 13 | of hire  | 100           |
| 14 | Per cent of children in out-of-home care                                     |               |
| 15 | who have not returned to their families                                      |               |
| 16 | or been permanently placed elsewhere   |               |
| 17 | for more than 24 consecutive months  | 19            |
| 18 | Per cent of CPS reports responded to by CPS                                  |               |
| 19 | staff  | 100           |
| 20 | Per cent of CPS original dependencies  |               |
| 21 | cases where court denied or dismissed  |               |
| 22 | the dependency   | <1            |
| 23 | Per cent of office of administrative   |               |
| 24 | hearings where CPS case findings   |               |
| 25 | are affirmed   | 90            |
| 26 | Per cent of CPS complaints reviewed by                                       |               |
| 27 | the office of the ombudsman-citizens   |               |
| 28 | aide where allegations are reported  |               |
| 29 | as valid by the ombudsman  | 13            |
| 30 | Average number of days spent in shelter                                      |               |
| 31 | placements   | 15            |
| 32 | Number of children in shelter care more                                      |               |
| 33 | than 21 days   | 0             |
| 34 | Number of children under 3 in shelter care                                   | 0             |
| 35 | Number of children under 6 in group homes                                    | 0             |
| 36 | Any transfer to or from the amounts appropriated for children support        |               |
| 37 | services, CPS emergency placement, CPS residential placement or foster care  |               |
| 38 | placement requires review by the joint legislative budget committee.         |               |
| 39 | Of the amounts appropriated for children support services, CPS               |               |
| 40 | emergency placement, CPS residential placement and foster care placement,    |               |
| 41 | \$22,613,100 is appropriated from the federal temporary assistance for needy |               |
| 42 | families block grant to the social services block grant for deposit in the   |               |
| 43 | following line items in the following amounts:                               |               |

|   |                           |           |
|---|---------------------------|-----------|
| 1 | Children support services | 5,371,700 |
| 2 | CPS emergency placement   | 2,333,700 |
| 3 | CPS residential placement | 9,833,300 |
| 4 | Foster care placement     | 5,074,400 |

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

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

11 It is the intent of the legislature that in fiscal year 2009-2010,  
12 \$5,500,000 will be disbursed from the state fiscal stabilization fund to the  
13 department of economic security for child protective services. These monies  
14 shall be disbursed in accordance with the provisions of the American recovery  
15 and reinvestment act of 2009 (P.L. 111-5).

16 It is the intent of the legislature that in fiscal year 2009-2010,  
17 \$18,000,000 will be disbursed from the state fiscal stabilization fund to the  
18 department of economic security for children services. These monies shall be  
19 disbursed in accordance with the provisions of the American recovery and  
20 reinvestment act of 2009 (P.L. 111-5).

21            Employment and rehabilitation services

|    |     |               |
|----|-----|---------------|
| 22 | JOB | \$ 18,808,600 |
|----|-----|---------------|

23 Fund sources:

|    |                    |              |
|----|--------------------|--------------|
| 24 | State general fund | \$ 1,715,200 |
|----|--------------------|--------------|

|    |                                  |            |
|----|----------------------------------|------------|
| 25 | Federal temporary assistance for |            |
| 26 | needy families block grant       | 13,866,000 |

|    |                                |           |
|----|--------------------------------|-----------|
| 27 | Workforce investment act grant | 2,000,000 |
|----|--------------------------------|-----------|

|    |                             |           |
|----|-----------------------------|-----------|
| 28 | Special administration fund | 1,227,400 |
|----|-----------------------------|-----------|

|    |                  |               |
|----|------------------|---------------|
| 29 | Day care subsidy | \$163,664,000 |
|----|------------------|---------------|

30 Fund sources:

|    |                    |               |
|----|--------------------|---------------|
| 31 | State general fund | \$ 66,095,100 |
|----|--------------------|---------------|

32 Federal child care and

|    |                              |            |
|----|------------------------------|------------|
| 33 | development fund block grant | 82,485,800 |
|----|------------------------------|------------|

34 Federal temporary assistance for

|    |                            |            |
|----|----------------------------|------------|
| 35 | needy families block grant | 15,083,100 |
|----|----------------------------|------------|

|    |                         |               |
|----|-------------------------|---------------|
| 36 | Transitional child care | \$ 36,193,000 |
|----|-------------------------|---------------|

37 Fund sources:

38 Federal child care and

39                    development fund block

|    |       |               |
|----|-------|---------------|
| 40 | grant | \$ 36,193,000 |
|----|-------|---------------|

41 Vocational rehabilitation

|    |          |              |
|----|----------|--------------|
| 42 | services | \$ 4,719,100 |
|----|----------|--------------|

1 Fund sources:

2 State general fund \$ 4,514,400

3 Spinal and head injuries

4 trust fund 204,700

5 Assistive technology \$ 200,000

6 Fund sources:

7 State general fund \$ 200,000

8 Independent living rehabilitation

9 services \$ 2,491,900

10 Fund sources:

11 State general fund \$ 784,200

12 Spinal and head injuries trust

13 fund 1,707,700

14 Workforce investment act - local

15 governments \$ 48,040,600

16 Fund sources:

17 Workforce investment act grant \$ 48,040,600

18 Workforce investment act -

19 discretionary \$ 3,614,000

20 Fund sources:

21 Workforce investment act grant \$ 3,614,000

22 Performance measures:

23 Number of TANF recipients who obtained

24 employment 18,000

25 Per cent of customer satisfaction with

26 child care 95.0

27 Vocational rehabilitation individuals

28 successfully rehabilitated 2,000

29 Of the \$163,664,000 appropriated for day care subsidy, \$115,199,900 is

30 for a program in which the upper income limit is no more than one hundred

31 sixty-five per cent of the federal poverty level.

32 The amounts appropriated for day care subsidy and transitional child

33 care shall be used exclusively for child care costs unless a transfer of

34 monies is reviewed by the joint legislative budget committee. Monies shall

35 not be used from these appropriated amounts for any other expenses of the

36 department of economic security unless a transfer of monies is reviewed by

37 the joint legislative budget committee.

38 Monies in the child care subsidy and transitional child care line items

39 shall be used to provide services only to residents of the state of Arizona

40 who are citizens or legal residents of the United States or who are otherwise

41 lawfully present in the United States.

42 The department of economic security shall use the \$200,000 appropriated

43 for assistive technology to contract with a third party to create a statewide

44 clearinghouse for assistive technology to be distributed to Arizona school

45 districts.

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

6 All federal workforce investment act monies for local governments that  
7 are received by this state in excess of \$48,040,600 are appropriated to the  
8 workforce investment act-local governments line item. Excess monies may not  
9 be spent until a proposed expenditure plan for the excess monies has been  
10 reviewed by the joint legislative budget committee.

