House Engrossed

State of Arizona
House of Representatives
Forty-ninth Legislature
First Regular Session
2009

HOUSE BILL 2643

AN ACT

AMENDING LAWS 2004, CHAPTER 275, SECTION 67; AMENDING LAWS 2006, CHAPTER 345, SECTION 7, AS AMENDED BY LAWS 2008, CHAPTER 53, SECTION 29 AND LAWS 2009, FIRST SPECIAL SESSION, CHAPTER 2, SECTION 1; AMENDING LAWS 2009, CHAPTER 5, SECTION 1; AMENDING SENATE BILL 1188, SECTIONS 5, 7, 10, 12, 14, 19, 20, 21, 22, 23, 24, 27, 31, 32, 33, 34, 35, 36, 39, 41, 44, 45, 46, 47, 52, 53, 55, 59, 60, 73, 74, 83, 84, 91, 92, 93, 95, 97, 105, 109, 110, 112, 113, 120, 121, 122, 124, 125, 126 AND 132, FORTY-NINTH LEGISLATURE, FIRST REGULAR SESSION, AS TRANSMITTED TO THE GOVERNOR; RELATING TO MAKING TRANSFERS AND APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS; PROVIDING FOR CONDITIONAL ENACTMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Laws 2004, chapter 275, section 67 is amended to read:

Sec. 67. Fiscal year 2004-2005 conditional appropriations

A. State general fund revenue for fiscal year 2003-2004, not including
the beginning balance and including one-time revenues, is forecasted to be
$6,548,821,000. The state general fund revenue forecast for fiscal year
2003-2004 includes $2,644,100 from judicial collections as part of one-time
revenue and $129,830,200 for disproportionate share revenue. The staff
director of the joint legislative budget committee and the governor's office
of strategic planning and budgeting may adjust the state general fund revenue
forecast for fiscal year 2003-2004 to reflect changes in the actual amount of
judicial collections and disproportionate share revenue.

B. State general fund revenue for fiscal year 2004-2005, not including
the beginning balance and including one-time revenues, is forecasted to be
$7,115,223,800. The state general fund revenue for fiscal year 2004-2005
includes as one-time revenue: $11,700,000 from fund transfers enacted in
previous legislative sessions, $32,034,500 from the anticipated enactment of
fund transfers by the forty-sixth legislature, second regular session, $118,000,000
from the anticipated enactment of a vehicle license tax transfer
by the forty-sixth legislature, second regular session and $76,000,000 from
the anticipated enactment of adjustments to income tax withholding rates by
the forty-sixth legislature, second regular session. The state general fund
revenue forecast for fiscal year 2004-2005 also includes $111,447,400 for
disproportionate share revenue. The staff director of the joint legislative
budget committee and the governor's office of strategic planning and
budgeting may adjust the state general fund revenue forecast for fiscal year
2004-2005 to reflect changes in disproportionate share revenue. The state
general fund revenue estimates do not include any transfers from the school
facilities board building renewal fund to the state general fund that may be
enacted by the forty-sixth legislature, second regular session.

C. If, as determined by the staff director of the joint legislative
budget committee and the governor's office of strategic planning and
budgeting pursuant to subsections F, G, H and I of this section, the actual
state general fund revenue from fiscal year 2003-2004 and fiscal year
2004-2005 combined, exceeds the forecast by $50,000,000 or more, the sum of
$50,000,000 is appropriated from the state general fund for fiscal year
2004-2005 as follows:

1. To the school facilities board, $30,000,000 for building renewal.
2. To the department of economic security, $5,000,000 for child care.
3. $15,000,000 for the employer share of state employee health
   insurance premiums. The joint legislative budget committee staff shall
determine and the department of administration shall allocate to each
agency's or department's employee related expenditures an amount sufficient
for the employer share of the employee health insurance increase. The joint
legislative budget committee staff shall also determine and the department of
administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of state employee health insurance adjustments.

D. If the appropriations listed in subsection C of this section occur and the actual state general fund revenue from fiscal year 2003-2004 and fiscal year 2004-2005 combined, as reported pursuant to subsections G, H and I of this section exceeds the forecast by $102,000,000 or more, in addition to the appropriations in subsection C of this section, the sum of $52,000,000 is appropriated from the state general fund for fiscal year 2004-2005 as follows:

1. To the school facilities board, $10,000,000 for building renewal.
2. $8,000,000 for the employer share of state employee health insurance premiums. The joint legislative budget committee staff shall determine and the department of administration shall allocate to each agency's or department's employee related expenditures an amount sufficient for the employer share of the employee health insurance increase. The joint legislative budget committee staff shall also determine and the department of administration shall allocate adjustments, as necessary, in expenditure authority to allow implementation of state employee health insurance adjustments.
3. $6,000,000 to the budget stabilization fund established by section 35-144, Arizona Revised Statutes.
4. $25,000,000 to the school facilities board deficiencies correction fund. If these monies are appropriated and Laws 2003, chapter 264, sections 22, 23 and 35 are amended to authorize school trust revenue bonds for fiscal year 2004-2005 by the forty-sixth legislature, second regular session and those amendments become law and the school facilities board has not issued bonds pursuant to that authorization, that authorization shall not be exercised. If the school facilities board has issued bonds pursuant to that authorization, no appropriation shall be made to the deficiencies correction fund pursuant to this paragraph.
5. $3,000,000 to the department of public safety for public safety communications systems to address interoperability issues. This appropriation to the department of public safety is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, EXCEPT THAT ON THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION, $358,500 SHALL REVERT TO THE STATE GENERAL FUND.

E. If the appropriations listed in subsections C and D of this section occur, any forecast amounts above the actual state general fund revenue from fiscal year 2003-2004 and fiscal year 2004-2005 combined, as reported pursuant to subsections G, H and I of this section that exceed the forecast by $102,000,000 shall be distributed in fiscal year 2004-2005 as follows:

1. Fifty per cent to the state general fund.
2. Fifty per cent to the budget stabilization fund established by section 35-144, Arizona Revised Statutes.
F. On or before July 26, 2004, the staff director of the joint legislative budget committee and the governor's office of strategic planning and budgeting shall agree on a monthly forecast for fiscal year 2004-2005 state general fund revenue through December 31, 2004. After July 26, 2004, the staff director of the joint legislative budget committee and the governor's office of strategic planning and budgeting may jointly agree to adjust the monthly revenue forecast to reflect technical revisions.

G. On or before July 31, 2004, the staff director of the joint legislative budget committee and the governor's office of strategic planning and budgeting shall jointly notify the governor, the president of the senate and the speaker of the house of representatives whether the total fiscal year 2003-2004 state general fund revenue, excluding the beginning balance, exceeded the fiscal year 2003-2004 forecast, and, if so, the total revenue amount and the amount above the forecast.

H. On or before December 10, 2004, the staff director of the joint legislative budget committee and the governor's office of strategic planning and budgeting shall jointly notify the governor, the president of the senate and the speaker of the house of representatives whether actual fiscal year 2004-2005 state general fund revenue through October 31, 2004, excluding the beginning balance, exceeded the aggregate monthly forecast through October 31, 2004 and, if so, the total revenue amount and the amount above the forecast.

I. On or before February 11, 2005, the staff director of the joint legislative budget committee and the governor's office of strategic planning and budgeting shall jointly notify the governor, the president of the senate and the speaker of the house of representatives whether actual fiscal year 2004-2005 state general fund revenue through December 31, 2004, excluding the beginning balance, exceeded the aggregate monthly forecast through December 31, 2004 and, if so, the total revenue amount and the amount above the forecast.

J. If the state general fund revenue amounts above the forecast that are reported pursuant to subsections G, H and I of this section, alone or in combination, exceed the amounts specified in subsection C, D or E of this section, ten days after the previous reporting date, the governor shall issue a public notice stating the amounts appropriated from the state general fund at the levels indicated and for the purposes provided.

Sec. 2. Laws 2006, chapter 345, section 7, as amended by Laws 2008, chapter 53, section 29 and Laws 2009, first special session, chapter 2, section 1, is amended to read:

Sec. 7. Appropriations and distributions; microwave communications system; department of public safety; report; reversion

A. The sum of $1,500,000 is appropriated from the state general fund in fiscal year 2006-2007, the sum of $1,000,000 is appropriated in fiscal year 2007-2008 and the sum of $1,250,000 is appropriated in fiscal year
2008-2009 to the department of public safety for the design, construction and implementation of a microwave communications system upgrade.

B. The sum of $826,000 is appropriated from the state highway fund in each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to the department of transportation for distribution to the department of public safety for the design, construction and implementation of a microwave communications system upgrade.

C. The sum of $207,000 is appropriated from the game and fish fund in each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to the department of transportation for distribution to the department of public safety for the design, construction and implementation of a microwave communications system upgrade.

D. The department of public safety shall submit an expenditure plan and project timeline to the joint legislative budget committee for review before expending any monies appropriated for the microwave communications system upgrade. The submission shall include the results of the project investment justification approval by the information technology authorization committee. The department of public safety shall submit a report to the joint legislative budget committee for review regarding expenditures and progress by December 31, 2006 and June 30, 2007.

E. It is the intent of the legislature that $1,600,000 of federal homeland security monies be distributed in each of the fiscal years 2006-2007, 2007-2008 and 2008-2009 to fund the department of public safety microwave communications system upgrade.

F. Of the appropriations made in this section for the microwave communications system, the department of public safety may use up to $295,600 annually for up to 4 FTE positions to provide project management.

G. OF THE APPROPRIATIONS MADE IN SUBSECTION A, $1,679,000 REVERTS TO THE STATE GENERAL FUND ON THE EFFECTIVE DATE OF THIS AMENDMENT TO THIS SECTION.

Sec. 3. Laws 2009, chapter 5, section 1 is amended to read:

Section 1. Arizona board of regents; support and maintenance; supplemental appropriation reduction; transfer; appropriation

A. In addition to the reductions made pursuant to Laws 2009, first special session, chapter 1, section 3, the sum of $100,000,000 is reduced from the appropriation made from the state general fund in fiscal year 2008-2009 to the Arizona board of regents for the support and maintenance of institutions under its jurisdiction and IS DEFERRED TO PAYMENT IN FISCAL YEAR 2009-2010. THIS AMOUNT is transferred to the state general fund. The Arizona board of regents shall reduce funding to the institutions under its jurisdiction in proportion to the state general fund appropriation received by each institution.

B. In addition to any other amounts appropriated to the Arizona board of regents for fiscal year 2009-2010, the sum of $100,000,000 is appropriated
from the state general fund in fiscal year 2009-2010 to the Arizona board of regents to be distributed for the support and maintenance of institutions under its jurisdiction in two equal payments on or before August 1, 2009 and September 1, 2009. The Arizona board of regents shall distribute the monies appropriated in this subsection to the institutions under its jurisdiction for payments deferred from fiscal year 2008-2009. The Department of Administration shall distribute these monies no later than October 1, 2009. The distribution shall occur in an amount equal to the reduction made pursuant to subsection A of this section.

Sec. 4. Senate Bill 1188, section 5, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

**Sec. 5. BOARD OF ACCOUNTANCY**

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>13.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump sum appropriation</td>
<td>$2,350,100</td>
</tr>
<tr>
<td>$1,892,100</td>
<td></td>
</tr>
</tbody>
</table>

**Fund sources:**

- Board of accountancy fund: $2,350,100
- $1,892,100

**Performance measures:**

- Average calendar days to resolve a complaint: 180
- Average calendar days to renew a license: 1
- Customer satisfaction rating (Scale 1-8): 7.0

Sec. 5. Senate Bill 1188, section 7, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

**Sec. 7. DEPARTMENT OF ADMINISTRATION**

<table>
<thead>
<tr>
<th>State general fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Operating lump sum appropriation</td>
</tr>
<tr>
<td>ENSCO</td>
</tr>
<tr>
<td>County attorney immigration enforcement</td>
</tr>
<tr>
<td>Arizona financial information system</td>
</tr>
<tr>
<td>Statewide telecommunications management contract lease payment</td>
</tr>
<tr>
<td>Utilities</td>
</tr>
<tr>
<td>Lump sum reduction</td>
</tr>
<tr>
<td>$(8,066,100)</td>
</tr>
<tr>
<td>Total - general fund</td>
</tr>
<tr>
<td>$19,043,500</td>
</tr>
</tbody>
</table>
Performance measures:

Per cent of ADOA services receiving a good (6) or better rating from customers, based on annual survey (Scale 1-8) 85
Per cent of procurement plan award dates met for the RFP process 77
Customer satisfaction with establishing contracts (Scale 1-8) 6.9
Customer satisfaction with administering contracts (Scale 1-8) 6.7
Customer satisfaction rating for the operation of AFIS (Scale 1-8) 7.5
Average capitol police response time to emergency calls (in minutes and seconds) 1:52

The department may collect an amount of not to exceed $1,762,600 from other funding sources, excluding federal funds, to recover pro rata costs of operating AFIS II. Any amounts left unspent from the Arizona financial information system line item shall revert to the state general fund.

The $2,430,000 appropriated to the county attorney immigration enforcement line item shall be distributed as follows: $1,430,000 to each county attorney of a county in this state with a population of one million five hundred thousand or more persons and $500,000 to each county attorney of a county in this state with a population of eight hundred thousand or more persons but less than one million five hundred thousand persons, and the remainder of the monies shall be distributed as equally as possible to each county attorney of counties in this state with a population of less than eight hundred thousand persons. County attorneys may enter into agreements with county sheriffs or other law enforcement agencies or jurisdictions for the purposes of implementing section 23-212, Arizona Revised Statutes. These appropriations are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Air quality fund

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump sum appropriation</td>
<td>$ 850,100</td>
</tr>
<tr>
<td>Lump sum reduction</td>
<td>(85,000)</td>
</tr>
<tr>
<td>Total - air quality fund</td>
<td>$ 765,100</td>
</tr>
</tbody>
</table>

Performance measures:

Customer satisfaction with all travel reduction services (Scale 1-8) 6.7

The amounts appropriated for the state employee transportation service subsidy shall be used for up to a one hundred per cent subsidy of charges payable for transportation service expenses as provided in section 41-786, Arizona Revised Statutes, of nonuniversity state employees in a vehicle emissions control area as defined in section 49-541, Arizona Revised Statutes, of a county with a population of more than four hundred thousand persons.
<table>
<thead>
<tr>
<th>Fund</th>
<th>FTE Positions</th>
<th>Lump Sum Appropriation</th>
<th>Lump Sum Reduction</th>
<th>Total Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital outlay stabilization fund</td>
<td>28.9</td>
<td>$5,590,700</td>
<td>(1,616,900)</td>
<td>$16,584,400</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(1,351,700)</td>
<td></td>
<td>$11,375,400</td>
</tr>
<tr>
<td>Customer satisfaction rating for building maintenance (Scale 1-8)</td>
<td>7.7</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corrections fund</td>
<td>6.6</td>
<td>$732,300</td>
<td>(121,700)</td>
<td>$610,600</td>
</tr>
<tr>
<td></td>
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<tr>
<td>Performance measures:</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Performance measures:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer satisfaction with short-term (day use) vehicle rental (Scale 1-8)</td>
<td>7.8</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Motor vehicle pool revolving fund</td>
<td>19.0</td>
<td>$12,726,800</td>
<td>(1,351,400)</td>
<td>$11,375,400</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telecommunications fund</td>
<td>18.0</td>
<td>$3,178,100</td>
<td>(1,268,500)</td>
<td>$1,909,600</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance measures:</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance measures:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Performance measures:
Customer satisfaction rating for the wide area network (MAGNET) (Scale 1-8) 6.4
Customer satisfaction rating for statewide telecommunications management contract services (Scale 1-8) 6.0

Telecommunications fund - infrastructure improvements account
Lump sum appropriation $ 4,713,700

Automation operations fund
FTE positions 152.4
Lump sum appropriation $ 24,087,500
Lump sum reduction $(3,401,500)
Total - automation operations fund $ 20,686,000

Performance measures:
Customer satisfaction rating for mainframe services based on annual survey (Scale 1-8) 7.0

The appropriation for the automation operations fund is an estimate representing all monies, including balance forward, revenue and transfers during fiscal year 2009-2010. These monies are appropriated to the department of administration for the purposes established in section 41-711, Arizona Revised Statutes. The appropriation shall be adjusted as necessary to reflect receipts credited to the automation operations fund for automation operation center projects. Expenditures for all additional automation operation center projects above the $24,087,500 appropriation shall be subject to review by the joint legislative budget committee, following approval of the government information technology agency. Expenditures for each additional project shall not exceed the specific revenues of that project.

