

ARIZONA STATE SENATE

44TH LEGISLATURE SECOND REGULAR SESSION

MINUTES OF COMMITTEE ON APPROPRIATIONS

DATE: Wed., February 9, 2000

TIME: 1:30 p.m.

ROOM: 109

CHAIRMAN: Senator Gnant

VICE CHAIRMAN: Senator Cirillo

ANALYST: Deborah Johnston

COMMITTEE SECRETARY: Melissa C. Upshaw

ASST. ANALYST: Ethan Shaner

INTERN: Michelle Thornham

ATTENDANCE

BILLS

<u>Committee Members</u>	<u>Pr</u>	<u>Ab</u>	<u>Ex</u>	<u>Bill Number</u>	<u>Disposition</u>
Senator Arzberger	X			S.B. 1014	DPA
Senator Bennett	X			S.B. 1016	DP
Senator Grace	X			S.B. 1020	DPA
Senator Guenther	X			S.B. 1026	DPA-SE
Senator Hamilton	X			S.B. 1028	DPA
Senator Huppenthal	X			S.B. 1030	DPA
Senator Jackson	X			S.B. 1035	DP
Senator Lopez	X			S.B. 1055	DPA
Senator Rios	X			S.B. 1067	DPA
Senator Smith	X			S.B. 1068	DP
Senator Solomon	X			S.B. 1074	DP
Senator Wettaw	X			S.B. 1079	DP
Senator Cirillo, Vice Chairman	X			S.B. 1087	DPA
Senator Gnant, Chairman	X			S.B. 1113	DP

<u>Bill #</u>	<u>Disposition</u>	<u>Bill #</u>	<u>Disposition</u>	<u>Bill #</u>	<u>Disposition</u>	<u>Bill #</u>	<u>Disposition</u>
S.B. 1128	DP	S.B. 1198	DPA	S.B. 1280	DP	S.B. 1397	HELD
S.B. 1129	DP	S.B. 1199	DPA	S.B. 1281	DP	S.B. 1401	DPA
S.B. 1157	DPA	S.B. 1200	DPA	S.B. 1282	DP	S.B. 1446	DP
S.B. 1162	DPA	S.B. 1201	DPA	S.B. 1285	DP	S.B. 1456	HELD
S.B. 1165	HELD	S.B. 1202	DP	S.B. 1301	DPA	S.B. 1459	DPA
S.B. 1166	DP	S.B. 1215	DPA	S.B. 1320	DP	S.B. 1476	HELD
S.B. 1174	DP	S.B. 1232	DPA	S.B. 1324	DPA-SE	S.B. 1503	HELD
S.B. 1178	DPA-SE	S.B. 1233	DP	S.B. 1333	DPA	S.B. 1553	DP
S.B. 1179	DPA	S.B. 1247	DP	S.B. 1335	DPA	SCR 1005	DP
S.B. 1180	DP	S.B. 1262	DP	S.B. 1348	DP	SCR 1017	DP
S.B. 1184	DPA-SE	S.B. 1270	DPA	S.B. 1353	DPA		
S.B. 1185	DP	S.B. 1271	DP	S.B. 1363	DP		
S.B. 1196	DP	S.B. 1279	DP	S.B. 1396	DPA		

TAPE 1, SIDE A

Attendees Sign in sheet (Attachment A)

Chairman Gnant called the meeting to order at 1:34 p.m., and attendance was noted.

APPROVAL OF MINUTES

Without objection, the minutes of February 2, 2000 were approved as distributed.

Chairman Gnant stated that in order, to expedite the process of considering the bills on today's agenda, he has considered a method. A rule addition to the Committee Rules (Attachment B) will allow the Committee to group some of the bills together and move them as a single motion. He noted that any Member could remove the bills from the list if they wanted to. If this proposed rule addition is successful here, he said the method might be used by other Standing Committee Chairmen on Executive Nominations and other bills without problems.

In response to the Chair's explanation of the rule addition to Committee Rules, Senator Lopez commented that Senator Gnant has been kind enough to give advance notice of this method. He stated that no serious objections were made to this process other than himself, on the Floor, which was without consultation with some of the Members of the Appropriations Committee. Since that time, he said he has discussed this with Members of this Committee and other Members of the Democratic Caucus, and they suggest that precedent is being set that should require more study, and that approval to a plan is only an approval for this time. He said he would like to continue conversation with the Chair relative to the manner in which Appropriations bills are going to be treated. He expressed his concern that there may be some problems related to people wanting to testify on particular bills or hesitations on the parts of Members, should they object. He gave the example of Member(s) pulling one another's bills because their bill has been pulled off the list. He suggested that this method should be discussed more in detail, and while they move on with this agenda as the Chair has stipulated they would look for further discussion on a more permanent Appropriations.

The Chair stated that when this motion is voted upon, the Members should not misunderstand that he intends for this to be a permanent change, but always with a stipulation that any member can pull something from the consent calendar if they want to. If it proves to be unworkable, then he would like to be the first one to work with them to try and change it.

The Chair asked if there was any further discussion. No comments were made.

Senator Cirillo moved that any Member, with unanimous consent of the committee members in attendance, may move two or more bills in a single motion, provided only that none of the bills require amendments. The motion CARRIED by voice vote.

Chairman Gnant commended the Committee Members for their excellent participation on the Subcommittee process this year. He said excellent meetings were held last week consisting of Subcommittee Chairmen and Members of the Minority, trying to put together a consensus listing of bills as possible for the Committee to consider today. He noted that while there are some amendments, which they assume will go on, every one of the bills listed on the agenda that is not held is eligible to move with the recommendation of the group that met last week for them.

The Chair said unless he reverses his decision by the end of the meeting, the following bills would be HELD. He explained the bills were HELD because they were either assigned to another Standing Committee and were not heard in that committee or they were assigned to the Appropriation Committee too late to go through the subcommittee process:

S.B. 1165 - teaching student loan forgiveness program - HELD

S.B. 1397 - appropriation; personnel training - HELD

S.B. 1401 - government mall office buildings; appropriation - HELD

S.B. 1456 - medical examiners board; appropriation; adjustments - HELD

S.B. 1476 - state employees; transportation service subsidies - HELD

S.B. 1503 - appropriations; criminal justice - HELD

In reference to his memo sent to Members of the Committee (Attachment C), the Chair noted that S.B. 1232 would be removed from the list of bills to be held so it could be considered in today's meeting.

BILLS WITHDRAWN FROM SUBCOMMITTEES

Chairman Gnant announced that the following bills are withdrawn from subcommittees because they are on the list of bills to consider today, and were not reported out of Subcommittee: **S.B. 1157, S.B. 1166, S.B. 1185, S.B. 1201, S.B. 1215, S.B. 1247, S.B. 1262, S.B. 1279, and S.B. 1459.**

The Chair referred to his memo, and suggested that Item #5 be moved as a block. These bills have no general fund impact; they imply other funds. Before moving them to consider them as a block, he asked the Committee if they would like to pull any of the bills from the group or make any objections. No objections were made.

Senator Cirillo: Mr. Chairman, I ask unanimous consent to consider the following bills in a single motion are returned with a DO PASS recommendation.

The Chair agreed with and thanked Senator Rios for his request to have the bills read not only with their bill number, but also with their short titles so that everyone present will know which bills are being moved as a block.

Senator Cirillo WITHDREW his first motion to move the bills in a single motion, as read by bill number only.

Senator Cirillo moved the following bills be returned with a DO PASS recommendation. Bills were read with their short titles:

S.B. 1068 - appropriation; children's behavioral health services - DO PASS

S.B. 1074 - motorcycle safety fund; establishment - DO PASS

S.B. 1128 - retirement; lump sum benefit option - DO PASS

S.B. 1174 - community health centers - DO PASS

S.B. 1180 - children's health insurance; enrollment requirements - DO PASS

S.B. 1202 - board of athletic training - DO PASS

S.B. 1271 - prescription medication; low income persons - DO PASS

S.B. 1280 - dependency; employment; substance abuse treatment - DO PASS

S.B. 1281 - foster care; older children; transition - DO PASS

S.B. 1282 - dependent children; medical examinations - DO PASS

S.B. 1320 - ASRS; benefits; increases - DO PASS

S.B. 1446 - appropriation; game and fish; salaries - DO PASS

Chairman Gnant noted a record breaking amount of speaker slips were submitted for the bills, and asked if there was anyone in opposition to any of the bills just read. No one was present in opposition to the bills moved, and the Members had no objections.

The motion to return the bills with a DO PASS recommendation CARRIED with a roll call vote of 14-0-0. (Attachment #1)

Those present in support of S.B. 1068 were: **Joe Abate, Attorney, Arizona Psychiatric Society, Arizona Osteopathic Medical Association; David Landrith, Vice President, Arizona Medical Association; David Miller, CEO, Arizona Council of Human Service Providers; Maurice Miller, CEO, Northern Arizona Regional Behavioral Health Authority; Michael Puthoff, CEO, the EXCEL group (RBHA, Provider – Yuma & La Paz); and Beth Rosenberg, Senior Program Associate, Children’s Action Alliance.**

Anthony S. Sees-Bieda, Assistant Executive Director, Arizona Board of Regents, was present in support of S.B. 1128.

Those present in support of S.B. 1174 were: **Kristin Greene, Director of Governmental Affairs, Arizona Association of Community Health Centers; Patricia A. Homeister, representing Mental Health Advocates’ Coalition of Arizona; Raymond A. Jacobs, representing Mental Health Advocates’ Coalition of Arizona; David Miller, CEO, Arizona Council of Human Service Providers; Maurice Miller, CEO, Northern Arizona Regional Behavioral Health Authority (NARBA); Kevin Moran, Consultant, Arizona Association of Community Health Centers; and Michael Puthoff, CEO, the EXCEL group (RBHA, Provider – Yuma & La Paz).**

Donald Vance, Chair, AARP, Sate Legislative Committee, was present in support of S.B. 1271.