11 Performance measures:

12 Agencywide customer satisfaction rating

13 (Scale 1-5)

3.8

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

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

33 The department of economic security shall not operate more welfare  
34 offices than it operated in fiscal year 2005-2006.

35 It is the intent of the legislature that the department of economic  
36 security make the reductions associated with the agencywide lump sum  
37 reduction against administrative functions and, to the extent possible, not  
38 against programmatic functions.

39 Sec. 5. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION

40 In addition to monies appropriated pursuant to Laws 2009, chapter 11,  
41 section 32, as amended by Laws 2009, chapter 12, section 17, subject to  
42 applicable laws, the following sums or sources of revenue are appropriated  
43 for the fiscal years indicated and only from the funding sources listed for  
44 the purposes and objects specified:

1 2009-10

2 Formula programs

3 FTE positions 29.0  
 4 Operating lump sum appropriation \$ 2,096,800  
 5 Basic state aid \$2,868,599,400  
 6 Fund sources:  
 7 State general fund \$2,822,123,900  
 8 Permanent state school fund 46,475,500

9 The above appropriation provides basic state support to school  
 10 districts for maintenance and operations funding as provided by section  
 11 15-973, Arizona Revised Statutes, and includes an estimated \$46,475,500 in  
 12 expendable income derived from the permanent state school fund and from state  
 13 trust lands pursuant to section 37-521, subsection B, Arizona Revised  
 14 Statutes, for fiscal year 2009-2010.

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

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

29 Additional state aid \$ 366,586,000  
 30 Other state aid to districts 983,900  
 31 Total \$3,238,266,100  
 32 Fund sources:  
 33 State general fund \$3,191,790,600  
 34 Permanent state school fund 46,475,500

35 Sec. 6. DEPARTMENT OF ENVIRONMENTAL QUALITY

36 2009-10

37 Administration

38 FTE positions 144.6  
 39 Lump sum appropriation \$ 14,034,200  
 40 Fund sources:  
 41 State general fund \$ 2,861,500  
 42 Indirect cost recovery fund 11,172,700

43 Air programs

44 FTE positions 124.9  
 45 Air quality management and analysis 10,472,400



|    |                                   |                  |
|----|-----------------------------------|------------------|
| 1  | Emissions control contractor      |                  |
| 2  | payment                           | 27,639,600       |
| 3  | Emissions control program -       |                  |
| 4  | administration                    | 4,131,500        |
| 5  | Transfers to counties program     | 145,700          |
| 6  | Maricopa, Pima and Pinal counties |                  |
| 7  | travel reduction plan             | <u>1,638,100</u> |
| 8  | Total - air programs              | \$ 44,027,300    |
| 9  | Fund sources:                     |                  |
| 10 | State general fund                | \$ 348,500       |
| 11 | Air quality fund                  | 4,617,200        |
| 12 | Air permits administration fund   | 5,652,400        |
| 13 | Emissions inspection fund         | 33,409,200       |
| 14 | <u>Waste programs</u>             |                  |
| 15 | FTE positions                     | 48.4             |
| 16 | Waste control and management      | 3,701,400        |
| 17 | Underground storage tank program  | 22,000           |
| 18 | Waste tire program                | <u>44,300</u>    |
| 19 | Total - waste programs            | \$ 3,767,700     |
| 20 | Fund sources:                     |                  |
| 21 | State general fund                | \$ 1,050,400     |
| 22 | Air quality fund                  | 519,600          |
| 23 | Hazardous waste management fund   | 795,000          |
| 24 | Solid waste fee fund              | 1,242,900        |
| 25 | Underground storage tank          |                  |
| 26 | revolving fund                    | 22,000           |
| 27 | Used oil fund                     | 137,800          |
| 28 | <u>Water programs</u>             |                  |
| 29 | FTE positions                     | 155.5            |
| 30 | Arizona pollutant discharge       |                  |
| 31 | elimination system                | 1,524,700        |
| 32 | Drinking water regulation program | 2,446,700        |
| 33 | Surface water regulation program  | 1,137,100        |
| 34 | Underground water regulation      |                  |
| 35 | program                           | <u>6,617,500</u> |
| 36 | Total - water programs            | \$ 11,726,000    |
| 37 | Fund sources:                     |                  |
| 38 | State general fund                | \$ 1,965,900     |
| 39 | Water quality fee fund            | 5,605,200        |
| 40 | Clean water revolving fund        | 4,154,900        |
| 41 | <u>WIFA</u>                       |                  |
| 42 | Drinking water revolving loan     |                  |
| 43 | program                           | <u>845,100</u>   |
| 44 | Total - WIFA                      | \$ 845,100       |

1 Fund sources:

2 Clean water revolving fund \$ 845,100

3 Total appropriation - department of

4 environmental quality \$ 74,400,300

5 Fund sources:

6 State general fund \$ 6,226,300

7 Air permits administration fund 5,652,400

8 Air quality fund 5,136,800

9 Clean water revolving fund 5,000,000

10 Emissions inspection fund 33,409,200

11 Hazardous waste management fund 795,000

12 Indirect cost recovery fund 11,172,700

13 Solid waste fee fund 1,242,900

14 Underground storage tank

15 revolving fund 22,000

16 Used oil fund 137,800

17 Water quality fee fund 5,605,200

18 Performance measures:

19 Per cent of contaminated sites closed

20 requiring no further action (cumulative)

21 versus known sites 84.5

22 Number of nonattainment areas exceeding

23 national ambient air quality standards 5

24 Per cent of statutorily set permit timelines

25 met through licensing time frames rule 100

26 Number of days per year exceeding national

27 ambient air quality standards for ozone,

28 carbon monoxide or particulates 0

29 Per cent of facilities from drinking water

30 priority log assigned to enforcement staff 100

31 Customer satisfaction rating for citizens

32 (Scale 1-8) 7.7

33 Of the monies appropriated to the Maricopa, Pima and Pinal counties

34 travel reduction plan line item in fiscal year 2009-2010, \$926,600 shall be

35 allocated to Maricopa county, \$364,400 shall be allocated to the Pima

36 association of governments, \$85,000 shall be allocated to Pinal county and

37 \$262,100 shall be allocated to Pima county.

38 When expenditures from the hazardous waste or environmental health

39 reserves are authorized, the director of the department of environmental

40 quality shall report the nature of the emergency and the authorized

41 expenditure amount to the president of the senate, the speaker of the house

42 of representatives, the chairpersons of the senate and house of

43 representatives appropriations committees and the director of the joint

44 legislative budget committee.