Risk management fund
FTE positions 96.0
Operating lump sum appropriation $ 8,729,900
Risk management losses and premiums 45,371,300
Workers' compensation losses and premiums 30,112,300
External legal services 5,592,200
Nonlegal related expenditures 3,153,900
Lump sum reduction $(581,300)
Total - risk management fund $ 92,378,300

Performance measures:
Workers' compensation incidence rates/100
FTE positions 4.1
Customer satisfaction with self-insurance (Scale 1-8) 7.5
| Fund                              | FTE positions | Operating lump sum appropriation | Human resources information solution | Certificate of participation | Lump sum reduction | Total - personnel division fund | Performance measures: | Customer satisfaction with employee training (Scale 1-8) | |
|----------------------------------|---------------|----------------------------------|-------------------------------------|------------------------------|--------------------|-----------------------------|-----------------------|------------------------------------------------| |
| Personnel division fund         | 124.0         | $14,064,000                       |                                     | 4,354,000                   | (2,628,700)        | $15,789,300                | $15,789,300           | 6.1                                           | |
| Special employee health insurance trust fund | 39.0         | $5,187,300                       |                                     | 300,000                     | (251,100)          | $5,236,200                 | $5,236,200           | 6.2                                           | |
| State surplus materials revolving fund | 16.0         | $1,258,000                       |                                     | 3,000,000                   | (488,000)          | $3,770,000                 | $3,770,000           |                                               | |
| Federal surplus materials revolving fund | 7.0          |                                    |                                     |                             |                    |                            |                       |                                               | |
| Total appropriation - department of administration |               |                                    |                                     |                             |                    | $191,479,800              | $194,928,300          |                                               | |
| Fund sources:                   |               |                                  |                                     |                             |                    |                            |                       |                                               | |
| State general fund              |               | $17,211,900                      |                                     |                             |                    | $174,267,900              | $174,267,900          |                                               | |
| Other appropriated funds        |               | $175,884,800                     |                                     |                             |                    |                            |                       |                                               | |

- 9 -
Sec. 6. Senate Bill 1188, section 10, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM 2009-10

Administration

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
<td>3,044.4</td>
</tr>
<tr>
<td>Operating lump sum appropriation</td>
<td>$70,082,400</td>
</tr>
<tr>
<td>DOA data center charges</td>
<td>$5,717,500</td>
</tr>
<tr>
<td>Indian advisory council</td>
<td>$232,900</td>
</tr>
<tr>
<td>DES eligibility</td>
<td>$55,688,300</td>
</tr>
<tr>
<td>DES title XIX pass-through</td>
<td>$357,800</td>
</tr>
<tr>
<td>Healthcare group administration and reinsurance</td>
<td>$6,164,900</td>
</tr>
<tr>
<td>Office of administrative hearings</td>
<td>$271,300</td>
</tr>
<tr>
<td>KidsCare - administration</td>
<td>$6,690,900</td>
</tr>
</tbody>
</table>
                                                                 $7,359,700 |

Proposition 204 - AHCCCS administration: $9,402,900

Proposition 204 - DES eligibility: $43,585,700

Total appropriation and expenditure authority - administration: $198,194,600

Fund sources:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State general fund</td>
<td>$85,207,000</td>
</tr>
<tr>
<td>$85,367,300</td>
<td></td>
</tr>
<tr>
<td>Budget neutrality compliance</td>
<td>$2,993,500</td>
</tr>
<tr>
<td>Children's health insurance</td>
<td>$5,087,100</td>
</tr>
<tr>
<td>program fund</td>
<td>$5,595,600</td>
</tr>
<tr>
<td>Health care group fund</td>
<td>$6,164,900</td>
</tr>
<tr>
<td>Expenditure authority</td>
<td>$98,742,100</td>
</tr>
</tbody>
</table>

Performance measures:

Per cent of applications processed on time: 95

Customer satisfaction rating for eligibility determination clients (Scale 1-8): 7.0

The amounts appropriated for the department of economic security eligibility line item shall be used for intergovernmental agreements with the department of economic security for the purpose of eligibility determination and other functions. The general fund share may be used for eligibility determination for other programs administered by the division of benefits and medical eligibility based on the results of the Arizona random moment sampling survey.
<table>
<thead>
<tr>
<th></th>
<th>Acute care</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Capitation</td>
<td>$2,391,405,000</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>$2,418,280,900</td>
</tr>
<tr>
<td>3</td>
<td>Reinsurance</td>
<td>129,621,800</td>
</tr>
<tr>
<td>4</td>
<td>Fee-for-service</td>
<td>514,455,500</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>522,776,700</td>
</tr>
<tr>
<td>6</td>
<td>Medicare premiums</td>
<td>104,550,000</td>
</tr>
<tr>
<td>7</td>
<td>Graduate medical education</td>
<td>42,075,300</td>
</tr>
<tr>
<td>8</td>
<td>Dual-eligible part D copay subsidy</td>
<td>1,029,700</td>
</tr>
<tr>
<td>9</td>
<td>Disproportionate share payments</td>
<td>30,350,000</td>
</tr>
<tr>
<td>10</td>
<td>Critical access hospitals</td>
<td>1,700,000</td>
</tr>
<tr>
<td>11</td>
<td>Breast and cervical cancer</td>
<td>1,699,600</td>
</tr>
<tr>
<td>12</td>
<td>Ticket to work</td>
<td>6,944,300</td>
</tr>
<tr>
<td>13</td>
<td>Proposition 204 - capitation</td>
<td>2,146,078,300</td>
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<tr>
<td>14</td>
<td>Proposition 204 - reinsurance</td>
<td>81,730,000</td>
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<tr>
<td>15</td>
<td>Proposition 204 - fee-for-service</td>
<td>209,821,500</td>
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<tr>
<td>16</td>
<td>Proposition 204 - medicare premiums</td>
<td>230,551,400</td>
</tr>
<tr>
<td>17</td>
<td>Proposition 204 - county hold harmless</td>
<td>4,825,600</td>
</tr>
<tr>
<td>18</td>
<td>KidsCare - children</td>
<td>119,507,800</td>
</tr>
<tr>
<td>19</td>
<td>KIDSCARE - PARENTS</td>
<td>6,967,500</td>
</tr>
<tr>
<td>20</td>
<td>Rural hospital reimbursement</td>
<td>12,158,100</td>
</tr>
<tr>
<td>21</td>
<td>Medicare clawback payments</td>
<td>31,925,600</td>
</tr>
<tr>
<td>22</td>
<td>Total appropriation and expenditure authority - acute care</td>
<td>$5,862,929,500</td>
</tr>
<tr>
<td>23</td>
<td></td>
<td>$5,945,674,900</td>
</tr>
<tr>
<td>24</td>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>State general fund</td>
<td>$1,611,099,400</td>
</tr>
<tr>
<td>26</td>
<td></td>
<td>$1,636,284,700</td>
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<tr>
<td>27</td>
<td>Children's health insurance program fund</td>
<td>92,621,900</td>
</tr>
<tr>
<td>28</td>
<td></td>
<td>109,330,200</td>
</tr>
<tr>
<td>29</td>
<td>Tobacco tax and health care fund - medically needy</td>
<td>53,738,100</td>
</tr>
<tr>
<td>30</td>
<td></td>
<td>23,331,800</td>
</tr>
<tr>
<td>31</td>
<td>Expenditure authority</td>
<td>4,082,138,300</td>
</tr>
<tr>
<td>32</td>
<td></td>
<td>4,122,990,100</td>
</tr>
</tbody>
</table>
Performance measures:

- Per cent of AHCCCS children receiving well child visits in the first 15 months of life (EPSDT) 60%
- Per cent of AHCCCS children's access to primary care provider 85%
- Per cent of AHCCCS women receiving annual cervical screening 60%
- Member satisfaction as measured by percentage of enrollees that choose to change health plans 2.0%

The $30,350,000 appropriation for disproportionate share payments for fiscal year 2009-2010 made pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, includes $4,202,300 for the Maricopa county health care district and $26,147,700 for private qualifying disproportionate share hospitals.

Of the $4,825,600 appropriated for the proposition 204 county hold harmless line item, $234,200 is allocated to Graham county, $3,817,800 to Pima county, $234,400 to Greenlee county, $159,700 to La Paz county, $214,800 to Santa Cruz county and $164,700 to Yavapai county to offset a net loss in revenue due to the implementation of proposition 204, and shall be used for indigent health care costs.

**Long-term care**

| Program Lump sum appropriation            | $1,266,710,000 |
| Medicare clawback payments                | $22,956,300    |
| Dual-eligible part D copay subsidy        | $470,300       |
| Board of nursing                          | $209,700       |

Total appropriation and expenditure authority - long-term care $1,290,346,300

Fund sources:

| State general fund                       | $181,129,200 |
|                                       | $180,658,900 |

Expenditure authority 1,109,217,100

Performance measures:

- Per cent of members utilizing home and community based services (HCBS) 67%
- Per cent of ALTCS eligibility as measured by quality control sample 99%

Any federal funds that the Arizona health care cost containment system administration passes through to the department of economic security for use in long-term administration care for the developmentally disabled shall not count against the long-term care expenditure authority above.
The county portion of the fiscal year 2009-2010 nonfederal portion of the costs of providing long-term care system services is included in the expenditure authority fund source.

Agencywide lump sum reduction  

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$(27,054,200)</td>
</tr>
<tr>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>State general fund</td>
<td>$(16,381,000)</td>
</tr>
<tr>
<td>Expenditure authority</td>
<td>$(10,673,200)</td>
</tr>
</tbody>
</table>

Lump sum reduction deferral  

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$(344,201,700)</td>
</tr>
<tr>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>State general fund</td>
<td>$(117,889,100)</td>
</tr>
<tr>
<td>Expenditure authority</td>
<td>$(226,312,600)</td>
</tr>
</tbody>
</table>

Total appropriation and expenditure authority - Arizona health care cost containment system  

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>$6,980,214,500</td>
</tr>
<tr>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>State general fund</td>
<td>$1,743,165,500</td>
</tr>
<tr>
<td>Expenditure authority</td>
<td>$1,767,571,300</td>
</tr>
</tbody>
</table>

Appropriated fund sources:  

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children's health insurance program fund</td>
<td>97,709,000</td>
</tr>
<tr>
<td>Budget neutrality compliance fund</td>
<td>114,925,800</td>
</tr>
<tr>
<td>Health care group fund</td>
<td>2,993,500</td>
</tr>
<tr>
<td>Tobacco products tax fund - emergency health services account</td>
<td>6,164,900</td>
</tr>
<tr>
<td>Tobacco tax and health care fund - medically needy account</td>
<td>23,331,800</td>
</tr>
<tr>
<td>Expenditure authority</td>
<td>$5,063,111,700</td>
</tr>
<tr>
<td></td>
<td>$5,097,979,200</td>
</tr>
</tbody>
</table>

Performance measures:  

Per cent of people under age 65 that are uninsured  

Before making fee-for-service program or rate changes that pertain to fee-for-service rate categories, the Arizona health care cost containment system administration shall report its expenditure plan for review by the joint legislative budget committee.

The Arizona health care cost containment system administration shall report to the joint legislative budget committee by March 1 of each year on the preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to
maximum shall be no more than two per cent. Before implementation of any
changes in capitation rates, the Arizona health care cost containment system
administration shall report its expenditure plan for review by the joint
legislative budget committee. Before the administration implements any
changes in policy affecting the amount, sufficiency, duration and scope of
health care services and who may provide services, the administration shall
prepare a fiscal impact analysis on the potential effects of this change on
the following year's capitation rates. If the fiscal analysis demonstrates
that these changes will result in additional state costs of $500,000 or
greater for a given fiscal year, the administration shall submit the policy
changes for review by the joint legislative budget committee.

The lump sum reduction may not be taken against the appropriation made
for rural hospital reimbursement.

It is the intent of the legislature that the Arizona health care cost
containment system administration make the reductions associated with the
agencywide lump sum reduction against administrative functions and, to the
extent possible, not against programmatic functions.

Sec. 7. Senate Bill 1188, section 12, forty-ninth legislature, first
regular session, as transmitted to the governor, is amended to read:

Sec. 12. ARIZONA COMMISSION ON THE ARTS

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$667,700</td>
</tr>
<tr>
<td>Community service projects</td>
<td>$1,263,100</td>
</tr>
<tr>
<td>Lump sum reduction</td>
<td>($1,630,800)</td>
</tr>
<tr>
<td>Lump sum reduction (974,700)</td>
<td></td>
</tr>
<tr>
<td>Total appropriation - Arizona commission on the arts</td>
<td>$300,000</td>
</tr>
<tr>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>State general fund</td>
<td>$300,000</td>
</tr>
<tr>
<td></td>
<td>$956,100</td>
</tr>
<tr>
<td>Performance measures:</td>
<td></td>
</tr>
<tr>
<td>Customer satisfaction rating (Scale 1-8)</td>
<td>7.5</td>
</tr>
</tbody>
</table>

Sec. 8. Senate Bill 1188, section 14, forty-ninth legislature, first
regular session, as transmitted to the governor, is amended to read:

Sec. 14. AUTOMOBILE THEFT AUTHORITY

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lump sum appropriation</td>
<td>$673,300</td>
</tr>
<tr>
<td>Automobile theft authority grants</td>
<td>$5,293,400</td>
</tr>
<tr>
<td>Reimbursable programs</td>
<td>$50,000</td>
</tr>
<tr>
<td>Lump sum reduction</td>
<td>($40,600)</td>
</tr>
<tr>
<td>Total appropriation - auto theft authority</td>
<td>$5,976,100</td>
</tr>
</tbody>
</table>
Fund sources:

Automobile theft authority fund $ 5,976,100

Performance measures:

Felony auto theft arrests by auto theft task force 330

Per cent of stolen vehicles recovered (calendar year) 67.0

Number of vehicles stolen statewide (calendar year) 55,000

Customer satisfaction rating (Scale 1-3, 1 highest) 1.0

The automobile theft authority shall submit a report to the joint legislative budget committee for review before expending any monies for the reimbursable programs line item. The agency shall also show sufficient funds collected to cover the expenses indicated in the report.

Automobile theft authority grants shall be awarded with consideration given to areas with greater automobile theft problems and shall be used to combat economic automobile theft operations.

The automobile theft authority shall pay eighty SEVENTY-FIVE per cent of the personal services and employee related expenses for city and county sworn officers who participate in the Arizona vehicle theft task force.

