

JLBC MEETING

At its June 18, 2008 meeting, the Joint Legislative Budget Committee considered the following issues:

Attorney General – Review of Antitrust Enforcement Revolving Fund Allocation – The Committee gave a favorable review to the Attorney General’s (AG) intended expenditures of \$307,300 in Antitrust Enforcement Revolving Fund monies. The AG will use this funding on 5 non-attorney staff positions, investigation and court costs associated with multi-state antitrust cases, and other operating expenses to support the Antitrust Unit.

Attorney General – Review of Allocation of Settlement Monies – State v. Tucson College – The Committee gave a favorable review to the allocation plan for approximately \$475,000 received by the state from the Tucson College consent judgment. Tucson College will pay about \$275,000 to reimburse the 57 students enrolled in the Criminal Justice Program as restitution for misrepresenting the requirements of the program and the qualifications earned upon completion. In addition, Tucson College will pay the AG \$150,000 for the costs of the investigation.

Attorney General – Review of Allocation of Settlement Monies – State v. Merck – The Committee gave a favorable review to the AG’s allocation plan for the \$2.3 million that Arizona will receive as a result of the multi-state suit brought against Merck for the sale and marketing of the anti-inflammatory drug, Vioxx. The suit alleged that Merck had not fully disclosed the adverse effects of the drug and failed to adequately inform consumers and medical professionals of conflicts of interest. The AG will receive \$2.3 million for attorney’s fees and investigative costs, consumer fraud education, and for investigations and enforcement of the Consumer Fraud Act.

Arizona Department of Corrections – Approval and Review of Requested Transfer of Appropriations – The Committee gave a favorable review to the Department of Corrections’s (ADC) request to transfer nearly \$20.8 million within ADC’s line items and Special Line Items (SLI).

Arizona Criminal Justice Commission – Review of Use of Victim Compensation Fund (VCAF) – The Committee gave a favorable review to the additional expenditure of \$300,000 above the FY 2009 appropriation from the VCAF. This would maintain the amount of funding available from FY 2008 for distribution by county crime victim compensation boards.

Department of Economic Security – Review of Requested Transfer of Appropriations – The Committee gave an unfavorable review to the proposed Division of Benefits and Medical Eligibility operating budget transfer of \$1,500,000 due to concerns about using money from declining entitlement benefits to fund administrative costs. The Committee gave a favorable review of the remaining transfers with the provision that DES use non-appropriated fund sources and savings first to mitigate the projected shortfalls. The remaining increase included a \$1.5 million General Fund transfer from Temporary Assistance for Needy Families (TANF) Cash Benefits to Adoption Services.

Department of Public Safety – Discussion of the Expenditure Plan for the Gang and Immigration Intelligence Team Enforcement Mission – The Department of Public Safety (DPS) notified the Committee of its intent to spend \$1.6 million of their \$10 million multi-jurisdictional GIITEM appropriation for a new felony and fugitive task force. DPS also indicated that they would not renew a Maricopa County Sheriff’s Office contract for illegal immigration enforcement and transportation in order to reallocate these funds to the new task force. Discussion ensued between the Department of Public Safety and the Committee. This item was for discussion only.