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

4 Pursuant to section 49-282, Arizona Revised Statutes, the department of  
5 environmental quality shall submit a fiscal year 2010-2011 budget for the  
6 water quality assurance revolving fund before September 1, 2009, for review  
7 by the senate and house of representatives appropriations committees.

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

26 The monies appropriated in the transfers to counties program line item  
27 are for use by Arizona counties to avoid being declared in nonattainment of  
28 particulate matter standards by establishing public notification and outreach  
29 programs, minimizing exposure to particulate matter concentrations, and  
30 abating and minimizing controllable sources of particulate matter through  
31 best available control measures. Of the monies in the transfers to counties  
32 program line item in fiscal year 2009-2010, \$50,000 shall be used by Pima  
33 county for carbon monoxide monitoring as required by the Pima county limited  
34 maintenance plan with the United States environmental protection agency.

35 All air permits administration revenues received by the department of  
36 environmental quality in excess of \$5,652,400 in fiscal year 2009-2010 are  
37 appropriated to the department. Before the expenditure of air permits  
38 administration receipts in excess of \$5,652,400 in fiscal year 2009-2010, the  
39 department of environmental quality shall submit the intended use of the  
40 monies for review by the joint legislative budget committee.

41 The department of environmental quality shall submit a written report  
42 detailing the maximum, minimum and average water quality permit processing  
43 times for fiscal year 2008-2009 by December 1, 2009, for review by the joint  
44 legislative budget committee. The fiscal year 2008-2009 data shall contain  
45 the year-to-date actual data and projected totals for each year. This report

shall also include total number of staff hours devoted to water quality permit processing in fiscal year 2008-2009, the total costs to process these permits and the progress made in reducing water quality permit processing times.

All indirect cost fund recovery revenues received by the department of environmental quality in excess of \$11,172,700 in fiscal year 2009-2010 are appropriated to the department. Before the expenditure of indirect cost recovery fund receipts in excess of \$11,172,700 in fiscal year 2009-2010, the department of environmental quality shall submit the intended use of the monies for review by the joint legislative budget committee.

Sec. 7. DEPARTMENT OF HEALTH SERVICES

|   | <u>2009-10</u> |
|---|----------------|
| <u>Agencywide operating</u>                                 |                |
| FTE positions   | 1,657.4        |
| Operating lump sum appropriation                            | \$ 48,141,000  |
| Fund sources:   |                |
| State general fund  | \$ 28,532,500  |
| Arizona state hospital fund                                 | 7,879,300      |
| Arizona state hospital land earnings fund                   | 1,150,000      |
| Capital outlay stabilization fund                           | 1,578,000      |
| Emergency medical services operating fund                   | 898,400        |
| Expenditure authority                                       | 7,244,900      |
| Indirect cost fund  | 857,900        |
| <u>Administration</u>                                       |                |
| Assurance and licensure                                     | \$ 6,788,000   |
| Fund sources:   |                |
| State general fund  | \$ 4,651,300   |
| Federal child care and development fund block grant         | 829,200        |
| Hearing and speech professionals fund                       | 319,300        |
| Nursing care institution resident protection revolving fund | 38,000         |
| Expenditure authority                                       | 950,200        |
| Attorney general legal services                             | \$ 437,800     |
| Fund sources:   |                |
| State general fund  | \$ 394,900     |
| Emergency medical services operating fund                   | 42,900         |
| Newborn screening program fund - indirect costs             | \$ 478,600     |
| Fund sources:   |                |
| Newborn screening program fund                              | \$ 478,600     |

|    |  |              |
|----|--|--------------|
| 1  | Indirect cost fund                             | \$ 6,927,900 |
| 2  | Fund sources:                                  |              |
| 3  | Indirect cost fund                             | \$ 6,927,900 |
| 4  | Performance measures:                          |              |
| 5  | Per cent of relicensure surveys completed      |              |
| 6  | on time:                                       |              |
| 7  | Child care facilities                          | 97           |
| 8  | Health care facilities                         | 77           |
| 9  | Per cent of complaint investigations initiated |              |
| 10 | later than investigative guidelines:           |              |
| 11 | Child care facilities                          | 0            |
| 12 | Health care facilities                         | 30           |
| 13 | <u>Public health</u>                           |              |
| 14 | AIDS reporting and surveillance                | \$ 1,125,000 |
| 15 | Fund sources:                                  |              |
| 16 | State general fund                             | \$ 1,125,000 |
| 17 | Alzheimer's disease research                   | \$ 2,250,000 |
| 18 | Fund sources:                                  |              |
| 19 | State general fund                             | \$ 2,250,000 |
| 20 | Arizona statewide immunization                 |              |
| 21 | information system                             | \$ 477,600   |
| 22 | Fund sources:                                  |              |
| 23 | State general fund                             | \$ 477,600   |
| 24 | Community health centers                       | \$ 1,881,400 |
| 25 | Fund sources:                                  |              |
| 26 | State general fund                             | \$ 981,400   |
| 27 | Tobacco tax and health care                    |              |
| 28 | fund - medically needy                         |              |
| 29 | account  | 900,000      |
| 30 | County tuberculosis provider                   |              |
| 31 | care and control                               | \$ 1,210,500 |
| 32 | Fund sources:                                  |              |
| 33 | State general fund                             | \$ 1,210,500 |
| 34 | Diabetes prevention and control                | \$ 100,000   |
| 35 | Fund sources:                                  |              |
| 36 | State general fund                             | \$ 100,000   |
| 37 | Direct grants                                  | \$ 460,300   |
| 38 | Fund sources:                                  |              |
| 39 | State general fund                             | \$ 460,300   |
| 40 | EMS operations                                 | \$ 2,775,700 |
| 41 | Fund sources:                                  |              |
| 42 | Emergency medical services                     |              |
| 43 | operating fund                                 | \$ 2,775,700 |
| 44 | Hepatitis C surveillance                       | \$ 309,400   |

