At its March 29, 2007 meeting, the Joint Legislative Budget Committee considered the following issues:

**AHCCCS – Review of Medicaid Eligibility Privatization Request for Proposal** – The Committee gave an unfavorable review to the proposal by AHCCCS to issue a Request for Information (RFI) to privatize eligibility for Traditional and Proposition 204 populations.

Laws 2006, Chapter 331 required AHCCCS to issue a Request for Proposal (RFP), rather than an RFI, by March 31, 2007 to privatize its eligibility functions. Whereas the purpose of an RFP would be to solicit actual bids from vendors to perform eligibility services, the purpose of the RFI is strictly to gather additional information. Due to the complexity of the eligibility process, AHCCCS chose to issue an RFI at this time, rather than proceed with an RFP.

**Attorney General – Review of Allocation of Settlement Monies** – The Committee gave a favorable review of the Attorney General’s allocation plan for the Bayer Corporation consent judgment. The Bayer Corporation settlement stems from an investigation that revealed that the company did not adequately disclose serious risks associated with the cholesterol lowering drug Baycol. Arizona’s Consumer Fraud Revolving Fund will receive $200,000 from this settlement.

**Arizona Pioneers’ Home – Consider Approval of Requested Transfer of Appropriations** – The Committee approved a transfer of up to $325,800 to Employee Related Expenses (ERE) from the Personal Services line and the Prescription Drug Special Line Item (SLI). The Personal Services line and Prescription Drug SLI appear to have sufficient surpluses to cover a shortfall in employee health insurance expenses.

**Department of Public Safety – Review of Expenditure Plan for the Gang and Immigration Intelligence Team Enforcement Mission** – The Committee gave a favorable review to the proposal to expend $1.1 million to hire 11 additional officers for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM). The Committee has previously given a favorable review of the use of $5.9 million to fill 37 GIITEM positions.

**Department of Public Safety – Quarterly Review of the Arizona Public Safety Communications Advisory Commission** – The Committee gave a favorable review of the request from the Department of Public Safety for expenditures related to the Public Safety Communication Advisory Committee (PSCC). The Arizona PSCC was established to develop a statewide system that allows public safety personnel from one agency to communicate with personnel from other agencies. Expenditures in the second quarter of FY 2007 were $177,700 and targeted both short-term and long-term interoperability solutions.

**Department of Transportation – Review of Third Party Progress Report** – The Committee gave a favorable review of the third party progress report presented by the Arizona Department of Transportation (ADOT). ADOT has reduced the backlog of third party title transactions from 31 business days in FY 2006 to 21 business days in FY 2007. In addition, ADOT has removed the moratoriums on new title transaction and new vehicle identification third parties.

**Arizona State University – Review of Requested Transfer of Appropriations** – The Committee gave a favorable review to the request to transfer $11.1 million from the ASU operating budget to the Downtown Phoenix Campus (DPC) Special Line Item in FY 2007. Of this amount, $9.3 million represents existing costs associated with the DPC that were not initially captured in the FY 2007 DPC Special Line Item appropriation. The remaining $1.8 million transfer request represents additional funding to enhance the budgets of DPC academic units.