

ARIZONA STATE LEGISLATURE

JOINT LEGISLATIVE AUDIT COMMITTEE

Minutes of the Meeting
October 10, 2019
1:00 p.m., Senate Hearing Room 109

Members Present:

Senator Rick Gray, Chair - 2019
Senator Andrea Dalessandro
Senator David C. Farnsworth
Senator David Livingston

Representative Anthony T. Kern
Representative John Allen
Representative Mitzi Epstein
Representative Jennifer Pawlik

Members Excused:

Senator Lupe Contreras
Senator Karen Fann, Ex-officio

Representative Timothy M. Dunn
Speaker Russell "Rusty" Bowers, Ex-officio

Staff:

Mike Hans, Senate Research Staff

Chairman Gray called the meeting to order at 1:02 p.m. and attendance was noted.

ASSIGNMENT OF LEGISLATIVE PROPOSAL MANDATING INSURANCE COVERAGE FOR INFERTILITY TREATMENT

Mike Hans, Senate Research Staff, explained that the Joint Legislative Audit Committee (JLAC) had received a sunrise application (Attachment A) for a legislative proposal mandating insurance coverage for infertility treatments and that statute requires JLAC to assign the proposal to a Legislative Committee of Reference in the House and Senate for review.

Senator Gray recommended assigning the application to the Senate Finance and the House Regulatory Affairs Committee.

Representative Kern moved the written report be assigned to the Senate Finance Committee of Reference and the House of Representatives Regulatory Affairs Committee of Reference. The motion CARRIED by voice vote.

CONSIDERATION OF AUDIT REQUEST

Senator Gray stated that members of JLAC received an audit request from Representative Townsend (Attachment B) regarding the Arizona Department of Education's Empowerment Scholarship Account (ESA) program.

Lindsey Perry, Auditor General, explained previous audits of the ESA program and that her office can perform an additional audit without replacing any of the audits currently on their audit calendar. Ms. Perry stated that the audit should be done by April 10th and answered questions posed by the Committee.

The Committee discussed having an audit of the ESA program completed by a standing committee, the Auditor General, or JLAC.

Representative Townsend explained why she sent the letter to JLAC regarding the ESA program and how it differs from audits done in the past of the ESA program. Representative Townsend answered questions posed by the Committee.

Aaron Wonders, Arizona Department of Education (ADE), explained in answer to the Committee's questions that a request for proposal (RFP) went out from the State Treasurer's Office for a financial transactions vendor. Mr. Wonders answered questions posed by the Committee.

The Committee further discussed having an audit of the ESA program completed by a standing committee, the Auditor General, or JLAC.

Representative Kern moved that the Auditor General conduct a special audit of the Arizona Department of Education's Empowerment Scholarship Account Program to be completed by April 10, 2020 that reviews the six factors outlined in Representative Townsend's one-page audit request addressed to Representative Kern and Senator Gray and that has been distributed to the Committee members. The motion CARRIED by voice vote.

APPROVAL OF MINUTES

Senator Gray stated, without objection, the Joint Legislative Audit Committee minutes of April 18, 2018 and September 19, 2018 were approved as distributed.

Attached are forms noting the individuals who submitted a Speaker slip on the agenda items (Attachment C).

There being no further business, the meeting was adjourned at 2:17 p.m.

Respectfully submitted,

Shelley Ponce
Committee Secretary

(Audio recordings and attachments are on file in the Secretary of the Senate's Office/Resource Center, Room 115. Audio archives are available at <http://www.azleg.gov>)