|    |                                |              |
|----|--------------------------------|--------------|
| 1  | Fund sources:                  |              |
| 2  | State general fund             | \$ 309,400   |
| 3  | Laboratory services            | \$ 5,017,900 |
| 4  | Fund sources:                  |              |
| 5  | State general fund             | \$ 4,088,600 |
| 6  | Environmental laboratory       |              |
| 7  | licensure revolving fund       | 929,300      |
| 8  | Loan repayment                 | \$ 657,900   |
| 9  | Fund sources:                  |              |
| 10 | State general fund             | \$ 100,000   |
| 11 | Emergency medical services     |              |
| 12 | operating fund                 | 557,900      |
| 13 | Poison control centers funding | \$ 1,950,000 |
| 14 | Fund sources:                  |              |
| 15 | State general fund             | \$ 1,950,000 |
| 16 | Reimbursement to counties      | \$ 67,900    |
| 17 | Fund sources:                  |              |
| 18 | State general fund             | \$ 67,900    |
| 19 | Renal and nonrenal disease     |              |
| 20 | management                     | \$ 198,000   |
| 21 | Fund sources:                  |              |
| 22 | State general fund             | \$ 198,000   |
| 23 | Scorpion antivenom             | \$ 150,000   |
| 24 | Fund sources:                  |              |
| 25 | State general fund             | \$ 150,000   |
| 26 | Telemedicine                   | \$ 260,000   |
| 27 | Fund sources:                  |              |
| 28 | State general fund             | \$ 260,000   |
| 29 | Teratogen program              | \$ 60,000    |
| 30 | Fund sources:                  |              |
| 31 | State general fund             | \$ 60,000    |
| 32 | Trauma advisory board          | \$ 348,000   |
| 33 | Fund sources:                  |              |
| 34 | Emergency medical services     |              |
| 35 | operating fund                 | \$ 348,000   |
| 36 | Vaccines                       | \$ 6,132,900 |
| 37 | Fund sources:                  |              |
| 38 | State general fund             | \$ 6,132,900 |
| 39 | Vital records maintenance      | \$ 433,700   |
| 40 | Fund sources:                  |              |
| 41 | Vital records electronic       |              |
| 42 | systems fund                   | \$ 433,700   |
| 43 | Public health appropriation    | \$ 1,000,000 |

1 Fund sources:

2 Tobacco tax and health care

3 fund - health research account \$ 1,000,000

4 Public health reduction \$(1,000,000)

5 Fund sources:

6 State general fund \$(1,000,000)

7 Performance measures:

8 Immunization rate among two-year-old

9 children 84

10 Per cent of high school youth who smoked

11 in the last month 18

12 Customer waiting time in vital records

13 lobby (in minutes) 15

14 Of the \$1,881,400 appropriated for community health centers, at least  
15 \$564,000 shall be distributed to Yavapai county for county primary care  
16 programs.

17 The department of health services may use up to four per cent of the  
18 amounts appropriated for renal and nonrenal disease management, community  
19 health centers and telemedicine for the administrative costs to implement  
20 each program.

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

25 The appropriation for direct grants is to provide for local health work  
26 and a portion of the cost of employing one public health nurse and one  
27 sanitarian in counties with populations of less than five hundred thousand  
28 persons. The monies are to be divided equally among eligible counties on a  
29 nonmatching basis. All monies that are received by a county under this  
30 appropriation and that are not used for the prescribed purposes revert to the  
31 state general fund.

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

37 It is the intent of the legislature that in fiscal year 2009-2010,  
38 \$11,600,000 will be disbursed from the state fiscal stabilization fund to the  
39 department of health services for community health centers. These monies  
40 shall be disbursed in accordance with the provisions of the American recovery  
41 and reinvestment act of 2009 (P.L. 111-5).

42 The department of health services shall require the screening of  
43 potential recipients of vaccines for private insurance coverage, eligibility  
44 for the federal vaccines for children program and eligibility for the state  
45 children's health insurance program. This requirement applies to vaccines

1 purchased with state monies appropriated for the vaccines line item for both  
 2 the federal 317 program and the state-only immunization program.

3 The department of health services shall distribute the entire  
 4 appropriation for Alzheimer's disease research to grant recipients by  
 5 September 30, 2009.

6 Family health

7 Adult cystic fibrosis \$ 105,200

8 Fund sources:

9 State general fund \$ 105,200

10 Adult sickle cell anemia \$ 33,000

11 Fund sources:

12 State general fund \$ 33,000

13 AHCCCS - children's rehabilitative  
 14 services \$ 74,677,100

15 Fund sources:

16 State general fund \$ 25,576,900

17 Expenditure authority 49,100,200

18 Breast and cervical cancer  
 19 and bone density screening \$ 1,015,800

20 Fund sources:

21 State general fund \$ 1,015,800

22 Child fatality review team \$ 225,400

23 Fund sources:

24 Child fatality review fund \$ 99,100

25 Emergency medical services  
 26 operating fund 126,300

27 Children's rehabilitative  
 28 services \$ 3,587,000

29 Fund sources:

30 State general fund \$ 3,587,000

31 County prenatal services grant \$ 1,033,600

32 Fund sources:

33 State general fund \$ 1,033,600

34 Folic acid \$ 400,000

35 Fund sources:

36 Tobacco tax and health care fund -  
 37 medically needy account \$ 400,000

38 High risk perinatal services \$ 5,166,900

39 Fund sources:

40 State general fund \$ 4,780,600

41 Emergency medical services  
 42 operating fund 386,300

43 Medicaid special exemption  
 44 payments \$ 1,659,500



1 Fund sources:  
 2 State general fund \$ 568,400  
 3 Expenditure authority 1,091,100  
 4 Newborn screening program \$ 6,326,700  
 5 Fund sources:  
 6 Newborn screening program fund \$ 6,326,700  
 7 Senior food programs \$ 500,000  
 8 Fund sources:  
 9 State general fund \$ 500,000  
 10 Performance measures:  
 11 Number of newborns screened under newborn  
 12 screening program 101,810  
 13 The amounts appropriated for children's rehabilitative services and for  
 14 AHCCCS - children's rehabilitative services are intended to cover all costs  
 15 in full for contracts for the provision of services to clients, unless a  
 16 transfer of monies is reviewed by the joint legislative budget committee.  
 17 The department of health services may transfer up to \$350,000 in  
 18 revenues from the indirect cost fund to the Arizona health care cost  
 19 containment system administration for the purpose of meeting indirect cost  
 20 state match requirements related to AHCCCS - children's rehabilitative  
 21 services program.  
 22 Of the \$5,230,600 appropriated for high risk perinatal services  
 23 \$583,000 shall be distributed to counties.  
 24 Behavioral health  
 25 Arnold v. Sarn \$ 37,100,600  
 26 Fund sources:  
 27 State general fund \$ 27,500,000  
 28 Expenditure authority 9,600,600  
 29 Children's behavioral health  
 30 services \$ 8,851,800  
 31 Fund sources:  
 32 State general fund \$ 8,851,800  
 33 Children's behavioral health  
 34 state match for title XIX \$407,201,800  
 35 Fund sources:  
 36 State general fund \$139,446,300  
 37 Expenditure authority 267,755,500  
 38 Court monitoring \$ 197,500  
 39 Fund sources:  
 40 State general fund \$ 197,500  
 41 Dual eligible part D copay subsidy \$ 802,600  
 42 Fund sources:  
 43 State general fund \$ 802,600  
 44 Medicaid special exemption  
 45 payments \$ 23,096,500

