

JLBC MEETING

At its September 21st meeting, the Joint Legislative Budget Committee considered the following issues:

Department of Transportation – Review of Motor Vehicle Division Counter Clerk Funding Shift Report

– The Committee gave an unfavorable review to the Department of Transportation's (ADOT) Motor Vehicle Division (MVD) Counter Clerk Funding Shift Report. Customer wait times at MVD offices statewide have increased from 14.2 minutes in FY 2003 to 27.8 minutes in FY 2006 while the number of clerks staffing MVD offices has declined. ADOT explained that funding was shifted from clerk salaries in order to create a 7 to 9 month supply of license plates. The Committee sought more information from ADOT to 1) understand the need for a license plate supply of that magnitude; and 2) a more complete description of the overall funding shift, as the license plate supply issue explains only \$2 million of the total \$5.75 million transfer.

Arizona Board of Regents – Review of FY 2007 Tuition Revenues

– The Committee gave a favorable review to the Arizona Board of Regents' (ABOR) expenditure plan for tuition revenue amounts greater than the amounts appropriated by the Legislature and all retained tuition and fee revenue expenditures for the current fiscal year. Of the \$77 million in increased tuition collections, \$31 million would be for additional financial aid. The Committee asked for additional information on the amount of the \$77 million increase that is due to higher enrollment, and the amount due to tuition increases.

Department of Education – Review of Kinder Morgan Settlement

– The Committee gave a favorable review to the Department of Education's request to provide \$1.6 million in additional Basic State Aid to school districts in Maricopa and Cochise Counties due to assessment evaluation changes pertaining to the recent Kinder Morgan settlement.

Administrative Office of the Courts – Review of Reimbursement of Appropriated Funds

– The Committee gave a favorable review to the Administrative Office of the Court's (AOC) expenditure of \$3.6 million in reimbursements.

Government Information Technology Agency – Arizona Web Portal

– The Committee heard testimony on the State of Arizona's main web portal, which generates a profit by charging user fees. The fees currently remain with the vendor but are used for state automation projects. Starting in FY 2007, the legislature required that these funds be deposited into

a state fund. The major components of the FY 2007 expenditures are a \$2.0 million purchase and installation of new web portal servers and \$1.2 million for other web portal projects.