Sec. 9. Senate Bill 1188, section 19, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 19. STATE BOARD OF CHIROPRACTIC EXAMINERS

FTE positions 5.0

Lump sum appropriation $ 474,800

Fund sources:

Board of chiropractic examiners fund $ 474,800

Performance measures:

Average calendar days to renew a license 22

Per cent of complaints resolved within 180 days with no hearing required 23

Per cent of survey responses that indicate that staff was knowledgeable and courteous in public communications 100

Sec. 10. Senate Bill 1188, section 20, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 20. DEPARTMENT OF COMMERCE

2009-10

FTE positions 66.9
Operating lump sum appropriation $ 4,289,900
$ 5,289,900
Arizona trade office in Sonora 25,000
International trade offices 1,716,600
Economic development matching funds 104,000
Main street 130,000
REDI matching grants 45,000
Rural economic development 340,100
Advertising and promotion 659,200
CEDC commission 196,500
National law center/free trade 200,000
Oil overcharge administration 184,900
Minority and women owned business 129,600
Small business advocate 127,000
Apprenticeship services 189,900
Lump sum reduction (3,360,200)
(2,892,700)
Total appropriation – department of commerce $ 4,977,500
$ 6,445,000

Fund sources:
State general fund $ 1,780,000
Bond fund 144,700
CEDC fund 2,601,200
4,068,700
Oil overcharge fund 184,900
State lottery fund 266,700

Performance measures:
Number of workers trained 25,000
Per cent of job training fund monies distributed to small businesses 25
Customer satisfaction rating for business development program (percentage rating services as good or excellent) 88

Of the $2,601,200 $4,068,700 appropriated from the CEDC fund in fiscal year 2009-2010, $250,000 shall be utilized for implementation of cross-industry business/infrastructure development projects and related project coordination in support of regional technology councils and high technology clusters operating in Arizona.
The department of commerce may use monies appropriated from the state general fund, bond fund, CEDC fund and state lottery fund to administer programs that attract and retain jobs in this state and to pay for associated direct, indirect and other costs.

Sec. 11. Senate Bill 1188, section 21, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 21. ARIZONA COMMUNITY COLLEGES

<table>
<thead>
<tr>
<th>College</th>
<th>Equalization aid</th>
<th>Operating state aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cochise</td>
<td>$ 7,841,800</td>
<td>$ 7,430,300</td>
</tr>
<tr>
<td>Graham</td>
<td>17,465,400</td>
<td>17,488,700</td>
</tr>
<tr>
<td>Navajo</td>
<td>6,624,000</td>
<td>2,679,400</td>
</tr>
<tr>
<td>Yuma/La Paz</td>
<td>2,938,300</td>
<td>658,400</td>
</tr>
<tr>
<td>Total - equalization aid</td>
<td>$ 34,869,500</td>
<td>$ 97,070,300</td>
</tr>
<tr>
<td>Cochise</td>
<td></td>
<td>$ 7,430,300</td>
</tr>
<tr>
<td>Coconino</td>
<td>$ 2,678,500</td>
<td>2,679,400</td>
</tr>
<tr>
<td>Gila</td>
<td></td>
<td>$ 601,000</td>
</tr>
<tr>
<td>Graham</td>
<td></td>
<td>4,243,900</td>
</tr>
<tr>
<td>Maricopa</td>
<td>$ 45,293,500</td>
<td>45,327,400</td>
</tr>
<tr>
<td>Mohave</td>
<td></td>
<td>$ 3,596,000</td>
</tr>
<tr>
<td>Navajo</td>
<td></td>
<td>3,682,900</td>
</tr>
<tr>
<td>Pima</td>
<td>$ 15,826,700</td>
<td>15,942,100</td>
</tr>
<tr>
<td>Pinal</td>
<td></td>
<td>4,939,000</td>
</tr>
<tr>
<td>Yavapai</td>
<td>4,935,100</td>
<td>4,122,800</td>
</tr>
<tr>
<td>Yuma/La Paz</td>
<td></td>
<td>4,196,000</td>
</tr>
<tr>
<td>Total - operating state aid</td>
<td>$ 97,070,300</td>
<td>$ 97,556,800</td>
</tr>
<tr>
<td>Rural county reimbursement subsidy</td>
<td>$ 1,000,000</td>
<td>$ 1,000,000</td>
</tr>
<tr>
<td>Total appropriation - Arizona community colleges</td>
<td>$132,929,800</td>
<td>$133,426,300</td>
</tr>
</tbody>
</table>
Fund sources:

State general fund $132,939,800
$133,426,300

Performance measures:
Number of applied baccalaureate programs collaboratively developed with universities 13
Of the $1,000,000 appropriated to the rural county reimbursement subsidy line item, Apache county will receive $523,500, Greenlee county $188,700 and Santa Cruz county $287,800.
The appropriated monies shall not be used to implement the centennial scholars program.

Sec. 12. Senate Bill 1188, section 22, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:
Sec. 22. REGISTRAR OF CONTRACTORS 2009-10
FTE positions 144.8
Operating lump sum appropriation $ 10,524,500
Office of administrative hearings costs 1,002,300
Incentive pay 113,700
Information management system 506,500
Lump-sum reduction (1,912,400)
Total appropriation - registrar of contractors $10,234,600
$12,147,000
Fund sources:
Registrar of contractors fund $10,234,600
$12,147,000
Performance measures:
Average calendar days from receipt of complaint to jobsite inspection 25
Per cent of licensing customers indicating they received excellent service 93
Per cent of inspections customers indicating they received excellent service 89
Any transfer to or from the amount appropriated for the office of administrative hearings costs line item shall require review by the joint legislative budget committee.

Sec. 13. Senate Bill 1188, section 23, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:
Sec. 23. CORPORATION COMMISSION 2009-10
FTE positions 308.3
Operating lump sum appropriation $27,782,900
Corporation filings, same day service 400,400
Utilities audits, studies, investigations and hearings 380,000*
Lump sum reduction (3,144,900)
(1,165,700)
Total appropriation - corporation commission $ 25,418,400
$ 27,397,600

Fund sources:
State general fund $ 3,794,900
$ 600,000
Arizona arts trust fund 51,100
Investment management regulatory and enforcement fund 762,200
Public access fund 4,122,300
6,770,400
Securities regulatory and enforcement fund 3,258,400
4,746,000
Utility regulation revolving fund 13,429,500
14,467,900

Performance measures:
Average turnaround time in days for processing of regular corporate filings 21.8
Average turnaround time in days for processing of expedited corporate filings 4
Number of months required to review applications received by securities division 1.5
Customer satisfaction rating for corporations program (Scale 1-8) 7.5

The $400,400 appropriated from the public access fund for the corporation filings, same day service line item shall revert to the public access fund at the end of fiscal year 2009-2010 if the commission cannot process all expedited services within five business days and all regular services within thirty business days in accordance with sections 10-122, 10-3122 and 29-851, Arizona Revised Statutes.

The corporation commission corporations division shall provide a report by the end of fiscal year 2009-2010 to the joint legislative budget committee on the total number of filings received by the corporations division pursuant to the services listed in sections 10-122, 10-3122 and 29-851, Arizona Revised Statutes, the total number of filings processed by the corporations division and the amount of time, in business days, to process each type of service.
Sec. 14. Senate Bill 1188, section 24, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read: Sec. 24. DEPARTMENT OF CORRECTIONS

2009-10
FTE positions 9,755.9
Correctional officer personal services $118,560,700
$253,646,500
Health care personal services 41,393,000
All other personal services 66,727,000
Employee-related expenditures 171,194,000
Personal services and employee-related expenditures for overtime/compensatory time 13,420,100
Health care all other operating expenditures 90,274,400
69,470,900
Non-health care all other operating expenditures 125,866,200
Total - operating budget $627,435,400
$741,717,700
Fund sources:
State general fund $612,406,200
$727,767,700
State education fund for correctional education 580,200
Alcohol abuse treatment fund 599,300
Penitentiary land fund 198,700
State charitable, penal and reformatory institutions land fund 1,240,500
360,000
Corrections fund 380,500
Transition office fund 180,000
Transition program drug treatment fund 600,000
Prison construction and operations fund 11,250,000
County jail beds $ 866,200
Fund sources:
State general fund $ 866,200
New state prison beds $ 16,064,100
Fund sources:
State general fund $ 16,064,100
Private prison per diem $ 93,464,300
Fund sources:

1. State general fund $62,990,000
2. Corrections fund $64,790,000
3. Penitentiary land fund $1,000,000
4. Prison construction and operations fund $800,000
5. Provisional beds $103,549,800

Fund sources:

1. State general fund $99,493,600
2. Prison construction and operations fund $3,000,000
3. Penitentiary land fund $1,056,200
4. Lump sum appropriation $185,085,800

Fund sources:

1. Federal government services stabilization fund $185,085,800
2. Lump sum reduction $(25,922,500)
3. $(34,645,900)

Fund sources:

1. State general fund $(25,849,600)
2. Corrections fund $(34,573,000)
3. State education fund for correctional education $(35,700)

Performance measures:

1. Escapes from secure facilities 0
2. Number of inmates receiving GED 2,956
3. Number of inmate random positive urinalysis results 1,721

Twenty-five per cent of land earnings and interest from the state charitable, penitentiary and reformatory institutions land fund shall be distributed to the state department of corrections in compliance with the enabling act and the Constitution of Arizona to be used for the support of state penal institutions.

One hundred per cent of land earnings and interest from the penitentiary land fund shall be distributed to the state department of corrections in compliance with the enabling act and the Constitution of Arizona to be used for the support of state penal institutions.
Before the expenditure of any state education fund for correctional education receipts in excess of $544,500, the state department of corrections shall report the intended use of the monies to the director of the joint legislative budget committee.

Before altering its bed capacity by closing state-operated prison beds or canceling or not renewing contracts for privately-operated prison beds, the state department of corrections shall submit a bed plan detailing the proposed bed closures for review by the joint legislative budget committee.

The personal services and employee-related expenditures for overtime/compensatory time line item includes monies for personal services and employee-related expenditure costs from overtime and compensatory time payouts accrued by department employees in fiscal year 2009-2010.

Before placing any additional inmates in out-of-state provisional beds, the department shall place inmates in all available prison beds in facilities that are located in Arizona and that house Arizona inmates, unless the out-of-state provisional beds are of a comparable security level and price.

Any transfer to or from the amounts appropriated for county jail beds, new state prison beds, personal services and employee-related expenditures for overtime/compensatory time, private prison per diem or provisional beds line items shall require review by the joint legislative budget committee.

A monthly report comparing state department of corrections expenditures for the month and year-to-date as compared to prior year expenditures shall be forwarded to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee by the thirtieth of the following month. The report shall include at least each line item of appropriation and the main components of all other operating expenditures. The report shall include an estimate of potential shortfalls, potential surpluses that may be available to offset these shortfalls and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation.

State department of corrections personnel in the correctional officer series who receive a geographic stipend shall not retain the geographic stipend associated with that facility when transferring to other department facilities.

It is the intent of the legislature that the personnel reduction of $12,267,700, included in the lump sum reduction special line item would be achieved through attrition and, to the extent possible, not reduce the number of filled correctional officer positions.

It is the intent of the legislature that the department contract with county jails for the purposes of housing inmates committed to the department if the county agrees to contract at a per diem rate that shall not exceed $50.00.
IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010, $50,000,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE STATE DEPARTMENT OF CORRECTIONS FOR CORRECTIONAL OFFICER PERSONAL SERVICES. THESE MONIES SHALL BE DISBURSED IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (P.L. 111-5).

Sec. 15. Senate Bill 1188, section 27, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 27. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

<table>
<thead>
<tr>
<th>Administration/statewide</th>
<th>FTE positions</th>
<th>$4,707,700</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phoenix day school for the deaf</td>
<td>FTE positions</td>
<td>155.2</td>
</tr>
<tr>
<td></td>
<td>Operating lump sum appropriation</td>
<td>$8,698,200</td>
</tr>
<tr>
<td></td>
<td>School bus replacement</td>
<td>$738,000</td>
</tr>
<tr>
<td></td>
<td>Total - Phoenix day school for the deaf</td>
<td>$9,436,200</td>
</tr>
<tr>
<td>Tucson campus</td>
<td>FTE positions</td>
<td>295.8</td>
</tr>
<tr>
<td></td>
<td>Lump sum appropriation</td>
<td>$16,997,600</td>
</tr>
<tr>
<td>Regional cooperatives</td>
<td>FTE positions</td>
<td>11.0</td>
</tr>
<tr>
<td></td>
<td>Lump sum appropriation</td>
<td>$1,447,600</td>
</tr>
<tr>
<td>Preschool/outreach programs</td>
<td>FTE positions</td>
<td>54.7</td>
</tr>
<tr>
<td></td>
<td>Lump sum appropriation</td>
<td>$4,118,000</td>
</tr>
</tbody>
</table>

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Lump sum reduction

\textbf{Fund sources:}

- State general fund


Total appropriation - Arizona state schools for the deaf and the blind

\textbf{Fund sources:}

- State general fund

Performance measures:

- Per cent of parents rating overall quality of services as "good" or "excellent" based on annual survey: 98
- Per cent of students in grade 5 meeting or exceeding state academic standards in:
  - Reading: 4
  - Writing: 14
  - Math: 0
- Per cent of students in high school meeting or exceeding state academic standards in:
  - Reading: 28
  - Writing: 28
  - Math: 24

Before the expenditure of any Arizona state schools for the deaf and the blind fund monies in excess of $14,695,400 in fiscal year 2009-2010, the joint legislative budget committee shall review the intended use of the funds.

Sec. 16. Senate Bill 1188, section 31, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

\textbf{Administration}

\textbf{FTE positions}: 302.5

\textbf{Operating lump sum appropriation}: $33,342,400

\textbf{Fund sources:}

- State general fund: $26,540,900
- Federal child care and development fund block grant: 823,600
- Federal temporary assistance for needy families block grant: 4,271,400
Public assistance collections fund 407,800
Spinal and head injuries trust fund 39,500
Statewide cost allocation plan fund 1,000,000
Federal Reed act grant 259,200
Finger imaging $ 738,800
State general fund $ 461,300
Federal temporary assistance for needy families block grant 277,500
Attorney general legal services $ 1,042,000
State general fund $ 747,900
Federal child care and development fund block grant 17,300
Federal temporary assistance for needy families block grant 168,000
Public assistance collections fund 108,800
Triagency disaster recovery $ 271,500
Risk management fund $ 271,500

In accordance with section 35-142.01, Arizona Revised Statutes, the department of economic security shall remit to the department of administration any monies received as reimbursement from the federal government or any other source for the operation of the department of economic security west building and any other building lease-purchased by the state of Arizona in which the department of economic security occupies space. The department of administration shall deposit these monies in the state general fund.

In accordance with section 38-654, Arizona Revised Statutes, the department of economic security shall transfer to the department of administration for deposit in the special employee health insurance trust fund any unexpended state general fund monies at the end of each fiscal year appropriated for employer health insurance contributions.