|    |                                   |               |
|----|-----------------------------------|---------------|
| 1  | Fund sources:                     |               |
| 2  | State general fund                | \$ 7,909,400  |
| 3  | Expenditure authority             | 15,187,100    |
| 4  | Medicare clawback payments        | \$ 11,932,800 |
| 5  | Fund sources:                     |               |
| 6  | State general fund                | \$ 11,932,800 |
| 7  | Mental health and substance abuse |               |
| 8  | state match for title XIX         | \$121,065,400 |
| 9  | Fund sources:                     |               |
| 10 | State general fund                | \$ 37,858,800 |
| 11 | Tobacco tax and health care       |               |
| 12 | fund - medically needy account    | 3,600,000     |
| 13 | Expenditure authority             | 79,606,600    |
| 14 | Mental health nontitle XIX        | \$ 2,447,300  |
| 15 | Fund sources:                     |               |
| 16 | State general fund                | \$ 1,947,300  |
| 17 | Tobacco tax and health care fund  |               |
| 18 | medically needy account           | 500,000       |
| 19 | Proposition 204 - administration  | \$ 6,534,800  |
| 20 | Fund sources:                     |               |
| 21 | State general fund                | \$ 2,130,200  |
| 22 | Expenditure authority             | 4,404,600     |
| 23 | Proposition 204 - children's      |               |
| 24 | behavioral health services        | \$ 5,097,600  |
| 25 | Fund sources:                     |               |
| 26 | State general fund                | \$ 1,745,700  |
| 27 | Expenditure authority             | 3,351,900     |
| 28 | Proposition 204 - general mental  |               |
| 29 | health and substance abuse        | \$121,138,500 |
| 30 | Fund sources:                     |               |
| 31 | State general fund                | \$ 41,483,900 |
| 32 | Expenditure authority             | 79,654,600    |
| 33 | Proposition 204 - seriously       |               |
| 34 | mentally ill services             | \$233,660,900 |
| 35 | Fund sources:                     |               |
| 36 | State general fund                | \$ 80,017,200 |
| 37 | Expenditure authority             | 153,643,700   |
| 38 | Seriously mentally ill nontitle   |               |
| 39 | XIX                               | \$ 61,116,700 |
| 40 | Fund sources:                     |               |
| 41 | State general fund                | \$ 30,191,900 |
| 42 | Tobacco tax and health care       |               |
| 43 | fund medically needy account      | 30,924,800    |
| 44 | Seriously mentally ill state      |               |
| 45 | match for title XIX               | \$231,174,000 |

|    |                               |               |
|----|-------------------------------|---------------|
| 1  | Fund sources:                 |               |
| 2  | State general fund            | \$ 79,165,500 |
| 3  | Expenditure authority         | 152,008,500   |
| 4  | Substance abuse nontitle XIX  | \$ 13,385,400 |
| 5  | Fund sources:                 |               |
| 6  | State general fund            | \$ 11,135,400 |
| 7  | Substance abuse services fund | 2,250,000     |
| 8  | Contract compliance           | \$ 5,523,500  |
| 9  | Fund sources:                 |               |
| 10 | State general fund            | \$ 1,856,100  |
| 11 | Expenditure authority         | 3,667,400     |

|    |  |    |
|----|--|----|
| 12 | Performance measures:                    |    |
| 13 | Per cent of RBHA title XIX clients       |    |
| 14 | satisfied with services                  | 90 |
| 15 | Per cent of title XIX population that is |    |
| 16 | enrolled in a behavioral health service  | 12 |

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

22 It is the intent of the legislature that the total amount available in  
 23 the Arnold v. Sarn line item be used for the population covered by the Arnold  
 24 v. Sarn lawsuit in counties with a population of two million or more persons  
 25 and for seriously mentally ill persons that meet the same criteria as those  
 26 covered by the Arnold v. Sarn lawsuit in counties with populations of less  
 27 than two million persons.

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

31 The department of health services shall report to the joint legislative  
 32 budget committee thirty days after the end of each calendar quarter on the  
 33 progress the department is making toward settling the Arnold v. Sarn lawsuit.  
 34 The report shall include at a minimum the department's progress towards  
 35 meeting the exit criteria and whether the department is in compliance with  
 36 the exit criteria schedule.

|    |                                 |              |
|----|---------------------------------|--------------|
| 37 | <u>Arizona state hospital</u>   |              |
| 38 | Arizona state hospital forensic |              |
| 39 | unit debt service               | \$ 3,111,700 |
| 40 | Fund sources:                   |              |
| 41 | State general fund              | \$ 3,111,700 |
| 42 | Community placement treatment   | \$ 6,704,800 |
| 43 | Fund sources:                   |              |
| 44 | State general fund              | \$ 5,574,100 |
| 45 | Arizona state hospital fund     | 1,130,700    |

|   |                             |               |
|---|-----------------------------|---------------|
| 1 | Sexually violent persons    | \$ 10,630,200 |
| 2 | Fund sources:               |               |
| 3 | State general fund          | \$ 8,480,700  |
| 4 | Arizona state hospital fund | 2,149,500     |
| 5 | Electronic medical records  | \$ 300,000    |
| 6 | Fund sources:               |               |
| 7 | State general fund          | \$ 300,000    |

8 Performance measures:

9 Per cent of adult clients successfully  
10 placed in community who return for  
11 another stay within one year of discharge 6.0

12 The department shall report to the joint legislative budget committee  
13 by March 1 of each year on preliminary actuarial estimates of the capitation  
14 rate changes for the following fiscal year along with the reasons for the  
15 estimated changes. For any actuarial estimates that include a range, the  
16 total range from minimum to maximum shall be no more than two per cent.  
17 Before implementation of any changes in capitation rates for the  
18 AHCCCS - children's rehabilitative services line item and any title XIX  
19 behavioral health line items, the department of health services shall report  
20 its expenditure plan for review by the joint legislative budget committee.  
21 Before the 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 In addition to the appropriation for the department of health services,  
30 earnings on state lands and interest on the investment of the permanent land  
31 funds are appropriated to the state hospital in compliance with the enabling  
32 act and the Constitution of Arizona.

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

1 title XIX, mental health nontitle XIX, substance abuse nontitle XIX,  
 2 seriously emotionally handicapped children and children's rehabilitative  
 3 services.

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

30 It is the intent of the legislature that the department of health  
 31 services make the reductions associated with the agencywide lump sum  
 32 reduction against administrative functions and, to the extent possible, not  
 33 against programmatic functions.