Those present in support of S.B. 1280 were: **David Miller, CEO, Arizona Council of Human Services Providers; Maurice Miller, CEO, Northern Arizona Regional Behavioral Health Authority (NARBHA); Michael Puthoff, CEO, the EXCEL group (RHBA, Provider – Yuma & La Paz); Beth Rosenberg, Senior Program Associate, Children’s Action Alliance; and Dr. Jack Wiggins, Psychologist, Mental Health Association of Arizona.**

Those present in support of S.B. 1281 were: **David Miller, CEO, Arizona Council of Human Services Providers; Maurice Miller, CEO, Northern Arizona Regional Behavioral Health Authority (NARBHA); Michael Puthoff, CEO, the EXCEL group (RHBA, Provider – Yuma & La Paz); Beth Rosenberg, Senior Program Associate; and Tami Snyder, Interim Director, Governor’s Council on Developmental Disabilities.**

Chris Herstam, United Way of Greater Tucson & CPSA, and Beth Rosenberg, Senior Program Associate, Children’s Action Alliance, were both present in support of S.B. 1282.

Joe Carter, Commissioner, Arizona Game and Fish Commission, and Suzanne B. Gilstrap, Wildlife Conservation Council, were both present in support of S.B. 1446.

Chairman Gnant announced that S.B. 1028 would be removed from the list of general fund bills to be moved as a block because the bill has a proposed amendment. The Chair asked the Members if there was any discussion on the next block of bills (Item #4) to be moved. No objections were made.

Senator Cirillo moved the following bills be returned with a DO PASS recommendation. Bills were read with their short titles:

S.B. 1016 - appropriation; World War II memorial.. - DO PASS

S.B. 1035 - appropriation; resin bush eradication. - DO PASS

S.B. 1079 - appropriation; NAU science building - DO PASS

S.B. 1113 - appropriation; interstate compact; optometric education - DO PASS

S.B. 1129 - retirement; tax equity benefit increases - DO PASS

S.B. 1166 - appropriation; national law center. - DO PASS

S.B. 1185 - appropriation; state health laboratory - DO PASS

S.B. 1196 - seriously mentally ill; assertive treatment - DO PASS

S.B. 1233 - appropriation; project challenge - DO PASS

S.B. 1247 - appropriation; Navajo youth recreation center - DO PASS

S.B. 1279 - labor market information; DES; appropriation - DO PASS

S.B. 1348 - child support; omnibus - DO PASS

S.B. 1363 - shooting range and firearm safety - DO PASS

The motion CARRIED with a roll call vote of 14-0-0. (Attachment #2)

Chairman Gnant acknowledged those present from Project Challenge; commenting that they were a great program and encouraged them to keep up the good work.

Those present in support of S.B. 1016 were: **Patrick Chorpenning, Director, Arizona Department of Veteran Services; Paul Griffin, District 12 Senior Vice Commander, State of Arizona American Legion; and Ronald C. Murphy, Legislative Chairman, State of Arizona American Legion.**

Jane Lynch, Executive Director, Arizona Optometric Association, was present in support of S.B. 1113.

Those present in support of S.B. 1166 were: **Kevin J. O'Shea, Deputy Director, National Law Center for Inter-American Free Trade,** and **Steve Hoyt,** representing both the **National Law Center for Inter-American Free Trade and Bank of America.**

Those present in support of S.B. 1196 were: **Joe Abate, Attorney, Arizona Psychiatric Society, Arizona Osteopathic Medical Association; Wendy Briggs, Attorney, Value Options; Robert A. Freese, Lobbyist/Volunteer; Jack Harvey, Board President, Mental Health Advocates' Coalition of Arizona; Chris Herstam, Community Partnership of Southern Arizona; Charles McCoy, Legislative Committee, Mental Health Advocates' Coalition of Arizona; David Miller, CEO, Arizona Council of Human Service Providers; Maurice Miller, CEO, Northern Arizona Regional Behavioral Health Authority (NARBHA); Michael Puthoff, CEO, the EXCEL group (RBHA, Provider – Yuma & La Paz); and Michael Zent, CEO, Value Options, Maricopa County Regional Behavioral Health Authority (RBHA).**

Those present in support of S.B. 1233 were: **Diana Bailey, Arizona Project Challenge Parents Association; Jeanne Huches, Arizona Project Challenge Parents Association; Brianne Tschilar, Challenge Student, Arizona Project Challenge; David Stanesic, Challenge Student, Arizona Project Challenge; Sam Buford, Arizona Project Challenge Parents Association; Clayton Sterling, Challenge Student, Arizona Project Challenge; Alex DelaRosa, Challenge Student, Arizona Project Challenge; Sue Ann Buford, Arizona Project Challenge Parents Association; Stephen Vigil, Challenge Student, Arizona Project Challenge; Don Smith, Recruiter Manager, Project Challenge; Malina Botkin, Challenge Instructor, Arizona Project Challenge; Alan Callanan, Command Sergeant Major, Arizona Project Challenge; and Colonel Charles McCarty, Director, Arizona Project Challenge.**

Those present in support of S.B. 1363 were: **John A. Blackburn, Special Assistant, Maricopa County Attorney/Arizona Sheriffs Association; Joseph Easton, Program Manager Legislation & Policy, Arizona Criminal Justice Commission (ACJC); Eric Edwards, Legislative Liaison, Arizona Association of Chiefs of Police; and Jim Sawyer, Executive Director, Arizona Association of Counties/Arizona Sheriff's Association.**

S.B. 1014 - appropriation; DES; adult services - DO PASS AMENDED

Shane Jensen, Senate Research Intern, explained S.B. 1014 appropriates an additional \$4 million in fiscal year 2000-2001 from the state general fund to the Department of Economic Security (DES) for nonmedical home and community based care services for adults over age 60. Mr. Jensen noted there is a proposed amendment that changes the \$4 million to \$1 million.

Senator Solomon said she does know there are approximately 1100 people on the waiting list, and with the reduction in the appropriation, she asked how many people would that leave on the waiting list. Mr. Jensen replied that **Anne Lindeman, Executive Director, Governor's Council on Aging**, would be able to answer Senator Solomon's question better.

Ms. Lindeman stated she is very pleased to see this bill before the Appropriations Committee, but is very opposed to the amendment. She said that the amendment makes up a loss of SSBG funds from the federal government. It has no effect on the waiting list. The waiting list was 1100 as of last June, and the program received no additional funding in this current budget year. She indicated that the waiting list had to be a good deal larger, and the additional dollars were to take care of that waiting list. She emphasized that this is a cost saving measure because more people could stay off of the Arizona Long Term Care System (ALTCS) and the Arizona Health Care Cost Containment System (AHCCCS) for a longer period, which is cheaper for the taxpayer. Ms. Lindeman pointed out that the \$1 million is the SSBG loss that keeps people from being taken off services that are already on them.

The Chair noted that there was no one present in opposition to the bill.

Senator Cirillo moved S.B. 1014 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant two-line amendment dated 2/7/00, 2:37 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment D)

Senator Cirillo moved S.B. 1014 be returned with an AS AMENDED, DO PASS recommendation.

Senator Guenther asked what the future might hold with regard to this Committee as they move forward into the process, where the Committee stands on a consideration of a "trigger bill" as it might relate to restoring some of these programs should additional revenue be forthcoming.

Chairman Gnant replied there has been no agreement from Leadership or the Executive Office as to whether any of the bills will be allowed to move through the process, but he does know it is being discussed. However, there is no agreement whether there will be one and what will be in it. He said that all he could say is, "we are doing the best we can with the information received, moving stuff along, to keep it in play." If, between now and the time something comes to the Floor, additional revenues are known, they will be dealt with then. But this is the last week to hear bills at the Senate and to have bills moved out to keep it in play.

The motion to return S.B. 1014 with a DO PASS recommendation CARRIED with a roll call vote of 14-0-0. (Attachment #3)

The following were present in support of S.B. 1014: **Robert S. Goyer, Member, AARP State Legislative Committee; Chris Herstam, Arizona Association of Area Agencies on Aging; David Miller, CEO, Arizona Council of Human Service Providers; Juanita Sarten, Caregiver; Mary Lynn Kasunic, Executive Director, Arizona Agency on Aging, Region One; Kathleen Pagels, Public Policy Coordinator, Alzheimers Association; Tami Snyder, Interim Director, Governor's Council on Developmental Disabilities; and Louise Fowlie, Constituent representing the elderly; and Donald Vance, Chair, AARP State Legislative Committee.**

S.B. 1020 - appropriation; safe schools program - DO PASS AMENDED

Kimberly Yee, Senate Education Analyst, explained S.B. 1020 appropriates \$2 million from the state general fund to the Department of Education for the Safe Schools Program in fiscal year 2000-2001. Ms. Yee said that the Education Committee adopted an amendment that would allow for one percent of the total Safe Schools Program appropriations to go to the Department for administrative costs. She noted there is also a proposed amendment in this Committee that changes the appropriation from \$2 million to \$1 million.

Senator Solomon asked by what number the \$2 million would increase school participation in the program, and with the \$1 million, how many schools would be able to participate. Ms. Yee answered that the bill does not specify how many schools would have been added to the program; however, there is a representative from the Department of Education who may have more information to her question. Senator Solomon said she would appreciate that information.