Developmental disabilities
FTE positions 1,921.9
Operating lump sum appropriation $ 46,396,500
State general fund $ 17,883,400
Expenditure authority 28,513,100
Case management - title XIX $ 42,509,800
Fund sources:
State general fund $14,471,500
Expenditure authority 28,038,300

Home and community based services - title XIX $650,550,900
$671,950,900

Fund sources:
State general fund $226,852,000
Expenditure authority $236,252,000

Institutional services - title XIX $15,873,000

Fund sources:
State general fund $ 5,430,900
Expenditure authority 10,442,100
Medical services $142,813,300

Fund sources:
State general fund $ 48,904,800
Expenditure authority 93,908,500
Arizona training program at Coolidge - title XIX $17,018,800

Fund sources:
State general fund $ 5,783,200
Expenditure authority 11,235,600
Medicare clawback payments $ 2,456,100

Fund sources:
State general fund $ 2,456,100
Case management - state-only $ 4,496,000

Fund sources:
State general fund $ 4,496,000
Home and community based services - state-only $ 36,697,500
$ 21,697,500

Fund sources:
State general fund $ 35,849,400
$ 20,849,400
Long-term care system fund 848,100

<table>
<thead>
<tr>
<th>Service Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional services - state-only</td>
<td>$ 294,900</td>
</tr>
<tr>
<td>Fund sources:</td>
<td></td>
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<tr>
<td>State general fund</td>
<td>$ 294,900</td>
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<tr>
<td>Arizona training program at Coolidge - state-only</td>
<td>$ 566,400</td>
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<td>Fund sources:</td>
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<tr>
<td>State general fund</td>
<td>$ 566,400</td>
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<tr>
<td>State-funded long-term care services</td>
<td>$ 26,383,300</td>
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<td>Fund sources:</td>
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<tr>
<td>State general fund</td>
<td>$ 762,900</td>
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<tr>
<td>State-funded long-term care system fund</td>
<td>$ 25,620,400</td>
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<td>Developmental disabilities non-title XIX reduction</td>
<td>$(7,459,100)</td>
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<td>Fund sources:</td>
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<tr>
<td>State general fund</td>
<td>$(7,459,100)</td>
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<tr>
<td>Autism training and oversight</td>
<td>$ 200,000</td>
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<td>Fund sources:</td>
<td></td>
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<tr>
<td>Tobacco tax and healthcare - health research account</td>
<td>$ 200,000</td>
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<td>Children's autism-intensive behavioral treatment services</td>
<td>$ 1,800,000</td>
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<td>Fund sources:</td>
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<tr>
<td>State general fund</td>
<td>$ 1,800,000</td>
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<tr>
<td>Children's autism-intensive early intervention services for toddlers</td>
<td>$ 500,000</td>
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<td>Fund sources:</td>
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<tr>
<td>State general fund</td>
<td>$ 500,000</td>
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<tr>
<td>ARIZONA EARLY INTERVENTION PROGRAM</td>
<td>$ 2,041,700</td>
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<tr>
<td>FUND SOURCES:</td>
<td></td>
</tr>
<tr>
<td>STATE GENERAL FUND</td>
<td>$ 2,041,700</td>
</tr>
</tbody>
</table>

Performance measures:
- Per cent of consumer satisfaction with case management services: 99
- Per cent of relatives and caregivers of consumers stating the services received meet the consumers needs: 95
- Per cent of relatives and caregivers of consumers satisfied with the providers and services received: 95
It is the intent of the legislature that any available surplus monies for developmental disability programs be applied toward the waiting list, unless there are insufficient monies to annualize these costs in the subsequent year. The children's waiting list shall receive first priority. The amount appropriated for developmental disabilities shall be used to provide for services for non-title XIX eligible clients. The amount shall not be used for other purposes, unless a transfer of monies is reviewed by the joint legislative budget committee.

The department of economic security shall report all new placements into a state-owned ICF-MR or the Arizona training program at Coolidge campus in fiscal year 2009-2010 to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee and the reason why this placement, rather than a placement into a privately run facility for the developmentally disabled, was deemed as the most appropriate placement. The department shall also report if no new placements were made. This report shall be made available by July 15, 2010.

All monies in the long-term care system fund unexpended and unencumbered at the end of fiscal year 2009-2010 revert to the state general fund, subject to approval by the Arizona health care cost containment system administration.

The department shall report to the joint legislative budget committee by March 1 of each year on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum shall be not more than two per cent. Before implementation of any changes in capitation rates for the long-term care program, the department of economic security shall report for review the expenditure plan to the joint legislative budget committee. Before the department implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the department shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of $500,000 or greater for a given fiscal year, the department shall submit the policy changes for review by the joint legislative budget committee.

Prior to the implementation of any developmentally disabled or long term care statewide provider rate adjustments not already specifically authorized by the legislature, court mandates or changes to federal law, the department shall submit a report for review by the joint legislative budget committee. The report shall include, at a minimum, the estimated cost of the provider rate adjustment and the ongoing source of funding for the adjustment, if applicable.
For fiscal year 2009-2010, the department of economic security shall not increase reimbursement rates for community service providers and independent service agreement providers contracting with the division of developmental disabilities.

IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010, $2,300,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE DEPARTMENT OF ECONOMIC SECURITY FOR CHILDREN’S AUTISM INTENSIVE BEHAVIORAL TREATMENT SERVICES AND FOR CHILDREN’S AUTISM INTENSIVE EARLY INTERVENTION SERVICES FOR TODDLERS. THESE MONIES SHALL BE DISBURSED IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (P.L. 111-5).

Benefits and medical eligibility

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>574.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$40,657,000</td>
</tr>
</tbody>
</table>

Fund sources:

| State general fund | $25,716,800 |
| Federal temporary assistance for needy families block grant | $14,940,200 |

Temporary assistance for needy families cash benefits $121,873,400

Fund sources:

| State general fund | $41,242,700 |
| Federal temporary assistance for needy families block grant | $80,630,700 |

Tribal pass-through funding $5,192,300

Fund sources:

| State general fund | $5,192,300 |

Tuberculosis control payments $32,200

Fund sources:

| State general fund | $32,200 |

Performance measures:

| Per cent of cash benefits issued timely | 96.0 |
| Per cent of total cash benefits payments issued accurately | 95.0 |
| Per cent of total food stamps payments issued accurately | 96.0 |
| Per cent of clients satisfied with family assistance administration | 90.0 |

The operating lump sum appropriation may be expended on Arizona health care cost containment system eligibility determinations based on the results of the Arizona random moment sampling survey.
Any transfer to or from the $121,873,400 appropriated for temporary assistance for needy families cash benefits requires review by the joint legislative budget committee.

Of the amount appropriated for temporary assistance for needy families cash benefits, $500,000 reflects appropriation authority only to ensure sufficient cashflow to administer cash benefits for tribes operating their own welfare programs. The department shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting staff before the use of any of the $500,000 appropriation authority.

**Child support enforcement**

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>863.8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$ 49,513,700</td>
</tr>
</tbody>
</table>

**Fund sources:**

- **State general fund** $ 7,958,600
- **Child support enforcement administration fund** 12,220,000
- **Expenditure authority** 29,335,100
- **Genetic testing** $ 360,000

**Fund sources:**

- **State general fund** $ 122,400
- **Expenditure authority** 237,600
- **County participation** $ 8,645,200

**Fund sources:**

- **Child support enforcement administration fund** $ 1,384,100
- **Expenditure authority** 7,261,100
- **Attorney general legal services** $ 9,901,400

**Fund sources:**

- **State general fund** $ 887,500
- **Child support enforcement administration fund** 2,426,500
- **Expenditure authority** 6,587,400

**Performance measures:**

- **Total IV-D collections** $371,500,000
- **Ratio of current IV-D support collected and distributed to current IV-D support due** 50.4

<table>
<thead>
<tr>
<th>Service</th>
<th>FTE Positions</th>
<th>Operating Lump Sum Appropriation</th>
<th>Fund Sources</th>
<th>25% Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Aging and Community Services</strong></td>
<td>109.6</td>
<td>$7,296,100</td>
<td>State general fund: 7,048,500</td>
<td>$(5,568,700)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>内部控制 sum $7,296,100</td>
<td>Federal temporary assistance: 247,600</td>
<td>$(1,131,400)</td>
</tr>
<tr>
<td><strong>Adult Services</strong></td>
<td></td>
<td>$18,977,700</td>
<td>State general fund: 18,977,700</td>
<td>$(5,568,700)</td>
</tr>
<tr>
<td><strong>Community and Emergency Services</strong></td>
<td></td>
<td>$5,424,900</td>
<td>State general fund: 5,424,900</td>
<td>$(1,131,400)</td>
</tr>
<tr>
<td><strong>Coordinated Hunger</strong></td>
<td></td>
<td>$2,014,600</td>
<td>State general fund: 1,514,600</td>
<td>$(5,568,700)</td>
</tr>
<tr>
<td><strong>Coordinated Homeless</strong></td>
<td></td>
<td>$2,804,900</td>
<td>State general fund: 1,155,400</td>
<td>$(1,131,400)</td>
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<tr>
<td><strong>Domestic Violence Prevention</strong></td>
<td></td>
<td>$16,647,400</td>
<td>State general fund: 7,626,700</td>
<td>$6,620,700</td>
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<tr>
<td><strong>Domestic Violence Shelter Fund</strong></td>
<td></td>
<td></td>
<td>State general fund: 6,620,700</td>
<td>$2,400,000</td>
</tr>
</tbody>
</table>
Performance measures:
Adult protective services investigation
  per cent rate 100
The department of economic security shall report to the joint legislative budget committee on the amount of state and federal monies available statewide for domestic violence funding by December 15, 2009. The report shall include, at a minimum, the amount of monies available and the state fiscal agent receiving those monies.

ALL DOMESTIC VIOLENCE SHELTER FUND MONIES ABOVE $2,400,000 RECEIVED BY THE DEPARTMENT OF ECONOMIC SECURITY ARE APPROPRIATED FOR THE DOMESTIC VIOLENCE PREVENTION LINE ITEM. THE DEPARTMENT OF ECONOMIC SECURITY SHALL REPORT THE INTENDED USE OF THE MONIES ABOVE $2,400,000 TO THE JOINT LEGISLATIVE BUDGET COMMITTEE.

Children, youth and families
  FTE positions 1,616.7
  Operating lump sum appropriation $102,378,000
Fund sources:
  State general fund $ 64,056,100
  Children and family services training program fund 209,600
  Federal temporary assistance for needy families block grant 38,112,300


Adoption services $ 55,244,600
Fund sources:
  State general fund $ 35,942,200
  Federal temporary assistance for needy families block grant 19,302,400


Adoption services - family preservation projects $ 700,000
Fund sources:
  Federal temporary assistance for needy families block grant $ 700,000
<table>
<thead>
<tr>
<th>Services/Program</th>
<th>Fund Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attorney general legal services</td>
<td></td>
</tr>
<tr>
<td>$12,168,800</td>
<td>State general fund $12,116,600</td>
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<tr>
<td></td>
<td>Federal temporary assistance for needy families block grant $52,200</td>
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<tr>
<td>Child abuse prevention</td>
<td>Child abuse prevention fund $826,900</td>
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<tr>
<td>Children support services</td>
<td>State general fund $40,403,300</td>
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<tr>
<td></td>
<td>Child abuse prevention fund $750,000</td>
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<tr>
<td></td>
<td>Federal temporary assistance for needy families block grant $29,929,100</td>
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<tr>
<td>Comprehensive medical and dental program</td>
<td>State general fund $2,057,000</td>
</tr>
<tr>
<td></td>
<td>Child protective services appeals $732,300</td>
</tr>
<tr>
<td>CPS emergency placement</td>
<td>State general fund $732,300</td>
</tr>
<tr>
<td>Fund sources</td>
<td>State general fund $2,180,100</td>
</tr>
<tr>
<td></td>
<td>Federal temporary assistance for needy families block grant $3,006,400</td>
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<tr>
<td>Family support reduction</td>
<td>$(6,290,000)</td>
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<tr>
<td>Family builders program</td>
<td>$(2,620,800)</td>
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<tr>
<td>Education and training vouchers</td>
<td>$700,000</td>
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<tr>
<td>Family builders program</td>
<td>State general fund $700,000</td>
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<tr>
<td>Federal temporary assistance for needy families block</td>
<td>Family builders program $5,200,000</td>
</tr>
<tr>
<td>Fund sources</td>
<td>Federal temporary assistance for needy families block grant $5,200,000</td>
</tr>
<tr>
<td>Foster care placement</td>
<td>$23,362,600</td>
</tr>
</tbody>
</table>
H.B. 2643

1. Fund sources:

   State general fund $17,139,500

2. Federal temporary assistance for needy families block grant $6,223,100

3. Healthy families $10,750,000

4. Fund sources:

   State general fund $5,715,800

5. Federal temporary assistance for needy families block grant $5,034,200

6. Homeless youth intervention $400,000

7. Fund sources:

   Federal temporary assistance for needy families block grant $400,000

8. Independent living maintenance $2,136,000

9. $2,719,300

10. Fund sources:

    State general fund $2,136,000

11. $2,719,300

12. Intensive family services $1,985,600

13. Fund sources:

    State general fund $1,985,600

14. Joint substance abuse - Arizona families in recovery succeeding together $7,224,500

15. Fund sources:

    State general fund $5,224,500

16. Federal temporary assistance for needy families block grant $2,000,000

17. Permanent guardianship subsidy $8,935,300

18. Fund sources:

    State general fund $7,192,300

19. Federal temporary assistance for needy families block grant $1,743,000

20. CPS residential placement $17,710,000

21. Fund sources:

    State general fund $6,543,400

22. Federal temporary assistance for needy families block grant $11,166,600

23. Performance measures:

24. Per cent of newly hired CPS specialists completing training within 7 months of hire 100
Per cent of children in out-of-home care who have not returned to their families or been permanently placed elsewhere for more than 24 consecutive months 19

Per cent of CPS reports responded to by CPS staff 100

Per cent of CPS original dependencies cases where court denied or dismissed the dependency <1

Per cent of office of administrative hearings where CPS case findings are affirmed 90

Per cent of CPS complaints reviewed by the office of the ombudsman-citizens aide where allegations are reported as valid by the ombudsman 13

Average number of days spent in shelter placements 15

Number of children in shelter care more than 21 days 0

Number of children under 3 in shelter care 0

Number of children under 6 in group homes 0

Any transfer to or from the amounts appropriated for children support services, CPS emergency placement, CPS residential placement or foster care placement requires review by the joint legislative budget committee.

Of the amounts appropriated for children support services, CPS emergency placement, CPS residential placement and foster care placement, $22,613,100 is appropriated from the federal temporary assistance for needy families block grant to the social services block grant for deposit in the following line items in the following amounts:

- Children support services $5,371,700
- CPS emergency placement $2,333,700
- CPS residential placement $9,833,300
- Foster care placement $5,074,400

The department of economic security shall provide training to any new child protective services FTE positions before assigning to any of these employees any client caseload duties.

It is the intent of the legislature that the department of economic security use the funding in the division of children, youth and families to achieve a one hundred per cent investigation rate.