34 The lump sum reduction may not be taken against the appropriation made  
 35 for Alzheimer's disease research.

36 Sec. 8. ARIZONA STATE UNIVERSITY - MAIN CAMPUS

|    |                                     |                   |
|----|-------------------------------------|-------------------|
| 37 |                                     | <u>2009-10</u>    |
| 38 | FTE positions                       | 6,366.0           |
| 39 | Operating lump sum appropriation    | \$ 510,173,000    |
| 40 | Biomedical informatics              | 2,996,600         |
| 41 | Arizona board of regents tuition    |                   |
| 42 | increase                            | 21,986,900        |
| 43 | Downtown Phoenix campus             | <u>70,387,500</u> |
| 44 | Total appropriation - Arizona state |                   |
| 45 | university - Main campus            | \$ 605,544,000    |

1 Fund sources:

|   |                             |                |
|---|-----------------------------|----------------|
| 2 | State general fund          | \$ 315,679,200 |
| 3 | University collections fund | 289,864,800    |

4 Performance measures:

|    |  |     |
|----|--|-----|
| 5  | Per cent of graduating seniors who rate      |     |
| 6  | their overall university experience          |     |
| 7  | as "good"/"excellent"                        | 96  |
| 8  | Per cent of full-time undergraduate          |     |
| 9  | students enrolled per semester in three or   |     |
| 10 | more primary courses with ranked faculty     | 71  |
| 11 | Per cent of full-time undergraduate students |     |
| 12 | enrolled per semester in three or more       |     |
| 13 | primary courses with professors of any rank  | 35  |
| 14 | Average number of years taken to graduate    |     |
| 15 | for students who began as freshmen           | 4.6 |

16 The appropriated monies shall not be used for the centennial scholars  
17 program.

18 The state general fund appropriations shall not be used for alumni  
19 association funding.

20 The appropriated monies shall not be used for scholarships.

21 The appropriated monies shall not be used to support any student  
22 newspaper.

23 Any unencumbered balances remaining in the collections account on June  
24 30, 2009 and all collections received by the university during the fiscal  
25 year, when paid into the state treasury, are appropriated for operating  
26 expenditures, capital outlay and fixed charges. Earnings on state lands and  
27 interest on the investment of the permanent land funds are appropriated in  
28 compliance with the enabling act and the Constitution of Arizona. No part of  
29 this appropriation may be expended for supplemental life insurance or  
30 supplemental retirement. Receipts from summer session, when deposited in the  
31 state treasury, together with any unencumbered balance in the summer session  
32 account, are appropriated for the purpose of conducting summer sessions but  
33 are excluded from the amounts enumerated above.

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

37 Sec. 9. ARIZONA STATE UNIVERSITY - EAST CAMPUS

|    |                                     |                  |
|----|-------------------------------------|------------------|
| 38 |                                     | <u>2009-10</u>   |
| 39 | FTE positions                       | 522.0            |
| 40 | Operating lump sum appropriation    | \$ 56,326,100    |
| 41 | TRIF lease-purchase payment         | 2,000,000        |
| 42 | Arizona board of regents tuition    |                  |
| 43 | increase                            | <u>2,287,400</u> |
| 44 | Total appropriation - Arizona state |                  |
| 45 | university - East campus            | \$ 60,613,500    |

1 Fund sources:  
 2 State general fund \$ 24,404,400  
 3 University collections fund 34,209,100  
 4 Technology and research  
 5 initiative fund 2,000,000  
 6 Performance measures:  
 7 Per cent of graduating seniors who rate  
 8 their overall university experience  
 9 as "good"/"excellent" 97  
 10 Per cent of full-time undergraduate students  
 11 enrolled per semester in three or more  
 12 primary courses with ranked faculty 68  
 13 Per cent of full-time undergraduate students  
 14 enrolled per semester in three or more  
 15 primary courses with professors of any rank 27  
 16 Average number of years taken to graduate  
 17 for students who began as freshmen 5.0  
 18 The appropriated monies shall not be used for the centennial scholars  
 19 program.  
 20 The state general fund appropriations shall not be used for alumni  
 21 association funding.  
 22 The appropriated monies shall not be used for scholarships.  
 23 The appropriated monies shall not be used to support any student  
 24 newspaper.  
 25 Any unencumbered balances remaining in the collections account on June  
 26 30, 2009 and all collections received by the university during the fiscal  
 27 year, when paid into the state treasury, are appropriated for operating  
 28 expenditures, capital outlay and fixed charges. Earnings on state lands and  
 29 interest on the investment of the permanent land funds are appropriated in  
 30 compliance with the enabling act and the Constitution of Arizona. No part of  
 31 this appropriation may be expended for supplemental life insurance or  
 32 supplemental retirement. Receipts from summer session, when deposited in the  
 33 state treasury, together with any unencumbered balance in the summer session  
 34 account, are appropriated for the purpose of conducting summer sessions but  
 35 are excluded from the amounts enumerated above.  
 36 Sec. 10. ARIZONA STATE UNIVERSITY - WEST CAMPUS  
 37 2009-10  
 38 FTE positions 781.0  
 39 Operating lump sum appropriation \$ 75,474,900  
 40 TRIF lease-purchase payment 1,600,000  
 41 Arizona board of regents tuition  
 42 increase 2,325,700  
 43 Total appropriation - Arizona state  
 44 university - West campus \$ 79,400,600

## 1 Fund sources:

|   |                                    |            |
|---|------------------------------------|------------|
| 2 | State general fund                 | 44,248,800 |
| 3 | University collections fund        | 33,551,800 |
| 4 | Technology and research initiative |            |
| 5 | fund                               | 1,600,000  |

## 6 Performance measures:

|    |   |     |
|----|---|-----|
| 7  | Per cent of graduating seniors who rate       |     |
| 8  | their overall university experience           |     |
| 9  | as "good"/"excellent"                         | 98  |
| 10 | Per cent of full-time undergraduate students  |     |
| 11 | enrolled per semester in three or more        |     |
| 12 | primary courses with ranked faculty           | 60  |
| 13 | Per cent of full-time undergraduate students  |     |
| 14 | enrolled per semester in three or more        |     |
| 15 | primary courses with professors of any rank   | 21  |
| 16 | Average number of years taken to graduate for |     |
| 17 | students who began as freshmen                | 4.5 |

18 The state general fund appropriations shall not be used for alumni  
19 association funding.

20 The appropriated monies shall not be used for scholarships.

21 The appropriated monies shall not be used to support any student  
22 newspaper.

23 Any unencumbered balances remaining in the collections account on June  
24 30, 2009 and all collections received by the university during the fiscal  
25 year, when paid into the state treasury, are appropriated for operating  
26 expenditures, capital outlay and fixed charges. Earnings on state lands and  
27 interest on the investment of the permanent land funds are appropriated in  
28 compliance with the enabling act and the Constitution of Arizona. No part of  
29 this appropriation may be expended for supplemental life insurance or  
30 supplemental retirement. Receipts from summer session, when deposited in the  
31 state treasury, together with any unencumbered balance in the summer session  
32 account, are appropriated for the purpose of conducting summer sessions but  
33 are excluded from the amounts enumerated above.