Senator Cirillo moved S.B. 1020 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant two-line amendment dated 2/7/00, 2:42 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment E)

Senator Cirillo moved S.B. 1020 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 14-0-0. (Attachment #4)

Those present in support of S.B. 1020 were **Jay Kaprosy, Legislative Liaison, Arizona Department of Education, and Janet Lander, Safe School Specialist, Arizona Department of Education.**

S.B. 1026 - appropriations; community colleges - DO PASS AMENDED/STRIKE EVERYTHING

Debbie Johnston, Senate Appropriations Analyst, explained the Gnant strike-everything amendment to S.B. 1026 requires the Department of Education to establish a summer school program during the summer months of calendar year 2000 only and appropriates \$12.5 million from the state general fund in fiscal year 2000-2001 for this purpose. Ms. Johnston noted that Senator Lopez is offering an amendment to the strike-everything amendment that restricts the program to students who have not met the requirements of the Arizona Instrument to Measure Standards (AIMS) Test.

Chairman Gnant explained the purpose of this, whether it stays as a summer school program or changes into something else, is to have something in play. He said to hopefully have something in the base of the K-12 area that will be supportive of the AIMS Test. With regard to Senator Lopez's amendment, he said that he was not so certain that they should deny summer school opportunities to someone who could pass the AIMS Test, because he would think that this State has just as much an obligation to the gifted children as it does to those who have not achieved, but he would discuss that when they get to the amendment.

Senator Cirillo moved S.B. 1026 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant strike-everything amendment dated 1/28/00, 12:30 a.m. be ADOPTED. (Attachment F)

Senator Lopez moved his five-line amendment to the Gnant strike-everything amendment dated 2/8/00, 1:45 p.m. be ADOPTED. (Attachment G)

Senator Lopez said that he has been informed that the strike-everything amendment was going to be the Legislature's rendition of a remediation for the AIMS Test. He said the bills, as indicated by the Chair, would allow districts to provide summer schooling for any student, including the gifted. He said that he has not been opposed to providing summer school for the gifted or for anybody else that wants it, but since it is a remediation appropriation, he said he thought it would be limited to those schools that have a desire to try to assist those students in passing the AIMS Test. He pointed out that the money is not all that much. However, he said he is sure that those schools that have a great concern, ninety-two percent of them, could certainly use it and can use it for those subjects that are going to allow the students to pass the AIMS Test.

Senator Smith stated that if there were sufficient monies to run summer school programs for everybody, he would not have a problem, but he "kind of" agrees with Senator Lopez. He said that if he were to contemplate a summer school, he would have two different groups of people. One would be those people who need some additional help on the AIMS Test, and second would be those primary students who need additional help to master reading skills. He said that the elementary students are not reading at grade level by the time they get to the fourth grade, and there will be a large percent that will drop out because they do not understand. He said it is being left up to the discretion of the Superintendent for the school principals, but he does agree with Senator Lopez that is the first thing that should be aimed at.

Senator Guenther said that it is his understanding that the school boards could charge tuition for attendance in this program. The Chair replied that is correct. He said that they could charge only

the difference between what it would actually cost and the subsidy that they get, and they cannot charge students eligible for the federal free or reduced lunch program.

Senator Guenther asked if they are assuming that the demand is going to exceed the supply. The Chair replied he did not know, but a half a million hours of seat time is being provided. The hours may seem like a lot, but he said it is not even an hour for every student because there are more than a half a million students.

TAPE 1, SIDE B

Senator Guenther asked Senator Lopez if he would consider giving priority to those students who need assistance with the AIMS test and reading skills, rather than limiting it to people who need assistance in AIMS and reading skills. That way if the program does not fill up there would still be additional room for other students.

Senator Lopez said that this is a consideration and a closer analysis would be done between now and the Senate Floor. He said that the Superintendents that he has checked on this suggest that it is not anywhere near enough to provide effective remediation. Senator Gnant did mention the number of student hours, but in order to have an effective summer school, students have to get at least four weeks instruction, almost like a regular day. A comprehensive summer school program would be equivalent to a semester in a core subject. In order to be effective, he said he thinks that is the kind of summer school program that is needed, and the monies that are being appropriated would hardly be sufficient to cover that kind of a summer school. But between now and the Floor they will get better testimony on this issue.

Senator Wettaw asked how this would relate to year round schools. He said that he may not have an answer to this, but feels this should be looked at as this goes through the process.

Senator Solomon said that she is somewhat torn by the Chair's comments and Senator Lopez's comments, and she recognizes the need to do something with regard to helping those students who are going to have some difficulty in passing the AIMS Test. She said she is not sure that the amount of money is going to take care of that need. She said she has an equal concern for those students mentioned by the Chair, those who are gifted and those who need just a little more. She said she did not know what to do with this amendment, and that she sort of likes Senator Guenther's suggestion about priority to those who have not passed the AIMS Test, and she does have a question about the phrase, "who have not met or have not exceeded the standards." She said she understands "have not met," and is not sure what "have not exceeded the standards" means.

Senator Lopez said he was told there is a purpose for drafting the amendment in the manner that it was. He said there are different categories for those students who have not exceeded the standards, and they want to make sure that those students are included in the count for the number of students that can be provided this instruction.

Senator Solomon replied that she would meet with staff and Senator Lopez after this meeting because she still does not understand, and she does know that they can make her understand. She said she is not entirely happy with this amendment; however, she will support the amendment and would like to work on something between now and the Senate Floor.

The Chair commented that he thinks if the students are going to summer school and they want to take art or music, this is just as much an education as remediation on the AIMS Test, but he does understand the concerns addressed. He asked the Members to vote their conscience on this.

The motion to ADOPT the Lopez five-line amendment to the Gnant strike-everything amendment CARRIED by voice vote.

Senator Cirillo moved the Gnant strike-everything amendment, AS AMENDED, be ADOPTED. The motion CARRIED by voice vote.

Senator Cirillo moved S.B. 1026 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 14-0-0. (Attachment #5)

Senator Huppenthal said in addition to the summer school issue, there are also a number of other issues, which are as high or even higher on the education community's radar. These are teacher pay increase, smaller class size, and Senator Petersen's passion with the Kids for Care Education, and the issue of merit pay and performance pay. As they move forward in the process, he expressed his hope that a variety will be accommodated, but this is certainly a valid program and that he would vote aye in support of this.

S.B. 1028 - appropriation; law enforcement training center - DO PASS AMENDED

Julie Szperling, Senate Research Assistant Analyst, noted there is a proposed amendment being offered by Senator Jackson. The amendment requires the Arizona Peace Officer Standards and Training Board to send a notice to all law enforcement agencies, upon completion of the construction of the regional law enforcement training center, that includes a description of training services and the availability of facilities provided by the center.

Senator Cirillo moved S.B. 1028 be returned with a DO PASS recommendation.

The Chair noted he did not have any speaker slips in opposition to the bill.

Senator Jackson moved his eight-line amendment dated 2/3/00, 9:40 a.m. be ADOPTED. (Attachment H)

Chairman Gnant asked those present who are in support of the bill if they wished to speak in opposition to the Jackson amendment. There were no oppositions made.

The motion CARRIED by voice vote.

Senator Cirillo moved S.B. 1028 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 13-0-1. (Attachment #6)

Those present in support of S.B. 1028 were: **John A. Blackburn, Special Assistant, Maricopa County Attorney/Arizona Sheriffs Association; Joseph Easton, Program Manager Legislation & Policy, Arizona Criminal Justice Commission (ACJC); Eric Edwards, Legislative Liaison, Arizona Association of Chiefs of Police & Phoenix Police Department, Ed Cibbarelli, Director of Law Enforcement Programs representing Central Arizona College; Jim Hartdegen, Governmental Affairs Advisor, Pinal County Alliance; Lyle Manny, Acting Director, Arizona Peace Officer Standards & Training Board; and Jim Sawyer, Executive Director, Arizona Association of Counties/Arizona Sheriffs Association.**

S.B. 1030 - appropriation; Mule Gulch floodway - HELD

Brian Townsend, Senate Research Analyst, explained S.B. 1030 appropriates \$300,000 from the state general fund to the Department of Emergency and Military Affairs (DEMA) in fiscal year 2000-2001 to fund the state matching portion of the cost of design and engineering work on the Mule Gulch Floodway Channel. Mr. Townsend noted there is a proposed amendment and a verbal amendment to that amendment.

Mr. Townsend said there was an amendment distributed in Subcommittee that was considered by the Subcommittee, and subsequently a different amendment was distributed to this Committee. He said the verbal amendment would make the distributed amendment match the Subcommittee amendment.

Senator Arzberger reiterated that the Full Committee has a draft amendment, and there will need to be a verbal amendment to that amendment so that it will be to what the Chair wanted.

Senator Cirillo moved S.B. 1030 be returned with a DO PASS recommendation.

Senator Arzberger moved his 11-line amendment dated 2/7/00, 1:59 p.m. be ADOPTED. (Attachment I)

Senator Arzberger moved a verbal amendment to his 11-line amendment be ADOPTED. He asked Mr. Townsend to explain the verbal amendment.

Mr. Townsend explained the verbal amendment should read line 1 after the second comma, after the "A." insert "Notwithstanding section 37-623.02. subsection G. Arizona Revised Statutes." He said that the amendment proposed by Senator Arzberger appropriates \$1.5 million from the fire suppression fund instead of \$300,000 from the state general fund to eliminate the state general fund appropriation. The amendment excludes the provision of the fire suppression fund.

In response to Senator Arzberger, Mr. Townsend said a separate verbal amendment would be needed to add Santa Cruz County.

The Chair said he would HOLD S.B. 1030 for staff to prepare an amendment for distribution to include the verbal amendment.

