

## JLBC MEETING

At its December 17, 2014 meeting, the Joint Legislative Budget Committee considered the following issues:

**Arizona Department of Administration – Federal Reimbursement for Excess Balances** – The Committee recommended that, in order to reduce the level of federal reimbursements related to excess balances in funds, excess balances should be proportionately returned to the state and federal government.

**Arizona Department of Administration – Employer Sanctions Enforcement Distributions** – The Committee approved distributing \$231,400 of the \$513,200 FY 2015 appropriation to 9 county officers who requested funding for enforcement of immigration-related employer sanctions. The Committee requested more information on Pima County Sheriff’s request for \$97,700.

**Arizona Department of Administration – ASET Projects (Automation Projects Fund)** – The Committee gave favorable review of the proposed FY 2014 expenditure plan of \$335,500 from the Automation Projects Fund (APF) for information technology (IT) projects at the State Data Center. The Committee added technical provisions to its favorable review.

**Arizona Department of Administration – Public Safety Broadband Report** – The Committee gave a favorable review of ADOA’s annual report on expenditures from the federally funded State and Local Implementation Grant Program (SLIGP). Through September 2014, ADOA expected to spend \$824,000 of the \$2.9 million received for the SLIGP. However, ADOA’s actual spending was significantly less, at \$379,600.

**Attorney General – Review of Quarterly Report on Legal Settlements** – The Committee gave a favorable review of the \$4.2 million allocation of legal settlements for the first quarter of FY 2015. Of the \$4.2 million total, \$4.0 million went to the Consumer Protection – Consumer Fraud (CPCF) Revolving Fund, \$264,800 to the Restitution Subaccount, and \$7,800 to the Remediation Subaccount.

**Department of Revenue – Data Capture Project** – The Committee gave favorable review of the \$1.1 million in proposed expenditures from the APF to improve the Department of Revenue’s (DOR) ability to capture and analyze more tax return data electronically. The Committee did not review the \$565,800 contingency.

**Department of Revenue – Tax Data Analysis Expenditure Plan** – The Committee gave a favorable review of DOR’s \$100,000 FY 2015 expenditure plan to fund 2 staff positions in order to improve tax analysis of data in conjunction with the prior agenda item.

**Department of Revenue – Electronic Tobacco Tax Filing** – The Committee gave a favorable review of \$1.0 million in proposed FY 2015 expenditures from the Automation Projects Fund for an electronic tobacco tax licensing system at DOR.

**JLBC Staff – School Facilities Board Construction Index** – The Committee approved a 0% adjustment in the cost-per-square-foot factors used in SFB funding formulas, based on the overall decline in construction costs since November 2008.

**Arizona Department of Education – Transwestern Settlement** – The Committee gave a favorable review of the Arizona Department of Education’s plan to provide 26 school districts in 7 counties with \$3.0 million in corrected Basic State Aid funding due to a

recent settlement in the Arizona Tax Court regarding property taxes paid in prior years by the Transwestern Pipeline Company.

**Department of Economic Security – Data Center** – The Committee gave a favorable review to \$2.5 million in one-time funding to begin moving the data center to private space.

**AHCCCS/Department of Health Services/Department of Economic Security – Revised Capitation Rate Changes** – The Committee gave a favorable review of AHCCCS' proposed revisions in capitation rate changes for the state's Medicaid system. The changes reflect adjustments for the nationwide health insurer fee.