IT IS THE INTENT OF THE LEGISLATURE THAT IN FISCAL YEAR 2009-2010, $18,000,000 WILL BE DISBURSED FROM THE STATE FISCAL STABILIZATION FUND TO THE DEPARTMENT OF ECONOMIC SECURITY FOR CHILDREN SERVICES. THESE MONIES SHALL BE DISBURSED IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (P.L. 111-5).
<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>1</td>
<td><strong>Employment and rehabilitation services</strong></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>FTE positions</td>
<td>559.9</td>
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<tr>
<td>3</td>
<td>Operating lump sum appropriation</td>
<td>$33,957,600</td>
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<td>4</td>
<td><strong>Fund sources:</strong></td>
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<tr>
<td>5</td>
<td>State general fund</td>
<td>$10,259,700</td>
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<tr>
<td>6</td>
<td>Federal child care and development fund block grant</td>
<td>10,839,300</td>
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<tr>
<td>7</td>
<td>Federal temporary assistance for needy families block grant</td>
<td>6,650,200</td>
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<tr>
<td>8</td>
<td>Workforce investment act grant</td>
<td>2,283,700</td>
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<tr>
<td>9</td>
<td>Special administration fund</td>
<td>74,400</td>
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<tr>
<td>10</td>
<td>Spinal and head injuries trust fund</td>
<td>613,800</td>
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<tr>
<td>11</td>
<td>JOBS</td>
<td>$13,247,900</td>
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<td>12</td>
<td><strong>Fund sources:</strong></td>
<td>$19,081,200</td>
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<td>13</td>
<td>State general fund</td>
<td>$1,715,200</td>
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<tr>
<td>14</td>
<td>Federal temporary assistance for needy families block grant</td>
<td>8,032,700</td>
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<td>15</td>
<td>Workforce investment act grant</td>
<td>13,866,000</td>
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<td>16</td>
<td>Special administration fund</td>
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<tr>
<td>17</td>
<td>Day care subsidy</td>
<td>$178,864,000</td>
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<tr>
<td>18</td>
<td><strong>Fund sources:</strong></td>
<td></td>
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<tr>
<td>19</td>
<td>State general fund</td>
<td>$81,295,100</td>
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<tr>
<td>20</td>
<td>Federal temporary assistance for needy families block grant</td>
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<td>21</td>
<td>Workforce investment act grant</td>
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<tr>
<td>22</td>
<td>Transitional child care</td>
<td>$36,193,000</td>
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<tr>
<td>23</td>
<td><strong>Fund sources:</strong></td>
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<td>24</td>
<td>State general fund</td>
<td>$4,514,400</td>
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<td>25</td>
<td>Spinal and head injuries trust fund</td>
<td>204,700</td>
</tr>
<tr>
<td>26</td>
<td>Assistive technology</td>
<td>$200,000</td>
</tr>
</tbody>
</table>
Fund sources:
State general fund $ 200,000
Independent living rehabilitation services $ 2,491,900

Fund sources:
State general fund $ 784,200
Spinal and head injuries trust fund 1,707,700
Workforce investment act - local governments $ 48,040,600

Fund sources:
Workforce investment act grant $ 48,040,600
Workforce investment act - discretionary $ 3,614,000

Fund sources:
Workforce investment act grant $ 3,614,000

Performance measures:
Number of TANF recipients who obtained employment 18,000
Per cent of customer satisfaction with child care 95.0
Vocational rehabilitation individuals successfully rehabilitated 2,000

Of the $178,864,000 appropriated for day care subsidy, $115,199,900 is for a program in which the upper income limit is no more than one hundred sixty-five per cent of the federal poverty level.

The amounts appropriated for day care subsidy and transitional child care shall be used exclusively for child care costs unless a transfer of monies is reviewed by the joint legislative budget committee. Monies shall not be used from these appropriated amounts for any other expenses of the department of economic security unless a transfer of monies is reviewed by the joint legislative budget committee.

Monies in the child care subsidy and transitional child care line items shall be used to provide services only to residents of the state of Arizona who are citizens or legal residents of the United States or who are otherwise lawfully present in the United States.

The department of economic security shall use the $200,000 appropriated for assistive technology to contract with a third party to create a statewide clearinghouse for assistive technology to be distributed to Arizona school districts.

ALL FEDERAL WORKFORCE INVESTMENT ACT DISCRETIONARY MONIES THAT ARE RECEIVED BY THIS STATE IN EXCESS OF $3,614,000 ARE APPROPRIATED TO THE WORKFORCE INVESTMENT ACT-DISCRETIONARY LINE ITEM. EXCESS MONIES MAY NOT BE SPENT UNTIL A PROPOSED EXPENDITURE PLAN FOR THE EXCESS MONIES HAS BEEN REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.
ALL FEDERAL WORKFORCE INVESTMENT ACT MONIES FOR LOCAL GOVERNMENTS THAT ARE RECEIVED BY THIS STATE IN EXCESS OF $48,040,600 ARE APPROPRIATED TO THE WORKFORCE INVESTMENT ACT-LOCAL GOVERNMENTS LINE ITEM. EXCESS MONIES MAY NOT BE SPENT UNTIL A PROPOSED EXPENDITURE PLAN FOR THE EXCESS MONIES HAS BEEN REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.

Lump sum FTE reduction (352.0)

Agencywide lump sum reduction $(119,586,100)

$(107,198,300)

Fund sources:
State general fund $(129,808,500)
$(115,040,000)

Child support enforcement administration fund (796,900)
Domestic violence shelter fund (480,000)
Long-term care system fund (2,972,600)
Federal TANF block grant 15,468,000
9,634,700

Public assistance collections fund (92,200)
Special administration fund (347,000)
Spinal and head injuries trust fund (556,900)

Lump sum reduction deferral $(25,000,000)
$(42,000,000)

Fund sources:
State general fund $(25,000,000)
$(42,000,000)

Performance measures:
Agencywide customer satisfaction rating
(Scale 1-5) 3.8

The above appropriations are in addition to funds granted to the state by the federal government for the same purposes but shall be deemed to include the sums deposited in the state treasury to the credit of the department of economic security pursuant to section 42-5029, Arizona Revised Statutes.

A monthly report comparing total expenditures for the month and year-to-date as compared to prior year totals shall be forwarded to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee by the thirtieth of the following month. The report shall include an estimate of (1) potential shortfalls in entitlement programs, (2) potential federal and other funds, such as the statewide assessment for indirect costs, and any projected surplus in state supported programs that may be available to offset these shortfalls and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation, (3) shortfalls resulting from new leases or renegotiations of current leases and associated costs and (4) total
expenditure authority of the child support enforcement program for the month and year-to-date as compared to prior year totals.

The department of economic security shall not operate more welfare offices than it operated in fiscal year 2005-2006.

It is the intent of the legislature that the department of economic security make the reductions associated with the agencywide lump sum reduction against administrative functions and, to the extent possible, not against programmatic functions.

Sec. 17. Senate Bill 1188, section 32, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 32. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION 2009-10

Administration

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>72.5</th>
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</thead>
<tbody>
<tr>
<td>Lump sum appropriation</td>
<td>$6,469,600</td>
</tr>
</tbody>
</table>

Fund sources:

| State general fund | $6,469,600 |

The lump sum appropriation includes $291,100 and 4 FTE positions for average daily membership auditing and $200,000 and 2 FTE positions for information technology security services.

Formula programs

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>29.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$2,096,800</td>
</tr>
<tr>
<td>Basic state aid</td>
<td>$2,795,599,400</td>
</tr>
<tr>
<td></td>
<td>$2,868,599,400</td>
</tr>
</tbody>
</table>

Fund sources:

| State general fund | $2,749,123,900 |
| | $2,822,123,900 |

| Permanent state school fund | 46,475,500 |

The above appropriation provides basic state support to school districts for maintenance and operations funding as provided by section 15-973, Arizona Revised Statutes, and includes an estimated $46,475,500 in expendable income derived from the permanent state school fund and from state trust lands pursuant to section 37-521, subsection B, Arizona Revised Statutes, for fiscal year 2009-2010.

Receipts derived from the permanent state school fund and any other nonstate general fund revenue source that is dedicated to fund basic state aid will be expended, whenever possible, before expenditure of state general fund monies.

Except as required by section 37-521, Arizona Revised Statutes, all monies received during the fiscal year from national forests, interest collected on deferred payments on the purchase of state lands, the income from the investment of permanent funds as prescribed by the enabling act and the Constitution of Arizona and all monies received by the superintendent of public instruction from whatever source, except monies received pursuant to
sections 15-237 and 15-531, Arizona Revised Statutes, when paid into the state treasury are appropriated for apportionment to the various counties in accordance with law. An expenditure shall not be made except as specifically authorized above.

Additional state aid $366,586,000
Special education fund 35,237,700
Other state aid to districts 983,900
Total - formula programs $3,200,503,800

Fund sources:
State general fund $3,154,028,300
Permanent state school fund 46,475,500

Nonformula programs
FTE positions 149.4
Operating lump sum appropriation $1,312,700
Achievement testing 10,236,900

Before making any changes to the achievement testing program that will increase program costs, the state board of education shall report the estimated fiscal impact of those changes to the joint legislative budget committee.

AIMS intervention; dropout prevention 5,050,000
School accountability 4,699,100
Adult education and GED 4,477,900
Chemical abuse 817,100
English learner administration 4,805,800

The appropriated amount is to be used by the department of education to provide English language acquisition services for the purposes of section 15-756.07, Arizona Revised Statutes, and for the costs of providing English language proficiency assessments, scoring and ancillary materials as prescribed by the department of education to school districts and charter schools for the purposes of title 15, chapter 7, article 3.1, Arizona Revised Statutes. The department of education may use a portion of the appropriated amount to hire staff or contract with a third party to carry out the purposes of section 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192, Arizona Revised Statutes, the superintendent of public instruction also may use a portion of the appropriated amount to contract with one or more private attorneys to provide legal services in connection with the case of Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

Compensatory instruction fund deposit 10,000,000
Arizona structured English immersion fund 8,791,400
Extended school year 500,000
1. Family literacy: 1,008,700
2. Gifted support: 3,377,000
3. School safety program: 6,718,900
4. Small pass-through programs: 100,000

The appropriated amount includes $50,000 for the academic contest fund and $50,000 for the economic academic council.

5. State block grant for early childhood education: 19,438,100
6. State block grant for vocational education: 11,467,700
7. Vocational education extended year: 600,000
8. Teacher certification: 1,971,400

Monies collected by the department of education for teacher certification fees, as authorized by section 15-531, paragraphs 1 and 2, Arizona Revised Statutes, shall be deposited in a teacher certification fund for use in funding costs of the teacher certification program.

9. Parental choice for reading success: 1,000,000

Optional performance incentive programs: 120,000

Total - nonformula programs: $96,492,700

Fund sources:
10. State general fund: $87,303,600
11. Proposition 301 fund: 7,000,000
12. Teacher certification fund: 2,189,100

Performance measures:
13. Per cent of students tested who perform at or above the national norm on the norm-referenced test (grade 2)
   -- reading: 49
   -- math: 54

14. Per cent of students tested who perform at or above the national norm on the norm-referenced test (grade 9)
   -- reading: 54
   -- math: 53

15. Per cent of schools with at least 75% of students meeting or exceeding standards in:
   -- reading: 37
   -- writing: 34
   -- math: 34

16. Per cent of Arizona high school students who enter grade 9 and graduate within 4 years: 74
Per cent of students in grade 3 meeting or exceeding state academic standards in:
-- reading 70
-- writing 77
-- math 72

Per cent of students in grade 5 meeting or exceeding state academic standards in:
-- reading 69
-- writing 66
-- math 71

Per cent of students in grade 8 meeting or exceeding state academic standards in:
-- reading 68
-- writing 77
-- math 62

Per cent of students in grade 12 meeting or exceeding state academic standards in:
-- reading 40
-- writing 42
-- math 29

Per cent of students tested:
-- norm-referenced test (grades 2 and 9) 94
-- AIMS 99

Per cent of Arizona schools receiving an underperforming label 10

Maximum number of days to process complete certification applications 14

Per cent of customers satisfied with certification services 94

State board of education
FTE positions 11.0
Lump sum appropriation $1,146,200

Fund sources:
State general fund $692,500
Teacher certification fund 453,700

Performance measures:
Per cent of parents who rate "A+" the public school that their oldest school-age child attends 9.0

The state board of education program may establish its own strategic plan separate from that of the department of education and based on its own separate mission, goals and performance measures.
Lump sum FTE reduction (20.0)

Lump sum reduction $(13,204,900)

Fund sources:

- State general fund $(13,017,600)
- Teacher certification fund $(187,300)

The department shall not take its lump sum reduction against the vocational education extended year line item.

Total appropriation - state board of education and superintendent of public instruction

$3,291,407,400

Fund sources:

- State general fund $3,235,476,400
- Proposition 301 fund 7,000,000
- Permanent state school fund 46,475,500
- Teacher certification fund 2,455,500

The department shall provide an updated report on its budget status every two months for the first half of each fiscal year and every month thereafter to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees, the director of the joint legislative budget committee and the director of the governor's office of strategic planning and budgeting. Each report shall include, at a minimum, the department's current funding surplus or shortfall projections for basic state aid and other major formula-based programs and shall be due thirty days after the end of the applicable reporting period.

Within fifteen days of each apportionment of state aid that occurs pursuant to section 15-973, subsection B, Arizona Revised Statutes, the department shall provide the joint legislative budget committee staff and the governor's office of strategic planning and budgeting with an electronic spreadsheet or database copy of data included in the apor55-1 report for that apportionment for each school district and the char55-1 report for that apportionment for each charter school.

Sec. 18. Senate Bill 1188, section 33, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 33. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS 2009-10

Administration

- FTE positions 13.9
- Lump sum appropriation $ 2,152,300
- Military gift package postage 100,000
- Total - administration $ 2,252,300
<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fund sources:</td>
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<tr>
<td>2</td>
<td>State general fund</td>
<td>$2,252,300</td>
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<tr>
<td>3</td>
<td><strong>Emergency management</strong></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>FTE positions</td>
<td>12.0</td>
</tr>
<tr>
<td>5</td>
<td>Operating lump sum appropriation</td>
<td>$1,078,100</td>
</tr>
<tr>
<td>6</td>
<td>Civil air patrol</td>
<td>$54,700</td>
</tr>
<tr>
<td>7</td>
<td>Total - emergency management</td>
<td>$1,132,800</td>
</tr>
<tr>
<td>8</td>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>State general fund</td>
<td>$1,000,100</td>
</tr>
<tr>
<td>10</td>
<td>Emergency response fund</td>
<td>$132,700</td>
</tr>
<tr>
<td>11</td>
<td><strong>Military affairs</strong></td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>FTE positions</td>
<td>66.2</td>
</tr>
<tr>
<td>13</td>
<td>Operating lump sum appropriation</td>
<td>$2,769,600</td>
</tr>
<tr>
<td>14</td>
<td>Guardsmen tuition reimbursement</td>
<td>$1,446,000</td>
</tr>
<tr>
<td>15</td>
<td>Project challenge</td>
<td>$1,770,100</td>
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<tr>
<td>16</td>
<td>National guard uniform allowance</td>
<td>$250,000</td>
</tr>
<tr>
<td>17</td>
<td><strong>Border security</strong></td>
<td>$928,800</td>
</tr>
<tr>
<td>18</td>
<td>Total - military affairs</td>
<td>$7,164,500</td>
</tr>
<tr>
<td>19</td>
<td>Fund sources:</td>
<td>$6,235,700</td>
</tr>
<tr>
<td>20</td>
<td>State general fund</td>
<td>$7,164,500</td>
</tr>
<tr>
<td>21</td>
<td>Lump sum FTE reduction</td>
<td>$6,235,700</td>
</tr>
<tr>
<td>22</td>
<td>Lump sum reduction</td>
<td>$(2,403,800)</td>
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<tr>
<td>23</td>
<td>Lump sum reduction</td>
<td>$(2,248,300)</td>
</tr>
<tr>
<td>24</td>
<td>Fund sources:</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>State general fund</td>
<td>$(2,403,800)</td>
</tr>
<tr>
<td>26</td>
<td>Lump sum FTE reduction</td>
<td>$(2,248,300)</td>
</tr>
<tr>
<td>27</td>
<td>Total appropriation - department of emergency and military affairs</td>
<td>$8,145,800</td>
</tr>
<tr>
<td>28</td>
<td>Fund sources:</td>
<td>$7,372,500</td>
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<tr>
<td>29</td>
<td>State general fund</td>
<td>$7,372,500</td>
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<tr>
<td>30</td>
<td>Emergency response fund</td>
<td>$7,239,800</td>
</tr>
<tr>
<td>31</td>
<td>Performance measures:</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Per cent of project challenge graduates either employed or in school</td>
<td>95</td>
</tr>
<tr>
<td>33</td>
<td>Customer satisfaction rating for communities served during disasters (Scale 1-8)</td>
<td>6.0</td>
</tr>
<tr>
<td>34</td>
<td>The department of emergency and military affairs appropriation includes</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>$1,215,000 for service contracts. This amount is exempt from the provisions</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>of section 35-190, Arizona Revised Statutes, relating to lapsing of</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>appropriations, except that all fiscal year 2009-2010 monies remaining</td>
<td></td>
</tr>
</tbody>
</table>
unexpended and unencumbered on October 31, 2010, revert to the state general fund.