S.B. 1055 - appropriation; county jail juvenile facilities - DO PASS AMENDED

Rick Pyper, Senate Judiciary Analyst, explained S.B. 1055 appropriates \$13 million from the state general fund in fiscal year 2000-2001 for the building of juvenile beds in county jail facilities. He noted the amendment proposed by Senator Gnant reduces that general fund appropriation from \$13 million to \$3 million.

Senator Cirillo moved S.B. 1055 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant two-line amendment dated 2/7/00, 2:49 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment J)

Senator Cirillo moved S.B. 1055 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED by a roll call vote of 13-0-1. (Attachment #7)

Those present in support of S.B. 1055 were: **John A. Blackburn, Special Assistant, Maricopa County Attorney/Arizona Sheriffs Association; Joseph Easton, Program Manager Legislation & Policy, Arizona Criminal Justice Commission (ACJC); Eric Edwards, Legislative Liaison, Arizona Association of Chiefs of Police; Jim Sawyer, Executive Director, Arizona Association of Counties/Arizona Sheriffs Association; and Captain Ron Klein representing Sheriff Buck Buchanan, Yavapai County Sheriff's Office.**

S.B. 1067 - appropriation; psychotropic and antidepressant medications - DO PASS AMENDED

The Chair noted there was no one present in opposition to the bill.

Senator Cirillo moved S.B. 1067 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant three-line amendment dated 2/7/00, 2:41 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment K)

Senator Cirillo moved S.B. 1067 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 13-0-1. (Attachment #8)

Those present in support of S.B. 1067 were: **Joe Abate, Attorney, Arizona Psychiatric Society, Arizona Osteopathic Medical Association; Wendy Briggs, Attorney, Value Options; David Landrith, Vice President, Arizona Medical Association; David Miller, CEO, Arizona Council of Human Service Providers; Maurice Miller, CEO, Northern Arizona Regional Behavioral Health Authority (NARBHA); Michael Puthoff, CEO, the EXCEL Group (RBHA, Provider – Yuma and La Paz Counties); Dr. Jack G. Wiggins, Psychologist, Mental Health Association of Arizona, and Michael Zent, CEO, Maricopa County RBHA, Value Options.**

S.B. 1087 - state documents - DO PASS AMENDED

Lanna Leverett, Senate Research Intern, explained S.B. 1087 appropriates \$850,000 from the state general fund to the Department of Library, Archives and Public Records (DLAPR) for fiscal year 2000-2001 for implementing the state documents program and to partner with other libraries in Arizona. Ms. Leverett noted there is a Gnant amendment that removes the appropriation from this bill.

Senator Cirillo moved S.B. 1087 be returned with a DO PASS recommendation.

The Chair said that he has seen an amendment or a draft of an amendment proposed by Senator Guenther that is exactly like his in his folder. He asked Senator Guenther if he would like to present this amendment in his name instead of his. Senator Guenther said he would not propose the amendment under his name.

Senator Cirillo moved the Gnant two-line amendment dated 2/8/00, 1:34 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment L)

Senator Cirillo moved S.B. 1087 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED by a roll call vote of 13-0-1. (Attachment #9)

Senator Solomon commented that she thinks Senator Guenther would like the Chair to take credit for removing the appropriations from this bill

Those present in support of S.B. 1087 were: **Carol St. Clair; Christopher Cole, President, Arizona Library Association; Shelly Dudley, Senior Historic Analyst/Secretary, Friends of Arizona Archives (FAZA); Jessica J. Hurley; Doug Kupel, FAZA; Don Langlois; Michael McColgin; Sharyn Pennington, Chair, Legislation Committee, Arizona Library Association; Charlie Stevens, Legislative Counsel, Arizona Library Association; and Gladysann Wells, Director, Arizona Library, Archives and Public Records.**

S.B. 1157 - teen pregnancy prevention pilot project. - DO PASS AMENDED

Linda Zell, Senate Research Intern, explained S.B. 1157 appropriates \$500,000 from the state general fund to the Department of Health Services (DHS) in fiscal year 2000-2001 for a pilot project that promotes abstinence but allows education on sexual practices and contraception. Ms. Zell noted there is an amendment proposed by Senator Guenther, which strikes the state general fund, changing that to federal Temporary Assistance to Needy Families (TANF) block grant.

The Chair noted that **Judy Bernas, Associate Director, U of A Health Sciences Center,** and **Sandra Junck, Planned Parenthood of Central & Northern Arizona,** were both present in support of the bill.

Senator Cirillo moved S.B. 1157 be returned with a DO PASS recommendation.

Senator Guenther moved his ten-line amendment dated 2/3/00, 10:03 a.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment M)

Senator Cirillo moved S.B. 1157 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED by a roll call vote of 13-0-1. (Attachment #10)

S.B. 1030 - appropriation; Mule Gulch floodway - RECONSIDERED - DO PASS AMENDED

Brian Townsend, Senate Research Analyst, explained the amendment proposed by Senator Arzberger dated 2/1/00, 10:46 a.m. appropriates \$1.5 million in fiscal year 1999-2000 from the fire suppression fund to the Department of Emergency and Military Affairs (DEMA). The amendment is for the local and state matching portion for damages associated with disasters and emergencies declared in Bisbee and Santa Cruz County during the fiscal year 1999-2000.

In response to the Chair, Mr. Townsend replied that the Subcommittee considered this amendment.

Senator Cirillo moved S.B. 1030 be returned with a DO PASS recommendation.

Senator Arzberger moved his 13-line amendment dated 2/1/00, 10:46 a.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment N)

Senator Cirillo moved S.B. 1030 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 13-0-1. (Attachment #11)

Those present in support of S.B. 1030 were: **Anna M. Cline, Mayor Pro-tem, City of Bisbee; Robert F. Kajun, Council Member, City of Bisbee; William A. Kelly, City Manager, City of Bisbee; Alva d'Orgeix, Council Member, City of Bisbee; Ken Zehentner, Chief Deputy County Manager, Santa Cruz County, representing Santa Cruz County Board of Supervisors; and Beth Zimmerman, Public Assistance Officer, Arizona Department of Emergency Management (ADEM).** Larry Richmond, Attorney, Santa Cruz County, was present in support of the bill with the amendment.

S.B. 1162 - women's health; information; policy; center - DO PASS AMENDED

Julie Szperling, Senate Research Assistant Analyst, explained S.B. 1162 establishes an information and resource clearinghouse for women's health issues and programs to increase public awareness of these issues. Ms. Szperling noted there is an amendment proposed by Senator Solomon that removes the \$400,000 appropriation from the bill.

The Chair noted that **Judy Bernas, Associate Director, U of A Health Services Center,** was present in support of the bill.

Senator Cirillo moved S.B. 1162 be returned with a DO PASS recommendation.

Senator Solomon moved her two-line amendment dated 1/27/00, 11:52 a.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment O)

Senator Cirillo moved S.B. 1162 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 13-0-1. (Attachment #12)

Chairman Gnant RECESSED the meeting at 2:30 p.m.

Chairman Gnant RECONVENED the meeting at 2:46 p.m.

S.B. 1178 - supplemental appropriations - DO PASS AMENDED/STRIKE-EVERYTHING

Chairman Gnant explained what was being done with this bill. He said he would like to apologize to all the Members for not sending a 30-day memo. But in the 20-day memo that was sent, he suggested that some expenditure be "triggered" for *Arnold vs. Sarn* and for the Arizona Health Care Cost Containment System (AHCCCS) fiscal year 2001 supplemental. He said the problem with this is without *Arnold* in the base, it becomes difficult to get the community health providers to pick up the responsibility for just one year. And so the question becomes, "how can we find a way to get it in the base?" He said S.B. 1178 represents a way to do that and hopefully, through the process, there will be a way so that it will not be needed. He said he does not like this approach very much, but it is the best approach right now. What it essentially says is that we authorize the issuance of sufficient revenue funds to take care of \$100 million of the school deficiencies corrections. This frees up \$100 million, which we could use to fund the \$52 million for AHCCCS and the \$48 million for *Arnold vs. Sarn*. Then if revenues exceed the projections, we end up not having to do the revenue bond. For technical reasons, we need to authorize enough to cover the \$100 million plus

interest, which is why you see the \$121.2 million on the fact sheet. But in reality, if the revenues exceed our projections by \$100 million, we will not need to do any of it. He commented that he does not like the idea of revenue bonds

Senator Cirillo moved S.B. 1178 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant strike-everything amendment dated 2/7/00, 4:00 p.m. be ADOPTED. (Attachment P)

Senator Cirillo moved the Gnant 16-line amendment to the amendment dated 2/8/00, 12:23 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment Q)

Senator Cirillo moved the Gnant strike-everything amendment, AS AMENDED, be ADOPTED. The motion CARRIED by voice vote.

Senator Cirillo moved S.B. 1178 be returned with an AS AMENDED, DO PASS recommendation.

TAPE 2, SIDE A

In response to Senator Bennett's inquiry, **Lynne Smith, Senior Fiscal Analyst, Joint Legislative Budget Committee (JLBC)**, answered that she did not have the numbers in front of her as far as expenditures for the School Facilities Board, but she can tell him that they have been obligated. The monies have been allocated to projects. She informed Senator Bennett that she would need to get back to him with how much has actually been expended at this point.

The motion CARRIED with a roll call vote of 11-3-0. (Attachment #13)

Senator Huppenthal explained his vote. He said that his perception is, in Maricopa County, the system is tearing itself apart. All of the different pieces, instead of being lined up and moving forward, lack any semblance of teamwork. All of the entities are largely pitted against each other, and the processes are destroying a lot of the potential value that could be given to the patients. He said he would potentially be in position to support this, but only if there is a mechanism for getting that system organized to focus on people who need the care. So he would vote no for now.