34 The appropriated monies shall not be used for the centennial scholars  
35 program.

## 36 Sec. 11. NORTHERN ARIZONA UNIVERSITY

| 37 |  | <u>2009-10</u>   |
|----|--|------------------|
| 38 | FTE positions                          | 2,014.9          |
| 39 | Operating lump sum appropriation       | \$ 182,010,700   |
| 40 | NAU - Yuma                             | 2,993,500        |
| 41 | Teacher training                       | 2,000,000        |
| 42 | Arizona board of regents tuition       |                  |
| 43 | increase                               | <u>3,600,000</u> |
| 44 | Total appropriation - Northern Arizona |                  |
| 45 | university                             | \$ 190,604,200   |



1 Fund sources:

2 State general fund \$ 128,276,400

3 University collections fund 62,327,800

4 Performance measures:

5 Per cent of graduating seniors who rate  
6 their overall university experience  
7 as "good"/"excellent" 96

8 Per cent of full-time undergraduate  
9 students enrolled per semester in  
10 three or more primary courses with  
11 ranked faculty 82

12 Per cent of full-time undergraduate students  
13 enrolled per semester in three or more  
14 primary courses with professors of any rank 61

15 Average number of years taken to graduate for  
16 students who began as freshmen 4.6

17 The state general fund appropriations shall not be used for alumni  
18 association funding.

19 The appropriated monies shall not be used for scholarships.

20 The appropriated monies shall not be used to support any student  
21 newspaper.

22 Any unencumbered balances remaining in the collections account on June  
23 30, 2009 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 The appropriated monies shall not be used for the centennial scholars  
34 program.

35 The appropriated amount for the teacher training line item shall be  
36 distributed to the Arizona K-12 center for program implementation and mentor  
37 training for the Arizona mentor teacher program prescribed by the state board  
38 of education.

39 Sec. 12. UNIVERSITY OF ARIZONA

40 2009-10

41 Main campus

42 FTE positions 5,111.5

43 Operating lump sum appropriation \$ 357,761,700

44 Agriculture 39,561,700

|    |  |                      |
|----|--|----------------------|
| 1  | Arizona cooperative extension                | 14,062,600           |
| 2  | Sierra Vista campus                          | 5,434,800            |
| 3  | Arizona board of regents tuition             |                      |
| 4  | increase                                     | <u>29,880,300</u>    |
| 5  | Total - Main campus                          | \$ 446,701,100       |
| 6  | Fund sources:                                |                      |
| 7  | State general fund                           | \$ 259,242,800       |
| 8  | University collections fund                  | 187,458,300          |
| 9  | Performance measures:                        |                      |
| 10 | Per cent of graduating seniors who rate      |                      |
| 11 | their overall university experience          |                      |
| 12 | as "good"/"excellent"                        | 96                   |
| 13 | Per cent of full-time undergraduate students |                      |
| 14 | enrolled per semester in three or more       |                      |
| 15 | primary courses with ranked faculty          | 82                   |
| 16 | Per cent of full-time undergraduate students |                      |
| 17 | enrolled per semester in three or more       |                      |
| 18 | primary courses with professors of any rank  | 50                   |
| 19 | Average number of years taken to graduate    |                      |
| 20 | for students who began as freshmen           | 4.6                  |
| 21 | <u>Health sciences center</u>                |                      |
| 22 | FTE positions                                | 869.1                |
| 23 | Operating lump sum appropriation             | \$ 66,093,100        |
| 24 | Clinical rural rotation                      | 414,600              |
| 25 | Clinical teaching support                    | 9,521,100            |
| 26 | Liver research institute                     | 522,400              |
| 27 | Phoenix medical campus                       | 12,481,600           |
| 28 | Telemedicine network                         | 2,132,200            |
| 29 | Arizona board of regents tuition             |                      |
| 30 | increase                                     | <u>3,219,700</u>     |
| 31 | Total - health sciences center               | \$ 94,384,700        |
| 32 | Fund sources:                                |                      |
| 33 | State general fund                           | \$ 73,913,500        |
| 34 | University collections fund                  | 20,471,200           |
| 35 | Performance measures:                        |                      |
| 36 | Per cent of graduating seniors who rate      |                      |
| 37 | their overall university experience          |                      |
| 38 | as "good"/"excellent"                        | 98                   |
| 39 | Total appropriation - university of          |                      |
| 40 | Arizona                                      | <u>\$541,085,800</u> |
| 41 | Fund sources:                                |                      |
| 42 | State general fund                           | \$333,156,300        |
| 43 | University collections fund                  | 207,929,500          |

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

3 The appropriated monies shall not be used for scholarships.

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

6 The appropriated monies shall not be used for the centennial scholars  
7 program.

8 Any unencumbered balances remaining in the collections account on June  
9 30, 2009 and all collections received by the university during the fiscal  
10 year, when paid into the state treasury, are appropriated for operating  
11 expenditures, capital outlay and fixed charges. Earnings on state lands and  
12 interest on the investment of the permanent land funds are appropriated in  
13 compliance with the enabling act and the Constitution of Arizona. No part of  
14 this appropriation may be expended for supplemental life insurance or  
15 supplemental retirement. Receipts from summer session, when deposited in the  
16 state treasury, together with any unencumbered balance in the summer session  
17 account, are appropriated for the purpose of conducting summer sessions but  
18 are excluded from the amounts enumerated above.

19 Sec. 13. Department of transportation; vehicle license tax;  
20 transfer

21 Notwithstanding any other law, \$43,170,600 received in fiscal year  
22 2009-2010 pursuant to title 28, chapter 16, article 3, Arizona Revised  
23 Statutes, relating to vehicle license tax, for distribution to the state  
24 highway fund pursuant to section 28-6538, subsection A, paragraph 1, Arizona  
25 Revised Statutes, shall be deposited in the state general fund.

26 Sec. 14. Reductions; fiscal year 2009-2010; K-12 education;  
27 legislative intent; federal education stabilization  
28 fund

29 A. Notwithstanding any other law, if this state receives federal  
30 assistance from the federal education stabilization fund, the sum of  
31 \$472,114,000 is reduced from appropriations made from the state general fund  
32 in fiscal year 2009-2010 to the department of education for basic state aid  
33 and additional state aid and is transferred to the state general fund.