It is the intent of the legislature that the department of emergency and military affairs submit a request to the United States department of defense on or before September 30, 2009 to allow the department of emergency and military affairs to conduct training exercises for Arizona national guard units at the Arizona-Mexico border. The department of emergency and military affairs shall report to the joint legislative budget committee on or before December 31, 2009 on the response of the United States department of defense to this request.

Sec. 19. Senate Bill 1188, section 34, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 34. DEPARTMENT OF ENVIRONMENTAL QUALITY

<table>
<thead>
<tr>
<th>Administration</th>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
<td>144.6</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
<td>$ 15,880,300</td>
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<table>
<thead>
<tr>
<th>Fund sources:</th>
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</thead>
<tbody>
<tr>
<td>State general fund</td>
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<tr>
<td>Indirect cost recovery fund</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Air programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Air quality management and analysis</td>
</tr>
<tr>
<td>Emissions control contractor payment</td>
</tr>
<tr>
<td>Emissions control program administration</td>
</tr>
<tr>
<td>Transfers to counties program</td>
</tr>
<tr>
<td>Maricopa, Pima and Pinal counties travel reduction plan</td>
</tr>
<tr>
<td><strong>Total - air programs</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund sources:</th>
</tr>
</thead>
<tbody>
<tr>
<td>State general fund</td>
</tr>
<tr>
<td>Air quality fund</td>
</tr>
<tr>
<td>Air permits administration fund</td>
</tr>
<tr>
<td>Emissions inspection fund</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Waste programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Waste control and management</td>
</tr>
<tr>
<td>Underground storage tank program</td>
</tr>
<tr>
<td>Waste tire program</td>
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<tr>
<td><strong>Total - waste programs</strong></td>
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Fund sources:

<table>
<thead>
<tr>
<th>Fund Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>State general fund</td>
<td>$4,555,500</td>
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<tr>
<td>Air permits administration fund</td>
<td>$5,652,400</td>
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<tr>
<td>Air quality fund</td>
<td>$5,136,800</td>
</tr>
<tr>
<td>Clean water revolving fund</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Emissions inspection fund</td>
<td>$33,409,200</td>
</tr>
<tr>
<td>Hazardous waste management fund</td>
<td>$795,000</td>
</tr>
<tr>
<td>Indirect cost recovery fund</td>
<td>$11,172,700</td>
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<tr>
<td>Solid waste fee fund</td>
<td>$1,242,900</td>
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<tr>
<td>Underground storage tank revolving fund</td>
<td>$22,000</td>
</tr>
<tr>
<td>Used oil fund</td>
<td>$137,800</td>
</tr>
<tr>
<td>Water quality fee fund</td>
<td>$5,605,200</td>
</tr>
</tbody>
</table>

Performance measures:

- Per cent of contaminated sites closed requiring no further action (cumulative) versus known sites: **84.5**
- Number of nonattainment areas exceeding national ambient air quality standards: **5**
- Per cent of statutorily set permit timelines met through licensing time frames rule: **100**
- Number of days per year exceeding national ambient air quality standards for ozone, carbon monoxide or particulates: **0**
- Per cent of facilities from drinking water priority log assigned to enforcement staff: **100**
- Customer satisfaction rating for citizens (Scale 1-8): **7.7**

Of the monies appropriated to the Maricopa, Pima and Pinal counties travel reduction plan line item in fiscal year 2009-2010, $948,600 shall be allocated to Maricopa county, $373,000 shall be allocated to the Pima association of governments, $87,000 shall be allocated to Pinal county and $268,300 shall be allocated to Pima county.

When expenditures from the hazardous waste or environmental health reserves are authorized, the director of the department of environmental quality shall report the nature of the emergency and the authorized expenditure amount to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee.

Any transfer from the amount appropriated for the Arizona pollutant discharge elimination system line item shall require prior joint legislative budget committee review.
Pursuant to section 49-282, Arizona Revised Statutes, the department of environmental quality shall submit a fiscal year 2010-2011 budget for the water quality assurance revolving fund before September 1, 2009, for review by the senate and house of representatives appropriations committees.

The department of environmental quality shall report annually on the progress of WQARF activities, including emergency response, priority site remediation, cost recovery activity, revenue and expenditure activity and other WQARF-funded program activity. This report shall also include a budget for the WQARF program that is developed in consultation with the WQARF advisory board. The fiscal year 2009-2010 report shall be submitted to the joint legislative budget committee by September 1, 2009. This budget shall specify the monies budgeted for each listed site during fiscal year 2009-2010. In addition, the department and the advisory board shall prepare and submit to the joint legislative budget committee, by October 2, 2009, a report in a table format summarizing the current progress on remediation of each listed site on the WQARF registry. The table shall include the stage of remediation for each site at the end of fiscal year 2008-2009, whether the current stage of remediation is anticipated to be completed in fiscal year 2009-2010 and the anticipated stage of remediation at each listed site at the end of fiscal year 2009-2010, assuming fiscal year 2009-2010 funding levels. The department and advisory board may include other relevant information about the listed sites in the table.

The monies appropriated in the transfers to counties program line item are for use by Arizona counties to avoid being declared in nonattainment of particulate matter standards by establishing public notification and outreach programs, minimizing exposure to particulate matter concentrations, and abating and minimizing controllable sources of particulate matter through best available control measures. Of the monies in the transfers to counties program line item in fiscal year 2009-2010, $50,000 shall be used by Pima county for carbon monoxide monitoring as required by the Pima county limited maintenance plan with the United States environmental protection agency.


The department of environmental quality shall submit a written report detailing the maximum, minimum and average water quality permit processing times for fiscal year 2008-2009 by December 1, 2009, for review by the joint legislative budget committee. The fiscal year 2008-2009 data shall contain the year-to-date actual data and projected totals for each year. This report shall also include total number of staff hours devoted to water quality permit processing in fiscal year 2008-2009, the total costs to process these
permits and the progress made in reducing water quality permit processing times.


Sec. 20. Senate Bill 1188, section 35, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 35. STATE BOARD OF EQUALIZATION

FTE positions 7.0
Lump sum appropriation $ 556,800
$ 602,500

Fund sources:
State general fund $ 556,800
$ 602,500

Performance measures:
Average calendar days to process a property tax appeal from receipt to issuance 28
Per cent of rulings upheld in tax courts 100
Customer satisfaction rating (Scale 1-8) 6.1

Sec. 21. Senate Bill 1188, section 36, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 36. BOARD OF EXECUTIVE CLEMENCY

FTE positions 15.0
Lump sum appropriation $ 857,200
$ 951,600

Fund sources:
State general fund $ 857,200
$ 951,600

Performance measures:
Customer satisfaction rating for victims (Scale 1-8) 6.0

Sec. 22. Senate Bill 1188, section 39, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 39. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

FTE positions 49.0
Lump sum appropriation $ 2,808,900
$ 2,362,200
Fund sources:

- State general fund: $2,808,900
- $2,362,200

Performance measures:

- Per cent of manufactured homes complaints closed vs. complaints filed: 98
- Customer satisfaction rating (Scale 1-5): 4.7
- Sec. 23. Senate Bill 1188, section 41, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:
  Sec. 41. GAME AND FISH DEPARTMENT

FTE positions: 273.5
Operating lump sum appropriation: $32,850,300
$33,811,200

Pittman - Robertson/Dingell - Johnson act: 3,808,000
Performance incentive pay program: 346,800*
Lower Colorado multispecies conservation: 350,000
Watercraft grant program: 250,000
Watercraft safety education program: 1,175,000
Lump sum reduction: (1,410,900)
Total appropriation - game and fish department: $37,369,200
$39,741,000

Fund sources:

- Game and fish fund: $34,899,100
- Waterfowl conservation fund: 43,400
- Wildlife endowment fund: 16,000
- Watercraft licensing fund: 2,080,800
- 4,452,600
- Game, nongame, fish and endangered species fund: 329,900

Performance measures:

- Per cent of the public surveyed rating watercraft safety as "good" or "excellent": 80
- Per cent of anglers surveyed reporting they were satisfied with their angling experiences: 81

In addition to the $3,808,000 for the Pittman - Robertson/Dingell - Johnson act line item, the lump sum appropriation includes $50,000 for cooperative fish and wildlife research which may be used for the purpose of matching federal and apportionment funds.
The $300,000 from the game and fish fund and $46,800 from the watercraft licensing fund in fiscal year 2009-2010 for the performance incentive pay program line item shall be used for personal services and employee-related expenditures associated with the department's performance incentive pay program. This appropriation is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 24. Senate Bill 1188, section 44, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 44. GOVERNMENT INFORMATION TECHNOLOGY AGENCY
2009-10
FTE positions 23.0
Operating lump sum appropriation $ 7,815,100
Statewide information security and privacy office 870,300
Public safety communications 880,600
Lump sum reduction (1,865,200)
(1,377,300)
Total appropriation – government information technology agency $ 7,700,800
$ 8,188,700
Fund sources:
State general fund $ 734,400
Information technology fund 3,066,400
3,485,500
State web portal fund 3,900,000
Performance measures:
Per cent of information technology (IT) projects completed on schedule 96
Per cent of IT projects completed within budget 96
Per cent of agency IT managers rating GITA performance as excellent 60
Per cent of IT projects that are compliant with state enterprise architecture standards 90

Sec. 25. Senate Bill 1188, section 45, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 45. OFFICE OF THE GOVERNOR
2009-10
Operating Lump sum appropriation $ 6,784,900*
$ 7,384,900*
County fairs livestock and agricultural promotion fund 1,779,500
Total appropriation – office of the governor $ 8,564,400
Fund sources:

State general fund $ 8,564,400
$ 7,384,900

Included in the operating lump sum appropriation of $6,784,900
$7,384,900 for fiscal year 2009-2010 is $10,000 for the purchase of mementos
and items for visiting officials.

Sec. 26. Senate Bill 1188, section 46, forty-ninth legislature, first
regular session, as transmitted to the governor, is amended to read:

Sec. 46. GOVERNOR’S OFFICE OF STRATEGIC PLANNING AND BUDGETING

FTE positions 23.0
Lump sum appropriation $ 1,899,600
$ 2,149,600*

Fund sources:

State general fund $ 1,899,600
$ 2,149,600

Performance measures:

Per cent of participants rating budget and
planning training “good” or “excellent” 94

Sec. 27. Senate Bill 1188, section 47, forty-ninth legislature, first
regular session, as transmitted to the governor, is amended to read:

Sec. 47. DEPARTMENT OF HEALTH SERVICES

Administration

FTE positions 432.8
Operating lump sum appropriation $ 17,039,000

Fund sources:

State general fund $ 14,251,600
Capital outlay stabilization
fund 1,578,000
Emergency medical services
operating fund 209,400
Indirect cost fund 1,000,000
Assurance and licensure $ 11,302,300
$ 6,808,900

Fund sources:

State general fund $ 9,144,700
$ 4,651,300

Federal child care and development
fund block grant 829,200
Hearing and speech professionals
fund 340,200
<table>
<thead>
<tr>
<th>Line</th>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>1</td>
<td>Nursing care institution resident protection revolving fund</td>
<td>38,000</td>
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<td>Expenditure authority</td>
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<td>6</td>
<td>Emergency medical services operating fund</td>
<td>50,000</td>
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<td>7</td>
<td>Newborn screening program fund - indirect costs</td>
<td>$478,600</td>
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<td>Fund sources:</td>
<td></td>
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<td>9</td>
<td>Newborn screening program fund</td>
<td>$478,600</td>
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<td>Indirect cost fund</td>
<td>$8,075,700</td>
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<td>11</td>
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<td></td>
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<tr>
<td>12</td>
<td>Newborn screening program fund</td>
<td>$478,600</td>
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<td>Indirect cost fund</td>
<td>$8,075,700</td>
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<td>14</td>
<td>Performance measures:</td>
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<tr>
<td>15</td>
<td>Per cent of relicensure surveys completed on time:</td>
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<td>16</td>
<td>Child care facilities</td>
<td>97</td>
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<td>17</td>
<td>Health care facilities</td>
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<td>18</td>
<td>Per cent of complaint investigations initiated later than investigative guidelines:</td>
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<tr>
<td>19</td>
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<td>FTE positions</td>
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<td>Operating lump sum appropriation</td>
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<td>Emergency medical services operating fund</td>
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<td>AIDS reporting and surveillance</td>
<td>$1,125,000</td>
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<td>29</td>
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<td>Alzheimer's disease research</td>
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<td>Community health centers</td>
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<td>36</td>
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<td>3</td>
<td>Tobacco tax and health care fund - medically needy account</td>
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<td>County tuberculosis provider care and control</td>
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<td>25</td>
<td>Fund sources:</td>
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<td>Environmental laboratory licensure revolving fund</td>
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<td>Reimbursement to counties</td>
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<td>31</td>
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<td>33</td>
<td>Renal and nonrenal disease management</td>
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<td></td>
</tr>
<tr>
<td>35</td>
<td>Scorpion antivenom</td>
<td></td>
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</tbody>
</table>
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Fund sources:
- State general fund $150,000
- Telemedicine $260,000

Fund sources:
- State general fund $260,000
- Teratogen program $60,000

Fund sources:
- State general fund $60,000
- Trauma advisory board $405,400

Fund sources:
- Emergency medical services operating fund $405,400
- Vaccines $6,132,900

Fund sources:
- State general fund $6,132,900
- Vital records maintenance $499,700

Fund sources:
- Vital records electronic systems fund $499,700
- Public health appropriation $1,000,000

Fund sources:
- Tobacco tax and health care fund - health research account $1,000,000
- Public health reduction $(1,000,000)

Fund sources:
- State general fund $(1,000,000)

Performance measures:
- Immunization rate among two-year-old children 84
- Per cent of high school youth who smoked in the last month 18
- Customer waiting time in vital records lobby (in minutes) 15

Of the $13,481,400 appropriated for community health centers, at least $564,000 shall be distributed to Yavapai county for county primary care programs.

The department of health services may use up to four per cent of the amounts appropriated for renal and nonrenal disease management, community health centers and telemedicine for the administrative costs to implement each program.

Monies appropriated for AIDS reporting and surveillance and renal and nonrenal disease management shall be used to provide services only to residents of the state of Arizona who are citizens or legal residents of the United States or who are otherwise lawfully present in the United States.
The appropriation for direct grants is to provide for local health work and a portion of the cost of employing one public health nurse and one sanitarian in counties with populations of less than five hundred thousand persons. The monies are to be divided equally among eligible counties on a nonmatching basis. All monies that are received by a county under this appropriation and that are not used for the prescribed purposes revert to the state general fund.

The $67,900 appropriated for reimbursement to counties is to provide matching monies to counties with populations of less than five hundred thousand persons for local health work on an equal matching basis and shall be distributed based on the proportion of funding each county received in fiscal year 2002-2003.


The department of health services shall require the screening of potential recipients of vaccines for private insurance coverage, eligibility for the federal vaccines for children program and eligibility for the state children’s health insurance program. This requirement applies to vaccines purchased with state monies appropriated for the vaccines line item for both the federal 317 program and the state-only immunization program.