Joseph Easton, Program Manager Legislation & Policy, Arizona Criminal Justice Commission (ACJC), was present in support of S.B. 1178.

S.B. 1179 - schools; student accountability information system. - DO PASS AMENDED

Kimberly Yee, Senate Education Analyst, explained S.B. 1179 appropriates \$5 million in fiscal year 2000-2001 to the Department of Education for the Student Accountability Information System (SAIS). Ms. Yee noted there is an amendment proposed by Senator Gnant, which appropriates \$2.5 million from the state general fund and strikes the \$5 million.

Barbara Robey, Director, Governmental Relations for the Arizona School Boards Association (ASBA), in opposition to the bill, stated that the bill as it was amended in the Education Committee does go a long way toward addressing some of the concerns of ASBA. She apologized for not having worked with Senator Bennett to prepare an amendment prior to this Committee, but ASBA is

determined to continue working to make this acceptable. Their concerns are that the information being collected be that information that relates to what is necessary for state funding, and this goes beyond what is necessary for state funding. They are also concerned about the additional items that may be collected simply by going to JLBC and indicating what those items are at some point in the future. She said there is nothing in the amendment that says JLBC acts on the proposed additional items that are going to be collected, they simply make comments. She said that they are very concerned that the public, that parents know what kind of information is being collected and that there is a legislative body that is actually approving that information that is being collected.

Senator Bennett replied that Ms. Robey is kind in her apology and that it is not entirely her responsibility to have gotten together since the last Education meeting. He said his commitment is to continue to work and find ways that are acceptable to everyone, but overall he would encourage the support of this. He said he thinks that we have all meant it at one point or another, or that he has heard from just about everyone on this Committee, and perhaps the full body, over the validity, the reliability, the timeliness of the statistics we have within our Education system, at the same time, he said the points made by Ms. Robey and others that suggest we improve the information gathering system that we have in our State, without creating a due burden on the districts, are well noted. He said he feels it is important to continue moving this forward in the process and will commit to work on the changes Ms. Robey has identified.

Jay Kaprosy, Legislative Liaison, Arizona Department of Education (ADOE), stated that he would like to speak briefly to the concerns addressed by Ms. Robey. First, he discussed the scope of the data that is necessary for the Department to collect in order for ADOE to carry out their responsibility for both state formula funding, state grant funding, and federal grant funding. He said they would actually need to collect the items that they see before them in order to do their job, otherwise, they are taking a step backwards by having to operate more than one system. As Ms. Robey noted, the second would allow the ADOE to approach JLBC about additional items. He said that those items would be solely as a result of state or federal law changes, and that kind of flexibility is needed in order to address those immediate concerns. He said a huge step forward has been made, which he believes addresses the bulk of the issues that have been brought up on this, by actually listing the data elements into the statute. He said they are continuing to work on potential amendments with members of the educational community, ADOE, and school districts.

Senator Huppenthal asked if the system was up and running right now. Mr. Kaprosy answered that the SAIS will be one component of that system, and that the bulk of that system is up and running now. Currently, the SAIS is a platform that they do business on.

In response to Senator Huppenthal's question, Mr. Kaprosy said that ADOE is very familiar with the situation of one of the school districts not receiving their 40th day summaries for the system. He said in fact there is a good explanation. He explained that the SAIS has several components that have been brought online. The 40th day counts were submitted in October, and that component of SAIS did not come on until early December, late November, and as soon as that component came online, they moved forward with addressing those 40th day reports. Since charter schools are on current year funding, those reports were addressed first and they are now in the position of completing the 40th day reports for everyone else. He said that this will not happen in the future and that was simply an issue of bringing online a new component to this system. He said the benefits of this will be seen in a more accurate and timely accounting, and the ability to turn that around much faster in the future now that this component is online.

Senator Solomon said as she looks at the list of information that is required for school districts to send to ADOE, it strikes her that this is an enormous amount. She expressed her concern about the personnel that might be necessary to transmit this information in a timely manner, and asked if this was an issue.

Ms. Robey replied that they have been trying to work to make sure that the system that does evolve does not require any duplication of effort. They are concerned about some of the information that is in this list, particularly, the free or reduced lunch prices. Those students who qualify for that type of assistance, they are concerned that that is kept confidential within the school districts, and they are concerned about that kind of information being transmitted to other sources.

Senator Solomon asked Ms. Robey if she would be able to inform her if there are other things in the list of other information required that she is concerned about. Ms. Robey stated that they believe that the information being collected should initially be related to state funding, and a lot of this information is related to federal grants. They believe the system should be up and running on the state support level before we branch out into the federal programs.

With regard to what Ms. Robey has stated, Senator Solomon asked Mr. Kaprosy why the Department believes this additional information is needed.

Mr. Kaprosy explained that the school finance formulas are so complex that they do in fact need to collect all of this information. He said that ADOE has a job to do, both as the state education agency responsible for state funds as well as the state education agency responsible for federal funds. He said there is some overlap. In fact, as we look at state formula, there is information there that is strictly for state formula, and there is information there that is for state grants, federal grants, etc. that do use some of the same information. Again, he said they do wish that they did not need to collect this much information. In reality, he said this information is already required to be collected by the school district, it is already maintained, and that they believe that the intent for the appropriation on here is to actually allow that last step, which is to extract it from the local system and have it sent to the State. It is information that ADOE absolutely needs to collect to efficiently do the work they need to do, which includes: state grants, state formula, and federal grants as well.

Senator Solomon asked Mr. Kaprosy if he would have any comment with regard to the information about free or reduced lunch. Mr. Kaprosy replied that, as we talk about federal grants and state grants, that is a crucial piece. In fact, it is being used more and more even for state appropriations and state grants, so that is why there is a necessity for them to collect that information. It is fully within the realm of Family Educational and Privacy Rights Act (FERPA) that the Local Education Agency (LEA) and State Education Agency (SEA) can share that information and it will be kept confidential. They have also maintained certain portions of that data, as well as special education data, etc., on a student level data basis in the past and have never had any issues with that. They feel it is quite secure at the state agency, and that they are taking every precaution to make sure it is even more secure than it was before.

Senator Solomon replied that she has heard numerous complaints from district administrators, higher level district officials, school board members, and superintendents with regard to their ability to access information through the ADOE and the limited access that they have. If we move forward with SAIS and appropriate this kind of money, she asked what kind of assurances do they have that this money is going to improve that level of communication and fulfil the need that school districts have to access certain information.

Mr. Kaprosy answered that the assurances are there because they will be collecting data that is much richer than they have ever collected. They have collected a lot of information in aggregate, which had very limited amount of usefulness to state policy makers. They also never had a mechanism by which they could look at the mobility of students throughout the state, look at academic progress, and actually access what the State dropout rate is. He said that currently the drop out rate is based on some unknowns because they do not know the movement of students, etc. So this system will allow them to collect much richer data for all policymakers, not only at the department, but at the state government level as well, as we look for how to better fund education and how to more appropriately fund education in Arizona.

Senator Solomon expressed her concern about having good information, and about school districts, administrators and others who work with kids every day, having appropriate access and good information from the department, and so far that has not been forthcoming.

Mr. Kaprosy said part of that is due to the mechanism by which they currently collect data, some of which is aggregate, etc. They have made efforts recently to get better information out. As they look at research, they have a research policy division at the department to provide better data to districts, to parents, etc. So he believes they have turned the corner on that, and this will help to accelerate that process to make sure that districts are provided with accurate, timely, and useful data so that they could set their policies as well.

Senator Lopez said that his question would be more proper for Mr. Kaprosy, but since Senator Bennett has been working on this issue he would ask Senator Bennett if he has made some decisions relative to the adequacy of the funding. He said appropriations are being cut by \$2.5 million, and he was led to believe by ADOE that they needed the full \$5 million in order to complete their work.

Senator Bennett replied that just about every bill they have gone through today, and will continue to go through, has people that need more money than they are probably going to receive. He said he feels that the amount requested is reasonable, which they would like to have. There also has been some acknowledgement that some of these amounts are to help some of the districts with their computer systems or software. With no full funding; he said it is going to become a process of cooperating with the districts and between the districts and the state department to stretch whatever funding is received.

Chairman Gnant said that he has had a number of conversations with the Superintendent on this issue. He asked Senator Lopez to see him after the meeting, and he could assure him that this will be "OK."

Senator Lopez replied that the data that can be collected under this system is good or bad, everyone can have an opinion, but the fact of the matter is that if the school districts do not have the material and hardware, it is almost immaterial whether the data is received or not. He said he is curious whether the \$2.5 million does take care of that.

Chairman Gnant said that in his discussion with the Superintendent yesterday, she indicated that the \$2.5 million was satisfactory for all of the school districts in the State, with the exception of perhaps one.

Senator Huppenthal said that he does read a lot about computer system installations, and that this goes back before he became a State Senator. He expressed his concern that he does not believe

anything anybody tells him about large computer programs being the answer to all of their problems. At meetings, he is told the same thing that the enterprise has told him, but then again he sees 800,000 transactions a day, four million transactions a week, over one hundred and twenty million transactions a year, and all of the sudden we are going from this "spongy mushy system" we have right now to one that is "iron clad." Computers do not have any sponge to them. He said that the one thing that does guide him a little bit is the constant rumbling about enterprise, and there is constant rumbling about SAIS. So that is where he is at; he is very apprehensive about it.