34 B. It is the intent of the legislature that in fiscal year 2009-2010,  
35 \$472,114,000 will be disbursed from the federal education stabilization fund  
36 to school districts and not-for-profit charter schools in order to restore  
37 the funding reduction made in subsection A. These monies shall be disbursed  
38 in accordance with the provisions of the American recovery and reinvestment  
39 act of 2009.

40 C. Notwithstanding any other law, for fiscal year 2009-2010, the use  
41 of the monies specified in subsection B shall not impact the revenue control  
42 limit of any school district.

43 D. As soon as possible after the effective date of this act, the  
44 department of education shall reduce by the amount specified in subsection A  
45 of this section the amount of basic state aid and additional state aid

1 funding that otherwise would be apportioned to school districts and  
2 not-for-profit charter schools for fiscal year 2009-2010 pursuant to section  
3 15-973, Arizona Revised Statutes. The timing of these reductions may be  
4 adjusted to ensure compliance with the maintenance of effort requirements of  
5 the American recovery and reinvestment act of 2009.

6 E. Any reduction in basic state aid and additional state aid funding  
7 that occurs under this section shall not result in a reduction in basic state  
8 aid funding for for-profit charter schools.

9 F. Notwithstanding any other law, the sum of basic state aid and  
10 additional state aid funding that school districts and not-for-profit charter  
11 schools receive for fiscal year 2009-2010 from all sources, plus federal  
12 education stabilization fund monies that they will receive pursuant to this  
13 section, shall not exceed the amount that they would be entitled to receive  
14 under the basic state aid and additional state aid funding formulas  
15 prescribed in state law for fiscal year 2009-2010.

16 G. Notwithstanding any other law, the sum of basic state aid and  
17 additional state aid funding that school districts and not-for-profit charter  
18 schools receive for fiscal year 2009-2010 from all sources, plus federal  
19 education stabilization fund monies that they will receive pursuant to this  
20 section, shall not exceed the amount that they would receive under the  
21 state's application for federal education stabilization fund monies.

22 Sec. 15. Reductions; fiscal year 2009-2010; higher education;  
23 legislative intent; federal education stabilization  
24 fund

25 A. Notwithstanding any other law, if this state receives federal  
26 assistance from the federal education stabilization fund, in addition to any  
27 other reductions made in sections 8 through 12 of this act, the sum of  
28 \$10,000,000 is reduced from the appropriations made from the state general  
29 fund in fiscal year 2009-2010 in sections 8 through 12 of this act for the  
30 support and maintenance of institutions under the jurisdiction of the Arizona  
31 board of regents and is transferred to the state general fund. On or before  
32 September 1, 2009, the Arizona board of regents shall report to the joint  
33 legislative budget committee the final allocation of the \$10,000,000  
34 reduction. The Arizona board of regents shall reduce funding to the  
35 institutions under its jurisdiction in proportion to the state general fund  
36 appropriation received by each institution.

37 B. It is the intent of the legislature that in fiscal year 2009-2010,  
38 \$10,000,000 will be disbursed from the federal education stabilization fund  
39 to the Arizona board of regents, which will restore the funding reductions  
40 made in subsection A. These monies shall be disbursed in accordance with the  
41 provisions of the American recovery and reinvestment act of 2009. The  
42 legislature intends that the Arizona board of regents allocate the  
43 \$10,000,000 disbursement in a manner that does not increase the differences  
44 in per student funding among the universities.

1 C. It is the intent of the legislature that the Arizona board of  
2 regents may receive additional federal education stabilization fund monies  
3 above \$10,000,000 if awarded by the governor. The Arizona board of regents  
4 shall report to the joint legislative budget committee the final allocation  
5 of all federal education stabilization fund disbursements within thirty days  
6 of allocating the monies.

7 Sec. 16. Fiscal year 2009-2010 conditional appropriations

8 A. On or before December 15, 2009, the directors of the joint  
9 legislative budget committee and the governor's office of strategic planning  
10 and budgeting shall project the state general fund revenues for fiscal year  
11 2009-2010, which would include all state general fund revenues, not including  
12 the beginning balance, for fiscal year 2009-2010, including one-time revenues  
13 and revenues from any voter-approved temporary additional transaction  
14 privilege tax rate increment.

15 B. If the amount projected pursuant to subsection A of this section  
16 exceeds all budgeted state general fund revenues, not including the beginning  
17 balance, for fiscal year 2009-2010, including one-time revenues, the amount  
18 of the difference shall be appropriated from the state general fund to cities  
19 and towns that receive vehicle license tax monies pursuant to section  
20 28-5808, subsection A, paragraph 2, subdivision (c) and subsection B,  
21 paragraph 2, subdivision (c), Arizona Revised Statutes, and that are required  
22 to distribute a portion of those monies in fiscal year 2009-2010 to local  
23 school districts, distributed based on the cities' and towns' relative  
24 population and not to exceed \$22,000,000.

25 C. On or before December 15, 2009, the directors of the joint  
26 legislative budget committee and the governor's office of strategic planning  
27 and budgeting shall jointly notify the governor, the president of the senate  
28 and the speaker of the house of representatives whether the amount projected  
29 pursuant to subsection A of this section exceeds all budgeted state general  
30 fund revenues, not including the beginning balance, for fiscal year  
31 2009-2010, including one-time revenues and, if so, the total excess amount.

32 D. If the report in subsection C of this section indicates a total  
33 excess amount of revenues, by December 28, 2009, the governor shall issue a  
34 public notice stating the amounts appropriated from the state general fund  
35 for the purposes specified in subsection B of this section.

36 Sec. 17. Reduction in state full-time equivalent employees

37 A. On or before February 1, 2010, the number of full-time equivalent  
38 employees for every general fund supported agency, board, commission or other  
39 entity of this state shall be reduced by five per cent. To meet this  
40 requirement, an agency, board, commission or other entity may not reduce the  
41 hours of or furlough any employee. The reduction may only be made through  
42 reduction of positions.

1           B. Every agency, board, commission or other entity that is required to  
2 reduce full-time equivalent employees pursuant to subsection A shall report  
3 on how the reduction was accomplished to the joint legislative budget  
4 committee on or before June 1, 2010.

5           Sec. 18. Automobile theft authority: reduction: transfer

6           In addition to any other reductions made to the automobile theft  
7 authority's fiscal year 2009-2010 appropriation, the automobile theft  
8 authority fund appropriation to the automobile theft authority is reduced by  
9 \$500,000 in fiscal year 2009-2010 and is transferred to the state general  
10 fund.