The department of health services shall distribute the entire appropriation for Alzheimer's disease research to grant recipients by September 30, 2009.

Family health

- FTE positions: 96.8
- Operating lump sum appropriation: $ 5,803,500

Fund sources:
- State general fund: $ 3,622,500
- Expenditure authority: 2,181,000

Fund sources:
- Adult cystic fibrosis: $ 105,200

Fund sources:
- State general fund: $ 105,200
- Adult sickle cell anemia: $ 33,000

Fund sources:
- State general fund: $ 33,000

AHCCCS - children's rehabilitative services:
- $ 74,677,100

Fund sources:
- State general fund: $ 25,576,900
- Expenditure authority: 49,100,200

Breast and cervical cancer:
- and bone density screening: $ 1,015,800
Fund sources:

1. State general fund $1,015,800
2. Child fatality review team $246,300

Fund sources:

3. Child fatality review fund $99,100
4. Emergency medical services operating fund $147,200

Children's rehabilitative services $3,587,000

Fund sources:

5. State general fund $3,587,000
6. County prenatal services grant $1,033,600

Fund sources:

7. State general fund $1,033,600
8. Folic acid $400,000

Fund sources:

9. Tobacco tax and health care fund - medically needy account $400,000
10. High risk perinatal services $5,230,600

Fund sources:

11. State general fund $4,780,600
12. Emergency medical services operating fund $450,000

Medicaid special exemption payments $1,659,500

Fund sources:

13. State general fund $568,400
14. Expenditure authority $1,091,100
15. Newborn screening program $6,326,700

Fund sources:

16. Newborn screening program fund $6,326,700
17. Senior food programs $500,000

Fund sources:

18. State general fund $500,000

Performance measures:

19. Number of newborns screened under newborn screening program 101,810

The amounts appropriated for children's rehabilitative services and for AHCCCS - children's rehabilitative services are intended to cover all costs in full for contracts for the provision of services to clients, unless a transfer of monies is reviewed by the joint legislative budget committee.
The department of health services may transfer up to $350,000 in revenues from the indirect cost fund to the Arizona health care cost containment system administration for the purpose of meeting indirect cost state match requirements related to AHCCCS - children's rehabilitative services program.

Of the $5,230,600 appropriated for high risk perinatal services $583,000 shall be distributed to counties.

**Behavioral health**

FTE positions 166.0
Operating lump sum appropriation $ 9,518,100

Fund sources:
State general fund $ 4,454,200
Expenditure authority 5,063,900
Arnold v. Sarn $ 37,100,600

Fund sources:
State general fund $ 27,500,000
Expenditure authority 9,600,600

Children's behavioral health services $ 8,851,800

Fund sources:
State general fund $ 8,851,800

Children's behavioral health state match for title XIX $407,201,800

Fund sources:
State general fund $139,446,300
Expenditure authority 267,755,500

Court monitoring $ 197,500

Fund sources:
State general fund $ 197,500

Dual eligible part D copay subsidy $ 802,600

Fund sources:
State general fund $ 802,600

Medicaid special exemption payments $ 23,096,500

Fund sources:
State general fund $ 7,909,400
Expenditure authority 15,187,100

Medicare clawback payments $ 11,932,800

Fund sources:
State general fund $ 11,932,800

Mental health and substance abuse state match for title XIX $121,065,400
Fund sources:

State general fund $41,458,800
Tobacco tax and health care fund $37,858,800

TOBACCO TAX AND HEALTH CARE FUND - MEDICALLY NEEDY ACCOUNT 3,600,000
Expenditure authority 79,606,600
Mental health nontitle XIX $2,447,300

Fund sources:

State general fund $1,947,300
Tobacco tax and health care fund medically needy account 500,000
Proposition 204 - administration $6,534,800

Fund sources:

State general fund $2,130,200
Expenditure authority 4,404,600
Proposition 204 - children's behavioral health services $5,097,600

Fund sources:

State general fund $1,745,700
Expenditure authority 3,351,900
Proposition 204 - general mental health and substance abuse $121,138,500

Fund sources:

State general fund $41,483,900
Expenditure authority 79,654,600
Proposition 204 - seriously mentally ill services $233,660,900

Fund sources:

State general fund $80,017,200
Expenditure authority 153,643,700
Seriously mentally ill nontitle XIX $61,116,700

Fund sources:

State general fund $30,191,900
Tobacco tax and health care fund medically needy account 30,924,800
Seriously mentally ill state match for title XIX $231,174,000

Fund sources:

State general fund $79,165,500
Expenditure authority 152,008,500
Substance abuse nontitle XIX $13,635,400
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Fund sources:

1. State general fund $ 11,135,400
2. Substance abuse services fund $ 2,500,000
3. Contract compliance $ 5,523,500

Fund sources:

4. State general fund $ 1,856,100
5. Expenditure authority $ 3,667,400

Performance measures:

6. Per cent of RBHA title XIX clients satisfied with services 90
7. Per cent of title XIX population that is enrolled in a behavioral health service 12

The amount appropriated for children's behavioral health services shall be used to provide services for nontitle XIX eligible children. The amount shall not be used to pay for either federally or nonfederally reimbursed services for title XIX eligible children, unless a transfer of monies is reviewed by the joint legislative budget committee.

It is the intent of the legislature that the total amount available in the Arnold v. Sarn line item be used for the population covered by the Arnold v. Sarn lawsuit in counties with a population of two million or more persons and for seriously mentally ill persons that meet the same criteria as those covered by the Arnold v. Sarn lawsuit in counties with populations of less than two million persons.

It is the intent of the legislature that the per cent attributable to administrationprofit for the regional behavioral health authority in Maricopa county is nine per cent of the overall capitation rate.

The department of health services shall report to the joint legislative budget committee thirty days after the end of each calendar quarter on the progress the department is making toward settling the Arnold v. Sarn lawsuit. The report shall include at a minimum the department's progress towards meeting the exit criteria and whether the department is in compliance with the exit criteria schedule.

Arizona state hospital

FTE positions 877.7
Operating lump sum appropriation $ 56,762,900

Fund sources:

State general fund $ 49,111,000
Arizona state hospital fund $ 47,733,600
Arizona state hospital land earnings fund 7,879,300
Arizona state hospital forensic unit debt service $ 3,111,700
H.B. 2643

1 Fund sources:
2  State general fund $  3,111,700
3  Community placement treatment $  6,704,800
4 Fund sources:
5  State general fund $  5,574,100
6  Arizona state hospital fund 1,130,700
7  Sexually violent persons $ 10,630,200
8 Fund sources:
9  State general fund $10,630,200
10 ARIZONA STATE HOSPITAL FUND 2,149,500
11 Electronic medical records $  300,000
12 Fund sources:
13  State general fund $  300,000
14 Performance measures:
15 Per cent of adult clients successfully
16 placed in community who return for
17 another stay within one year of discharge 6.0
18 Agencywide FTE positions reduction (161.0)
19 Agencywide lump sum reduction $(66,424,800)
20 $(49,424,800)
21 Fund sources:
22  State general fund $(63,909,100)
23 $(46,909,100)
24 Emergency medical services
25 operating fund (847,600)
26 Environmental lab licensure
27 revolving fund (41,300)
28 Hearing and speech professionals
29 fund (20,900)
30 Indirect cost fund (1,289,900)
31 Substance abuse services fund (250,000)
32 Vital records electronic systems
33 fund (66,000)
34 The department shall report to the joint legislative budget committee
35 by March 1 of each year on preliminary actuarial estimates of the capitation
36 rate changes for the following fiscal year along with the reasons for the
37 estimated changes. For any actuarial estimates that include a range, the
38 total range from minimum to maximum shall be no more than two per cent.
39 Before implementation of any changes in capitation rates for the
40 AHCCCS - children's rehabilitative services line item and any title XIX
41 behavioral health line items, the department of health services shall report
42 its expenditure plan for review by the joint legislative budget committee.
43 Before the department implements any changes in policy affecting the amount,
44 sufficiency, duration and scope of health care services and who may provide
services, the department shall prepare a fiscal impact analysis on the
potential effects of this change on the following year's capitation rates.
If the fiscal analysis demonstrates that these changes will result in
additional state costs of $500,000 or greater for a given fiscal year, the
department shall submit the policy changes for review by the joint
legislative budget committee.

In addition to the appropriation for the department of health services,
earnings on state lands and interest on the investment of the permanent land
funds are appropriated to the state hospital in compliance with the enabling
act and the Constitution of Arizona.

A monthly report comparing total expenditures for the month and
year-to-date as compared to prior year totals shall be forwarded to the
president of the senate, the speaker of the house of representatives, the
chairpersons of the senate and house of representatives appropriations
committees and the director of the joint legislative budget committee by the
thirtieth of the following month. The report shall include an estimate of
(1) potential shortfalls in programs, (2) potential federal and other funds,
such as the statewide assessment for indirect costs, that may be available to
offset these shortfalls, and a plan, if necessary, for eliminating any
shortfall without a supplemental appropriation and (3) total expenditure
authority of the month and year-to-date for seriously mentally ill state
match for title XIX, seriously mentally ill nontitle XIX, children's
behavioral health services, children's behavioral health state match for
title XIX, mental health nontitle XIX, substance abuse nontitle XIX,
seriously emotionally handicapped children and children's rehabilitative
services.

Any transfer to or from the amounts appropriated for seriously mentally
ill state match for title XIX, seriously mentally ill nontitle XIX,
Arnold v. Sarn, vital records maintenance, folic acid, children's behavioral
health services, children's behavioral health state match for title XIX,
mental health nontitle XIX, substance abuse nontitle XIX, mental health and
substance abuse state match for title XIX, children's rehabilitative
services, AHCCCS - children's rehabilitative services, adult cystic fibrosis,
adult sickle cell anemia, high risk perinatal services, county prenatal
services grant, community placement treatment, dual eligible copay subsidy,
sexually violent persons, county tuberculosis provider care and control,
community health centers, vaccines, renal and nonrenal disease management,
AIDS reporting and surveillance, telemedicine, university of Arizona poison
center funding and poison control center funding shall require review by the
joint legislative budget committee. The department may transfer monies
between the amounts appropriated for proposition 204 children's behavioral
health services, proposition 204 seriously mentally ill services and
proposition 204 general mental health and substance abuse without review by
the joint legislative budget committee but may not transfer monies to and
from these line items to any other line item except as provided above without
review by the joint legislative budget committee. The amounts appropriated for these items shall be used exclusively for contracts for the provision of services to clients unless a transfer of monies is reviewed by the joint legislative budget committee or unless otherwise permitted to be expended for administrative costs as specified in this act. Monies shall not be used from these appropriated amounts for any other expenses of the department of health services, unless a transfer of monies is reviewed by the joint legislative budget committee.

It is the intent of the legislature that the department of health services make the reductions associated with the agencywide lump sum reduction against administrative functions and, to the extent possible, not against programmatic functions.

The lump sum reduction may not be taken against the appropriation made for Alzheimer's disease research.

Sec. 28. Senate Bill 1188, section 52, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 52. INDUSTRIAL COMMISSION OF ARIZONA

2009-10

FTE positions 279.0
Lump sum appropriation $16,614,900
Fund sources:
Industrial commission administrative fund $16,614,900
$19,859,700
Performance measures:
Average number of days to resolve a case by the administrative law judge division 118
Per cent of workers' compensation claims processed within five days 97
Elevator inspections conducted 5,847
Customer satisfaction rating for workers' compensation program (Scale 1-8) 7.1

Sec. 29. Senate Bill 1188, section 53, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 53. DEPARTMENT OF INSURANCE

2009-10

FTE positions 95.5
Operating lump sum appropriation $6,731,700
$7,369,700
Managed care and dental plan oversight 638,000
Lump sum reduction $(1,624,400)$

Total appropriation - department of insurance $5,745,300$

Fund sources:
- State general fund $5,745,300$

Performance measures:
- Average calendar days to complete a consumer complaint investigation 75
- Per cent of survey licensees respondents indicating "satisfied" or "better" 93
- Per cent of consumer services survey respondents indicating "satisfied" or "better" 77
- Average number of days to issue a license 42

It is the intent of the legislature that $294,000 in fiscal year 2009-2010 shall be for new agreements to prosecute fraud cases and shall be funded by the department from revenues from fraud unit fees.

Sec. 30. Senate Bill 1188, section 55, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 55. DEPARTMENT OF JUVENILE CORRECTIONS

FTE positions 1,050.7

Lump sum appropriation $78,297,500

Fund sources:
- State general fund $73,499,400
- State charitable, penal and reformatory institutions land fund 1,749,600
- Criminal justice enhancement fund 601,100
- State education fund for committed youth 2,447,400

Performance measures:
- Escapes from DJC secure care facilities 0
- Per cent of juveniles passing the GED language test 56
- Per cent of juveniles who show progress in their primary treatment problem area 75
- Per cent of juveniles returned to custody within 12 months of release 36
The department shall provide a travel stipend to all southwest regional juvenile correction complex staff whose residence is at least twenty miles from work.

Twenty-five per cent of land earnings and interest from the state charitable, penal and reformatory institutions land fund shall be distributed to the department of juvenile corrections, in compliance with section 25 of the enabling act and the Constitution of Arizona, to be used for the support of state juvenile institutions and reformatories.

Sec. 31. Senate Bill 1188, section 59, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 59. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

| 2009-10 | 
| FTE positions | 42.2 |
| Lump sum appropriation | $2,724,000 |
| $700,000 |

Fund sources:

State general fund | $2,724,000 |
| $700,000 |

Performance measures:

Investigations and routine liquor inspections completed | 3,750 |

Average calendar days to complete an investigation | 14 |

Per cent of customers who responded to the survey reporting "very good" or "excellent" service | 86 |

Sec. 32. Senate Bill 1188, section 60, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 60. ARIZONA STATE LOTTERY COMMISSION

| 2009-10 | 
| FTE positions | 104.0 |
| Operating lump sum appropriation | $7,996,600 |
| Sales incentive program | $50,000 |
| Telecommunications | $629,400 |
| Advertising | $11,000,000 |
| $16,000,000 |
| Lump sum reduction | ($1,394,400) |
| ($1,000,000) |

Total appropriation - Arizona state lottery commission | $18,281,600 |

Fund source:

State lottery fund | $18,281,600 |
| $23,676,000 |
H.B. 2643

Performance measures:

1. Increase in online sales from prior year $5,922,100
2. Increase in instant ticket sales from prior year $3,380,500
3. Customer satisfaction rating for retailers (Scale 1-8) 7.5

An amount equal to 3.6 per cent of actual instant ticket sales is appropriated for the printing of instant tickets or for contractual obligations concerning instant ticket distribution. This amount is currently estimated to be $9,209,800 in fiscal year 2009-2010.

An amount equal to a percentage of actual online game sales as determined by contract is appropriated for payment of online vendor fees. This amount is currently estimated to be $9,129,300, or 4.0322 per cent of actual online ticket sales in fiscal year 2009-2010.

An amount equal to 6.5 per cent of gross lottery game sales is appropriated for payment of sales commissions to ticket retailers. An additional amount of not to exceed 0.5 per cent of gross lottery game sales is appropriated for payment of sales commissions to ticket retailers. The combined amount is currently estimated to be 6.7 per cent of total ticket sales, or $32,310,100 in fiscal year 2009-2010.