Senator Cirillo moved S.B. 1179 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant two-line amendment dated 2/7/00, 2:45 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment R)

Chairman Gnant noted that there might be a Floor amendment that would prohibit any more than ten percent of this money going to any one school district.

Senator Cirillo moved S.B. 1179 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 8-6-0. (Attachment #14)

S.B. 1184 - appropriation; Navajo community college; reconstruction - DO PASS AMENDED/STRIKE-EVERYTHING

Chairman Gnant stated that, with the courtesy of Senator Huppenthal pulling the same bill from the Education Committee, he will allow the bill to move forward, and thanks him for doing that.

Debbie Johnston, Senate Appropriations Analyst, stated there is a strike-everything being offered by Senator Bennett. The amendment appropriates \$1.5 million in fiscal year 2000-2001 to the Department of Water Resources (DWR) for rural water studies. \$1 million of this goes to DWR to continue the current rural water studies they are engaged in; and \$500,000 goes to Yavapai County for a hydrologic study of the upper and middle Verde water basins.

In response to Senator Arzberger's inquiry, Ms. Johnston answered that the \$1 million will not be for only one county. She said that the rural water studies are over a variety of counties, and that she has that information she could share with the Committee. However, the \$500,000 would go to Yavapai County for a hydrologic study in their area that is different from the rural water studies that the DWR is engaging in.

Senator Cirillo moved S.B. 1184 be returned with a DO PASS recommendation.

Senator Cirillo moved the Bennett strike-everything amendment dated 2/7/00, 9:00 a.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment S)

Senator Cirillo moved S.B. 1184 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 13-0-1. (Attachment #15)

Senator Arzberger said he votes aye at this time because he knows that this needs to be done. However, he expressed his concern that it should be "spelled out" a little more where the money is going to go in the study.

S.B. 1198 - school facilities board; treasurer - DO PASS AMENDED

Kimberly Yee, Senate Education Analyst, explained S.B. 1198 allows the State Treasurer to make payments to school facilities funds upon the request of the School Facilities Board, without the need for a specific legislative appropriation. Ms. Yee noted there are three amendments being offered to this bill.

The Chair announced that Senator Arzberger would not be offering his amendment.

TAPE 2, SIDE B

Senator Cirillo moved S.B. 1198 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant seven-page amendment dated 2/8/00, 8:33 a.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment T)

Senator Lopez moved his 20-line amendment dated 2/8/00, 10:04 a.m. be ADOPTED. (Attachment U)

Senator Lopez pointed out that there is no cost associated with his amendment. He explained his amendment simply cleans up a portion of the Students First to make it much easier for the School Facilities Board to deal with shortages in any of the funds. He said that it actually deals with Building Renewal so that they will not have the problems that they did, and this Legislature will not have the problems that we did, having an additional lawsuit called to get the \$55 million that they were shorted. He said that this language would take care of that issue and allow the School Facilities Board to deal with this issue in a very easy way.

The motion CARRIED by voice vote.

Senator Cirillo moved S.B. 1198 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 14-0-0. (Attachment #16)

Those present in support of S.B. 1198 were: **Stacey Morley, Lobbyist, School Facilities Board, and the Honorable Carol Springer, Arizona State Treasurer.**

S.B. 1199 - appropriation; university television stations - DO PASS AMENDED

Kathy Seeglitz, Senate Research Assistant Analyst, explained S.B. 1199 appropriates \$4 million from the state general fund to Arizona State University and the University of Arizona in fiscal year 2000-2001 for conversion of the KAET and KUAT television stations to digital television. Ms. Seeglitz noted there is an amendment proposed by Senator Gnant that replaces the \$4 million appropriation with a \$2 million appropriation.

Senator Wettaw moved S.B. 1199 be returned with a DO PASS recommendation.

Senator Wettaw moved the Gnant four-line amendment dated 2/7/00, 2:48 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment V)

Senator Wettaw moved S.B. 1199 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 13-0-1. (Attachment #17)

Those present in support of S.B. 1199 were: **Charles Allen, Manager, KAET; Blake Anderson, Director of State Relations, Arizona State University; Greg Fahey, Associate Vice President, U of A; and Anthony S. Seese-Bieda, Assistant Executive Director, Arizona Board of Regents.**

S.B. 1200 - appropriation; school facilities board - DO PASS AMENDED

Kimberly Yee, Senate Education Analyst, explained S.B. 1200 makes a supplemental appropriation of \$760,000 from the state general fund to the School Facilities Board in fiscal year 1999-2000 for the initial assessment of school facilities and equipment. Ms. Yee noted there is an amendment proposed by Senator Gnant that appropriates \$450,000 from the Deficiencies Correction Fund to the school facilities board in fiscal year 2000-2001; it also makes technical corrections.

The Chair noted that **John Arnold, Budget Analyst, Office of Strategic Planning & Budgeting,** and **Stacey Morley, Lobbyist,** were both present in support of the bill.

Senator Cirillo moved S.B. 1200 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant ten-line amendment dated 2/1/00, 8:53 a.m. be ADOPTED. (Attachment W)

Senator Lopez said that he does not have a problem getting the funds from the Deficiencies Correction Fund, but he is concerned with the amount. He said he was told the amount sought was \$760,000 and the amount being appropriated is \$450,000.

In response to Senator Lopez, Ms. Johnston answered that the amount being appropriated was at the request of the Executive Office. She said she would assume they have checked with the School Facilities Board, and that there may be someone here from the Executive who wishes to address the question.

In response to Senator Lopez, Ms. Yee clarified that the \$450,000 is an addition to the \$760,000 appropriation and is for 2000-2001.

Senator Lopez replied that he has no further questions, and is sorry to have brought it up.

The motion CARRIED by voice vote.

Senator Cirillo moved S.B. 1200 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 14-0-0. (Attachment #18)

S.B. 1201 - old capitol building; renovation; appropriation - DO PASS AMENDED

Lanna Leverett, Senate Research Intern, explained S.B. 1201 appropriates approximately \$2.3 million in fiscal year 2000-2001 from the state general fund to the Legislative Council for renovation of the State Capitol Museum and installation of a fire alarm and sprinkler system in the legislative

wing of the State Capitol building. Ms. Leverett noted there is an amendment proposed by Senator Gnant, which reduces the appropriation from \$2.3 million to \$1 million.

Senator Cirillo moved S.B. 1201 be returned with a DO PASS recommendation. Senator Cirillo moved the Gnant two-line amendment dated 2/7/00, 2:44 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment X)

Senator Cirillo moved S.B. 1201 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 14-0-0. (Attachment #19)

The Chair noted there was no one present in opposition to the bill.

Those present in support of S.B. 1201 were: **Mike Braun, Executive Director, Legislative Council; Michael D. Carman, Museum Director, Arizona Capitol Museum; Gladysann Wells, Director, Arizona Library, Archives and Public Records; Sharyn Pennington, Chair, Legislative Committee, Arizona Library Association; Charlie Stevens, Legislative Counsel, Arizona Library Association; Christopher Cole, President, Arizona Library Association; Don Langlois; Carol St. Clair; Jessica J. Hurley; Michael McColgin; Doug Kupel, FAZA; and Shelly Dudley, Hist. Analyst, FAZA.**

S.B. 1215 - appropriation; child protective services - DO PASS AMENDED

Linda Zell, Senate Research Intern, explained S.B. 1215 appropriates \$2.5 million in fiscal year 2000-2001 from the state general fund to the Department of Economic Security (DES) to increase salaries of current Child Protective Services (CPS) caseworkers and to hire new CPS caseworkers. Ms. Zell noted that there is an amendment proposed by Senator Gnant, which reduces the \$2.5 million to \$1.5 million.

The Chair noted that **Beth Rosenberg, Senior Program Associate, Children's Action Alliance**, was present in support of the bill.

Senator Cirillo moved S.B. 1215 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant two-line amendment dated 2/8/00, 9:20 a.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment Y)

Senator Cirillo moved S.B. 1215 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 14-0-0. (Attachment #20)

S.B. 1262 - appropriations; department of law. - DO PASS

Rick Pyper, Senate Judiciary Analyst, stated that the Judiciary Committee adopted a strike-everything amendment in yesterday's meeting, which increases the penalty for interfering with an educational institution and provides for expulsion, under certain circumstances, of the student who has threatened that institution, employee, or student at that institution rising to a specified level of disruption.

In response to Senator Lopez's inquiry, Mr. Pyper said that he did not believe the Judiciary strike-everything amendment was submitted to the Members of this Committee, and it was not noticed on this agenda that the strike-everything amendment would be offered here. But he would like to report the actions of the Judiciary Committee to this Committee on this dually assigned bill.

In response to the Chair, Mr. Pyper clarified that the adoption of the Judiciary Committee amendment, on the Senate Floor, would have the effect of replacing what is in this bill.

The Chair informed the Members that the bill is being moved forward as a shell for what was done in the Judiciary Committee yesterday, therefore, he asked the Members to ignore what is here. He noted that the other alternative would be to pull this bill out of this Committee.

Senator Lopez replied that he does not doubt what the Chair is saying is correct, but he says there is a bill before this Committee noted on this agenda, and that he would like to move this bill and have it receive a DO PASS recommendation.

**Senator Lopez moved S.B. 1262 be returned with a DO PASS recommendation.
The motion CARRIED with a roll call vote of 13-0-1. (Attachment #21)**

S.B. 1232 - appropriation; flood control - DO PASS AMENDED

Chairman Grant stated that Senator Wettaw would be pulling S.B. 1232 out of the Commerce, Agriculture, and Natural Resources Committee, which would allow this Committee to hear it.

Debbie Johnston, Senate Appropriations Analyst, stated that S.B. 1232 was proposed last year and is back again this year. It appropriates \$4.2 million from the general fund in fiscal year 2000-2001 to the Department of Emergency and Military Affairs (DEMA) to pay for the local share of flood relief incurred due to the January 1993 tropical, winter storm. Ms. Johnston explained the amendment proposed by Senator Rios reduces the appropriation from \$4.2 million to \$2 million, and states if the appropriation is insufficient to meet the ten percent cost share for all political subdivisions, the department will distribute the appropriated monies based on demonstrated need.

In reference to the second part of the amendment, Senator Grace asked how it would be determined what "demonstrated need" is. She said she had some county people who were concerned about the language and wanted to make sure what it was going to mean. Ms. Johnston said she believes that will be up to DEMA, they will have criteria to determine who is in need. She said that there might be someone here from DEMA who could answer that question.

Senator Grace expressed her concern to know what would happen to the projects already going, she asked if it was possible for this money to go to new projects and leave other projects in a lurch.

Ms. Johnston said she did not have the answer to that question.

In response to Senator Grace's question, **Beth Zimmerman, Arizona Department of Emergency Management**, stated the money is appropriated just for the ten percent cost share for the projects already on their way that are finishing up from the 1993 flood, it will not go to any new projects. With regard to Senator Grace's inquiry on "demonstrated need," Ms. Zimmerman said that there happened to be five political subdivisions in Arizona that are eligible for this money and that they will have criteria based on hardship cases.

Ms. Zimmerman added that the Department would be able to come up with criteria to make it equal, so that everyone will have an equal opportunity. She said she that she could not exactly answer Senator Grace's question with regard to "demonstrated need," and that the Director of the Department put it in.

Senator Grace asked Ms. Zimmerman since there was a reduction, the Department Director asked for that language because he felt he needed that flexibility. Otherwise, what would happen. Ms. Zimmerman answered that otherwise it could be prorated equally amongst the five remaining jurisdictions.

Senator Cirillo moved S.B. 1232 be returned with a DO PASS recommendation.

Senator Rios moved his six-line amendment dated 2/7/00, 11:37 a.m. be ADOPTED. (Attachment Z)

Senator Rios noted that the amendment was at the request of the Director of Emergency Management Services.

The motion CARRIED by voice vote.

Senator Cirillo moved S.B. 1232 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 11-0-2-1. (Attachment #22)

Senator Guenther stated that, in as much as one of his current employers happens to be and might be eligible for some of this money, he declares a Rule 30.

Those present in support of S.B. 1232 were: **Rory Hays, Attorney, Maricopa County Flood Control District; Art Chapa, Legislative Counsel, Pima County Board of Supervisors; and Peter Solie, Executive Director, County Supervisors Association.**

S.B. 1270 - prescription medications purchasing program - DO PASS AMENDED

Emily Alfter, Senate Research Intern, explained S.B. 1270 appropriates \$200,000 in fiscal year 2000-2001 from the state general fund to the Arizona Health Care Cost Containment System (AHCCCS). \$185,000 of the appropriation is for the implementation of the prescription medications purchasing program, \$15,000 for a senior consumer coalition. Ms. Alfter noted there is an amendment proposed by Senator Gnant, which reduces the appropriation from \$200,000 to \$185,000 and strikes the \$15,000 appropriation to the senior consumer coalition.

Senator Cirillo moved S.B. 1270 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant five-line amendment dated 2/7/00, 2:39 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment AA)

Senator Cirillo moved S.B. 1270 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 10-1-3. (Attachment #23)

Donald Vance, Chair, AARP, State Legislative Committee, was present in support of S.B. 1270.

S.B. 1285 - schools; teacher pay increase - DO PASS

Kimberly Yee, Senate Education Analyst, stated there is a strike-everything amendment that was adopted by the Education Committee to S.B. 1285. Ms. Yee explained S.B. 1285, as amended, appropriates a total of \$12 million from the state general fund to the Department of Education in fiscal year 2000-2001 for specified reasons, such as: teacher pay increases, the Safe Schools Program, class size reduction in kindergarten through grade three, the optional performance incentive program, character education programs, and summer school remediation programs.

Senator Cirillo noted there were no speaker slips for this bill.

Senator Cirillo moved S.B. 1285 be returned with a DO PASS recommendation.

Senator Cirillo moved the Huppenthal strike-everything amendment dated 1/31/00, 11:00 a.m. be ADOPTED.

Senator Lopez stated that he would like to speak against the strike-everything amendment. He said that the original bill carries a minimal appropriation for teachers pay. This is not adequate, but it makes a step in that direction. The strike-everything amendment, as noble as it may be, has only smaller appropriations to a different number of items, none of which is a sufficient amount of money to do any of those tasks that much justice, so he would rather live with the original bill.

In response to Senator Solomon, Ms. Yee explained that the original bill would have appropriated \$23.8 million from the state general fund in fiscal year 2000-2001 for teacher increases of about \$1,000 per teacher.

Senator Cirillo WITHDREW his motion to ADOPT the Huppenthal strike-everything amendment.

Senator Solomon asked the Chair if the bill is moved as it was originally introduced, and Senator Huppenthal moved the Education amendment on the Floor. If we choose not to support that Education amendment, it is on the Floor where they would make that decision. Chairman Gnant replied that is correct.

The motion to return S.B. 1285 with a DO PASS recommendation CARRIED with a roll call vote of 9-2-3. (Attachment #24)

S.B. 1301 - appropriation; underground storage tanks - DO PASS AMENDED

Lanna Leverett, Senate Research Intern, explained S.B. 1301 appropriates \$12.6 million in fiscal year 2000-2001 from the state general fund to the Department of Environmental Quality (DEQ) for deposit in the Area A Account of the Underground Storage Tank Assurance Account. Ms. Leverett noted there is an amendment proposed by Senator Gnant, which reduces the appropriation from \$12.6 million to \$2 million.

Senator Cirillo moved S.B. 1301 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant two-page amendment dated 2/8/00, 9:09 a.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment BB)

Senator Cirillo moved S.B. 1301 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 9-2-3. (Attachment #25)

Those present in support of S.B. 1301 were: **Jesse S. Lugo, Lobbyist, Arizona Automotive Trade Organization; Debra Margraf, Executive Director, Arizona Automotive Trade Organization; and Charlie Stevens, Legislative Counsel, Arizona Petroleum Resources Group.**

TAPE 3, SIDE A

S.B. 1324 - flight property tax; deposit - DO PASS AMENDED/STRIKE-EVERYTHING

Debbie Johnston, Senate Appropriations Analyst, stated that the underline bill for S.B. 1324 repeals the current flight property tax distribution to a fifty-fifty split. She explained that it would redirect everything into the aviation fund. Ms. Johnston noted a strike-everything amendment is being offered, which rather than repealing, modifies the distribution so that sixty-four percent of the flight property tax revenues goes to the aviation fund and thirty-six percent goes to the state general fund.

Senator Cirillo moved S.B. 1324 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant ten-line amendment dated 2/7/00, 9:02 a.m. be ADOPTED. (Attachment CC)

Stacy Howard, Regional Representative for the Aircraft Owners and Pilots Association, stated that she does oppose the amendment. She said that transportation is one area in which dedicated funding has always been accepted. Ms. Howard briefed the Committee about a recent flight she took to the Payson airport. She stated that some of the flights conducted that day are types of flight that are repeated thousands of times per year at the rural airports. She emphasized that the rural airports definitely need all the money that they can get. Ms. Howard said that last year, this Committee led the way to help restore adequate funding, and she hopes that will be done again this year. She indicated that the airport requests for grants for projects are based upon what they believe they are likely to receive not necessarily their needs. The requests are actually much lower than their needs. The requests for the five year planning period in 2000-2005 total over \$139 million. Under the current program only about \$58 million of those dollars will be funded, and this cut will still leave over \$70 million in unfunded requests. They would like to recommend as this bill moves forward, an additional amendment be added that would allow S.B. 1324 to repeal the 1997 law which originally cut the funding to this state aviation fund by fifty percent so that in the future, one hundred percent of the flight property tax will be deposited into the state aviation fund. She said she is confident that the leadership will help to fill the needs of aviation in the future, and will do all that she can to support that decision

Chairman Gnant said he agrees with the statements made by Ms. Howard.

Senator Guenther said that the intent of the original bill was to put the one hundred percent back in, but because of the need to stretch the dollars to cover as many programs as they can. He said that they are still hoping to walk towards that direction, but coming up with the fifty percent toward the one hundred percent takes it in a smaller step. He said that he thinks they all sympathize where they need to go. The question is, "how we can get there and still maintain some of the other

programs" and some of the other priorities that have been established by this Appropriations Committee and the Senate at large. He said that he would hope Ms. Howard could be patient with them just a little bit longer. Ms. Howard replied that she would.

Senator Hamilton expressed his support stating that as a member of the aviation community, his feeling towards this is that this bill was passed with the full support of the aviation community with the expectation that the money would be used as it was promised when the bill was passed. In 1997, this Legislature pulled a "big switch" and cut those funds in half, thereby taking those funds under false pretenses and having fifty percent of those funds taxed under those false pretenses. Since that time, he thinks it is a matter of honor that this Legislature works as much as possible to restore that funding under the original intent of the bills. He said he fully supports this bill. Unfortunately, we will, in order to get this bill passed, cut back to sixty-four percent, thereby giving back just a little bit less than one-third of the money that has been falsely appropriated from this fund, but one-third is better than none.

The motion to ADOPT the Gnant ten-line amendment CARRIED by voice vote.

Senator Cirillo moved S.B. 1324 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 11-1-2. (Attachment #26)

Those present in support of S.B. 1324 were: **Michael A. Covalt, Airport Manager, Flagstaff Airport; Boyd Heckel, Arizona Airports Association; Becky Hill, Legislative Coordinator, League of Arizona Cities and Towns; Debbie Klein, Management Assistant, City of Phoenix Aviation Department; Mac McCall, General Manager, Sedona Airport; Michael Racy, Tucson Airport Authority; A. W. 'Jack' Schelter Jr., President, Arizona Airports Association; and E. M. Thurmond, Airport Director, Yuma County Airport Authority.**

S.B. 1333 - PSPRS: membership; park rangers - DO PASS AMENDED

Debbie Johnston, Senate Appropriations Analyst, explained S.B. 1333 permits Arizona State Parks Board and county park rangers who are certified peace officers to join the Public Safety Personnel Retirement System (PSPRS). Ms. Johnston noted there is an amendment proposed by Senator Gnant, which subjects the joinder to legislative appropriations.

Senator Wettaw moved S.B. 1333 be returned with a DO PASS recommendation.

Senator Wettaw moved the Gnant six-line amendment dated 2/7/00, 3:40 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment DD)

Senator Wettaw moved S.B. 1333 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 9-0-5. (Attachment #27)

Those present in support of S.B. 1333 were: **Art Chapa, Legislative Counsel, Pima County Board of Supervisors; Thom Valenica, Deputy Chief, Maricopa County Park Rangers; and Jay Ziemann, Assistant Director, Arizona State Parks.**

S.B. 1335 - airport; Grand Canyon national park - DO PASS AMENDED

Nadine Berrett, Senate Transportation Analyst, explained S.B. 1335 repeals the Grand Canyon Airport Authority, returns the airport to the Arizona Department of Transportation (ADOT), then requires ADOT to lease the airport to a nonprofit corporation. Ms. Berrett noted there is an amendment proposed by Senator Gnant that removes the reappropriation as a remaining operating expense in capital improvements. It also requires cash and revenues received by ADOT from the Grand Canyon Airport Authority to be maintained in a separate account within the aviation fund.

Senator Cirillo moved S.B. 1335 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant 17-line amendment dated 2/7/00, 2:15 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment EE)

Senator Cirillo moved S.B. 1335 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 11-1-2. (Attachment #28)

Those present in support of the S.B. 1335 were: **Gary Adams, Arizona Department of Transportation (ADOT); Dutch Bertholf, Member, Grand Canyon Airport Authority; and Tim Pickrell, Arizona Department of Transportation.**

S.B. 1353 - DNA testing; felony offenders - DO PASS AMENDED

Rick Pyper, Senate Judiciary Analyst, explained S.B. 1353 expands the group of felons from which county probation departments and state and county incarceration facilities must acquire DNA samples. Mr. Pyper stated that the Department of Corrections, which is responsible for analyzing these samples, has indicated that it will cost them \$227,600 in order to do those analyses, and the Gnant amendment appropriates that amount in the upcoming fiscal year from the general fund to the Department.

Senator Cirillo moved S.B. 1353 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant nine-line amendment dated 2/7/00, 2:47 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment FF)

Senator Cirillo moved S.B. 1353 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 12-0-2. (Attachment #29)

Those present in support of S.B. 1353 were: **Edwin Cook, Executive Director, Arizona Prosecuting Attorneys' Advisory Council; Jerry Landau, Special Assistant to Maricopa County Attorney; Todd Griffith, Scientific Analysis Superintendent, Arizona Department of Public Safety**, was in support with the Gnant amendment.

S.B. 1396 - appropriation; statewide information system - DO PASS AMENDED

Ethan Shaner, Senate Research Assistant Analyst, explained S.B. 1396 appropriates \$750,000 from the personnel division fund in fiscal year 2000-2001 to the Department of Administration (ADOA) to implement a statewide information management system. Mr. Shaner noted there is an

amendment proposed by Senator Gnant that adds reporting requirements that ADOA must complete before receiving the appropriation.

Senator Cirillo moved S.B. 1396 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant 19-line amendment dated 2/8/00, 2:33 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment GG)

Senator Cirillo moved S.B. 1396 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 11-1-2. (Attachment #30)

Bill Parker, Assistant Director, Arizona Department of Administration, was present in support of S.B. 1396.

S.B. 1459 - disproportionate share hospital funds; distribution - DO PASS AMENDED

Debbie Johnston, Senate Appropriations Analyst, explained S.B. 1459 authorizes the Governor to adjust Disproportionate Share Hospital (DSH) payments if the Arizona State Hospital (ASH) is not Medicare certified by the end of fiscal year 1999-2000. Ms. Johnston noted there is an amendment proposed by Senator Gnant that requires all recipients to share equally in the state cost associated with the new plan.

Senator Cirillo moved S.B. 1459 be returned with a DO PASS recommendation.

Senator Cirillo moved the Gnant ten-line amendment dated 2/7/00, 3:07 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment HH)

Senator Cirillo moved S.B. 1459 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 12-0-2. (Attachment #31)

S.B. 1553 - appropriation; trichloroethylene health care services - DO PASS

Senator Cirillo moved S.B. 1553 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 12-0-2. (Attachment #32)

Those present in support of the bill were: **Judy Bernas, Associate Director, U of A Health Sciences Center; Kristin Greene, Director of Governmental Affairs, Arizona Association of Community Health Centers; and Kevin Moran, Consultant, Arizona Association of Community Health Centers.**

S.B. 1401 - government mall office buildings; appropriation - RECONSIDERED - DO PASS AMENDED

Debbie Johnston, Senate Appropriations Analyst, explained S.B. 1401 allows the Department of Administration (DOA), subject to the approval of the Joint Committee on Capital Review (JCCR), to enter into a lease-purchase agreement for the construction of two office buildings located on the Capitol Mall. It contains a blank general fund appropriation for fiscal year 2001-2002. Ms. Johnston noted there is an amendment proposed by Senator Gnant.

The Chair acknowledged **Mr. Scott Smith, Legislative Liaison, Arizona Department of Administration (ADOA)**, present in support of S.B. 1401.

Senator Cirillo moved S.B. 1401 be returned with a DO PASS recommendation. Senator Cirillo moved the Gnant seven-line amendment dated 2/8/00, 1:26 p.m. be ADOPTED. The motion CARRIED by voice vote. (Attachment II)

Senator Cirillo moved S.B. 1401 be returned with an AS AMENDED, DO PASS recommendation. The motion CARRIED with a roll call vote of 13-0-1. (Attachment #33)

S.C.R. 1005 - corporation commission; members - DO PASS

Lanna Leverett, Senate Research Intern, explained S.C.R. 1005 expands the Arizona Corporation Commission from three to five members. It also extends the number of terms a member can serve from one to two, and it reduces the length of a term from six to four years. The fiscal impact associated with this bill starts in fiscal year 2003 at \$328,200 and \$482,100 in fiscal year 2004.

Senator Cirillo moved S.C.R. 1005 be returned with a DO PASS recommendation. The motion CARRIED with a roll call vote of 12-1-1. (Attachment #34)

S.C.R. 1017 - classroom reforms - DO PASS

Kimberly Yee, Senate Education Analyst, informed the Committee S.C.R. 1017 would have an amendment in the Education Committee tomorrow. Ms. Yee explained the amendment proposed by Senator Huppenthal which would provide \$214.5 million for purposes relating to class size reduction at \$40 million; school safety at \$40 million; merit pay increase for teachers at \$50 million; school programs at \$20 million; summer school reading grant program at \$5 million; books in the classroom at \$5 million; teacher training and reading instruction for grades K-3 at \$20 million; character education program at \$2.5 million; parental grant program at \$32 million as well as a tax credit for husbands and wives to claim for donations made to school tuition organizations at \$1 million.

Chairman Gnant clarified that this amendment was not being voted upon in this Committee.

In response to Senator Wettaw, Senator Huppenthal replied there needs to be a tax increase associated with this, and that detail has not be woven in yet. We need to weave it in before the Floor; Senator Wettaw is correct it is a part of that need.

Senator Wettaw replied that a lot of things get on the ballot, and like some of the transportation issues and others, it will look like a free lunch type of approach. He wanted to discuss that issue, and some of the things that Senator Huppenthal brought up here are very worthwhile.

Senator Huppenthal said that, if we do not have it properly integrated, then they will have it in before it does get to the Floor.

In response to Senators Huppenthal and Wettaw, Ms. Yee said that the increase in the sales tax would be .36 percent, and currently the transaction privilege sales tax is at five percent, so it would be 5.36 percent.

Senator Cirillo moved S.C.R. 1017 be returned with a DO PASS recommendation.

Senator Grace said if this bill has a funding source on it, and if it does not have vouchers, she would be happy to support it all the way through. She votes aye.

Senator Solomon said she votes no in hopes that what will appear in Senator Huppenthal's amendment tomorrow is not what will go to the Floor.

Senator Wettaw said that he would also vote aye if the bill does not have vouchers.

Senator Arzberger stated that his concern is the same as Senator Solomon, and that he may change his mind to vote in support if there is an amendment that will include vouchers. At this time, he votes no.

The motion CARRIED with a roll call vote of 8-5-1. (Attachment #35)

Chairman Gnant announced that the Committee has reached "half time" of this game and is now time to consider the House bills. He commented that if any Chairman has a better Committee to work with he would like to know who it is because the Members have all been "super."

Without objection, the meeting was adjourned at 4:17 p.m.

Respectfully submitted,

Melissa C. Upshaw, Committee Secretary

(Tapes and attachments on file with the Secretary of the Senate's Office at the Resource Center.)