Sec. 33. Senate Bill 1188, section 73, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 73. STATE PARKS BOARD

<table>
<thead>
<tr>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Operating lump sum appropriation</td>
</tr>
<tr>
<td>Arizona trail</td>
</tr>
<tr>
<td>Kartchner caverns state park</td>
</tr>
<tr>
<td>Lump sum reduction</td>
</tr>
<tr>
<td>(-7,402,300)</td>
</tr>
<tr>
<td>Total appropriation - Arizona state parks board</td>
</tr>
<tr>
<td>$9,960,600</td>
</tr>
</tbody>
</table>

Fund sources:

| State general fund | $2,305,200 |
| State parks enhancement fund | 8,416,500 |
| Law enforcement and boating safety fund | 1,092,700 |
| Reservation surcharge revolving fund | 451,400 |

Performance measures:

1. Annual park attendance 2,500,000
2. Per cent of park visitors rating their experience "good" or "excellent" 95
The appropriation for law enforcement and boating safety fund projects is an estimate representing all monies distributed to this fund, including balance forward, revenue and transfers during fiscal year 2009-2010. These monies are appropriated to the Arizona state parks board for the purposes established in section 5-383, Arizona Revised Statutes. The appropriation shall be adjusted as necessary to reflect actual final receipts credited to the law enforcement and boating safety fund.

All other operating expenditures include $26,000 from the state parks enhancement fund for Fool Hollow state park revenue sharing. If receipts to Fool Hollow exceed $260,000 in fiscal year 2009-2010, an additional ten percent of this increase of Fool Hollow receipts is appropriated from the state parks enhancement fund to meet the revenue sharing agreement with the city of Show Low and the United States forest service.

All reservation surcharge revolving fund receipts received by the Arizona state parks board in excess of $451,400 in fiscal year 2009-2010 are appropriated to the reservation surcharge revolving fund. Before the expenditure of any reservation surcharge revolving fund monies in excess of $451,400 in fiscal year 2009-2010, the Arizona state parks board shall submit the intended use of the monies for review by the joint legislative budget committee.

During fiscal year 2009-2010, no more than $5,000 each year from appropriated or nonappropriated monies may be used for the purposes of out-of-state travel expenses by state parks board staff. No appropriated or nonappropriated monies may be used for out-of-country travel expenses. The state parks board shall submit by June 30, 2010, a report to the joint legislative budget committee on out-of-state travel activities and expenditures for that fiscal year.

Sec. 34. Senate Bill 1188, section 74, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 74. PERSONNEL BOARD

<table>
<thead>
<tr>
<th>2009-10</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
<td>3.0</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
<td>$302,000</td>
</tr>
<tr>
<td>$329,100</td>
<td></td>
</tr>
</tbody>
</table>

Fund sources:

State general fund $302,000
PERSONNEL BOARD ACCOUNT OF THE PERSONNEL DIVISION FUND $329,100

Performance measures:

Average number of calendar days from receipt of appeal/complaint to final 113
Per cent of customers rating service as "good" or "excellent" 90
Sec. 35. Senate Bill 1188, section 83, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 83. DEPARTMENT OF PUBLIC SAFETY

<table>
<thead>
<tr>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Operating lump sum appropriation</td>
</tr>
<tr>
<td>GIITEM</td>
</tr>
<tr>
<td>Motor vehicle fuel</td>
</tr>
<tr>
<td>Photo radar enforcement</td>
</tr>
<tr>
<td>Lump sum reduction</td>
</tr>
<tr>
<td>(8,246,100)</td>
</tr>
</tbody>
</table>

Total appropriation - department of public safety $247,976,100

Fund sources:

<table>
<thead>
<tr>
<th>$56,889,800</th>
</tr>
</thead>
<tbody>
<tr>
<td>State general fund</td>
</tr>
<tr>
<td>$43,967,400</td>
</tr>
<tr>
<td>Highway user revenue fund fees</td>
</tr>
<tr>
<td>$19,947,500</td>
</tr>
<tr>
<td>Arizona highway patrol fund</td>
</tr>
<tr>
<td>$3,077,100</td>
</tr>
<tr>
<td>Criminal justice enhancement fund</td>
</tr>
<tr>
<td>$1,615,600</td>
</tr>
<tr>
<td>Safety enforcement and transportation infrastructure fund</td>
</tr>
<tr>
<td>$5,500,300</td>
</tr>
<tr>
<td>Crime laboratory assessment fund</td>
</tr>
<tr>
<td>$10,400,000</td>
</tr>
<tr>
<td>Arizona deoxyribonucleic acid identification system fund</td>
</tr>
<tr>
<td>$3,264,400</td>
</tr>
<tr>
<td>Automated fingerprint identification system fund</td>
</tr>
<tr>
<td>$205,000</td>
</tr>
<tr>
<td>Motorcycle safety fund</td>
</tr>
<tr>
<td>$22,534,300</td>
</tr>
<tr>
<td>Risk management fund</td>
</tr>
<tr>
<td>$3,268,400</td>
</tr>
<tr>
<td>Parity compensation fund</td>
</tr>
</tbody>
</table>

Performance measures:

<table>
<thead>
<tr>
<th>4.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per cent of scientific analysis cases over 30 calendar days old</td>
</tr>
<tr>
<td>98</td>
</tr>
<tr>
<td>Per cent of system reliability of the Arizona automated fingerprint identification network</td>
</tr>
<tr>
<td>30</td>
</tr>
<tr>
<td>Clandestine labs dismantled</td>
</tr>
</tbody>
</table>
Of the $32,306,200 $21,397,400 appropriated to GIITEM, $10,000,000 $2,603,400 shall be used for the multijurisdictional task force known as the gang and immigration intelligence team enforcement mission (GIITEM). If the department of public safety uses any of the monies appropriated for GIITEM for an agreement or contract with a city, town, county or other entity to provide services for the GIITEM program, the city, town, county or other entity shall provide not less than twenty TWENTY-FIVE per cent of the cost of the services and the department of public safety shall provide not more than eighty per cent of personal services and employee related expenditures for each agreement or contract but may fund all capital related equipment. Recognizing that states have inherent authority to arrest for any immigration violation, there continues to be a benefit with a 287G, including additional training and a partnership with immigration and customs enforcement and the federal government. The distribution of these monies are contingent on the department of public safety making all reasonable efforts to enter into a 287G memorandum of understanding with the United States department of homeland security. The $10,000,000 $2,603,400 shall be used for functions relating to immigration enforcement, including border security and border personnel, including any previously authorized allocations made in Laws 2008, chapter 285, section 14, as amended by Laws 2009, first special session, chapter 1, section 2. As state or local law enforcement officers come into any lawful contact with a suspected illegal alien or with a gang or suspected gang member the use of these monies is contingent on law enforcement agencies making every reasonable effort to determine the person’s legal status and taking appropriate action that will not jeopardize an ongoing investigation. The $10,000,000 $2,603,400 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to the lapsing of appropriations. The department shall submit an expenditure plan to the joint legislative budget committee for review before expending any monies not identified in the department’s previous expenditure plans. Within thirty days after the last day of each calendar quarter, the department shall provide a summary of quarterly and year-to-date expenditures and progress to the joint legislative budget committee including any prior year appropriations that were nonlapsing.

Of the $32,306,200 $21,397,400 appropriated to GIITEM, $10,358,900 $9,400,900 shall be used for one hundred department of public safety GIITEM personnel. The additional staff shall include at least fifty sworn department of public safety positions to be used for immigration enforcement and border security and fifty department of public safety positions to assist GIITEM in various efforts, including: 1) arresting illegal aliens, 2) responding to or assisting any county sheriff or attorney in investigating complaints of employment of illegal aliens, 3) investigating crimes of identity theft in the context of hiring illegal aliens and the unlawful entry into the country and 4) taking enforcement action, as permitted under federal law and the United States Constitution. As state and local law enforcement
officers come into contact with gang or suspected gang members the use of these monies is contingent on law enforcement agencies verifying the immigration status of these individuals and taking appropriate action that will not jeopardize an ongoing investigation. The department shall submit an expenditure plan to the joint legislative budget committee for review before expending any monies not identified in the department's previous expenditure plans. Within thirty days after the last day of each calendar quarter, the department shall provide a summary of quarterly and year-to-date expenditures and progress to the joint legislative budget committee including any prior year appropriations that were nonlapsing.

For fiscal year 2009-2010, within thirty days after the last day of each calendar quarter, the department shall report to the joint legislative budget committee the following quarterly and year-to-date photo radar enforcement information:

1. The total number of issued citations or notices of violation, paid citations or notices of violation, notices of violation that were referred to courts and mobile or stationary cameras in operation.

2. The total amount of citation and notice of violation revenue generated, including how much revenue was distributed for DPS staff expenses, for DPS vendor payments to the administrative office of the courts for processing of citations and to the state general fund.

Any monies remaining in the department of public safety joint account on June 30, 2010 shall revert to the funds from which they were appropriated. The reverted monies shall be returned in direct proportion to the amounts appropriated.

It is the intent of the legislature that the reductions included in the lump sum reduction special line item shall not be taken against GIITEM or sworn personnel.

Sec. 36. Senate Bill 1188, section 84, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 84. ARIZONA DEPARTMENT OF RACING

<table>
<thead>
<tr>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
</tr>
<tr>
<td>Lump sum appropriation</td>
</tr>
<tr>
<td>County fairs racing betterment</td>
</tr>
<tr>
<td>Arizona breeders' award</td>
</tr>
<tr>
<td>Arizona stallion award</td>
</tr>
<tr>
<td>County fair racing</td>
</tr>
<tr>
<td>Racing administration</td>
</tr>
<tr>
<td>COUNTY FAIRS LIVESTOCK AND AGRICULTURAL PROMOTION</td>
</tr>
<tr>
<td>Total appropriation - department of racing</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
H.B. 2643

Fund sources:

State general fund $ 4,302,500
$ 6,082,000

THE AMOUNT APPROPRIATED TO THE COUNTY FAIRS LIVESTOCK AND AGRICULTURAL
PROMOTION LINE ITEM IS FOR DEPOSIT IN THE COUNTY FAIRS LIVESTOCK AND
AGRICULTURAL PROMOTION FUND.

Performance measures:

Per cent of horse racing customers reporting
"very good" or "excellent" service 95

Per cent of greyhound racing customers
reporting "very good" or "excellent" service 100

Per cent of positive horse drug tests 1.2

Per cent of positive greyhound drug tests 0.02

Sec. 37. Senate Bill 1188, section 91, forty-ninth legislature, first
regular session, as transmitted to the governor, is amended to read:

Sec. 91. DEPARTMENT OF REVENUE

FTE positions 863.0

Operating lump sum appropriation $ 72,749,700
BRITS operational support 3,623,700
TEMPORARY COLLECTORS $ 3,000,000
Unclaimed property administration and audit 2,963,200
Lump sum reduction (16,144,000)

Total appropriation – department of revenue $ 63,192,600

Fund sources:

State general fund $ 62,131,500
$ 40,631,500

DEPARTMENT OF REVENUE
ADMINISTRATIVE FUND 24,500,000
Liability setoff fund 398,300
Tobacco tax and health care fund 662,800

Performance measures:

Average calendar days to refund income tax 7.6
Per cent of written taxpayer inquiries
answered within 30 calendar days of receipt 65
Customer satisfaction rating for taxpayer
information section (Scale 1-5) 4.7

The department shall provide the department's general fund revenue
enforcement goals for fiscal year 2009-2010 for review by the joint
legislative budget committee by July 31, 2009. The department shall provide
an annual progress report to the joint legislative budget committee as to the
effectiveness of the department's overall enforcement and collections program
for fiscal year 2009-2010 by July 31, 2010. The reports shall include a
comparison of projected and actual general fund revenue enforcement
collections for fiscal year 2009-2010.

THE $3,000,000 APPROPRIATED FROM THE STATE GENERAL FUND FOR TEMPORARY
COLLECTORS IS TO COLLECT ESTABLISHED DEBT. THE DEPARTMENT SHALL REPORT ITS
RESULTS TO THE JOINT LEGISLATIVE BUDGET COMMITTEE ON OR BEFORE JANUARY 31,
2010.

Sec. 38. Senate Bill 1188, section 92, forty-ninth legislature, first
regular session, as transmitted to the governor, is amended to read:

Sec. 92. SCHOOL FACILITIES BOARD

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>18.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$1,948,800</td>
</tr>
<tr>
<td>New school facilities debt service</td>
<td>108,683,300</td>
</tr>
<tr>
<td>BUILDING RENEWAL GRANT</td>
<td>3,000,000</td>
</tr>
<tr>
<td>Lump sum reduction</td>
<td>($1,031,300)</td>
</tr>
</tbody>
</table>

Total appropriation - school facilities board $109,600,800

2009-10

Fund sources:

<table>
<thead>
<tr>
<th>State general fund</th>
<th>$109,600,800</th>
</tr>
</thead>
</table>

Performance measures:

Per cent of school districts inspected meeting minimum adequacy standards 22

Sec. 39. Senate Bill 1188, section 93, forty-ninth legislature, first
regular session, as transmitted to the governor, is amended to read:

Sec. 93. DEPARTMENT OF STATE - SECRETARY OF STATE

<table>
<thead>
<tr>
<th>FTE positions</th>
<th>43.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating lump sum appropriation</td>
<td>$2,717,900</td>
</tr>
<tr>
<td>Election services</td>
<td>1,011,000</td>
</tr>
<tr>
<td>Help America vote act</td>
<td>7,722,800</td>
</tr>
<tr>
<td>SPECIAL ELECTION</td>
<td>$8,346,900</td>
</tr>
<tr>
<td>Lump sum reduction</td>
<td>($150,000)</td>
</tr>
</tbody>
</table>

Total appropriation - secretary of state $11,301,700

2009-10

Fund sources:

<table>
<thead>
<tr>
<th>State general fund</th>
<th>$3,480,700</th>
</tr>
</thead>
</table>

$11,827,600
H.B. 2643

Election systems improvement fund 7,722,800
Professional employer organization fund 98,200

Performance measures:
Per cent of documents returned to public filer in 48 hours (business services division) 75
Per cent of election law complaints reviewed and acted on within 7 days 100

The secretary of state shall report to the joint legislative budget committee and the governor's office of strategic planning and budgeting by December 31, 2009 the actual amount and purpose of expenditures from the election systems improvement fund in fiscal year 2008-2009 and the expected amount and purpose of expenditures from the fund for fiscal year 2009-2010. Any transfer to or from the amount appropriated for the election services line item shall require review by the joint legislative budget committee.

The fiscal year 2009-2010 appropriation from the election systems improvement fund for HAVA is available for use pursuant to section 35-143.01, subsection C, Arizona Revised Statutes, and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2011.

Sec. 40. Senate Bill 1188, section 95, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 95. STATE BOARD OF TAX APPEALS

2009-10
FTE positions 4.0
Lump sum appropriation $261,300
$278,300

Fund sources:
State general fund $261,300
$278,300

Performance measures:
Months to process appeal 4.5
Per cent of rulings upheld in tax courts 90.0
Customer satisfaction rating (Scale 1-8) 7.0

Sec. 41. Senate Bill 1188, section 97, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 97. DEPARTMENT OF TRANSPORTATION

2009-10
Administration
FTE positions 412.0
4,548.0
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Lump sum appropriation</td>
<td>$42,437,400</td>
</tr>
<tr>
<td>Attorney general legal services</td>
<td>$433,991,700</td>
</tr>
<tr>
<td>Total appropriation—administration</td>
<td>$45,490,000</td>
</tr>
</tbody>
</table>

**Fund sources:**
- State highway fund | $45,490,000

It is the intent of the legislature that the department not include any administrative overhead expenditures in duplicate drivers' license fees charged to the public.

**Highways**
- FTE positions | 2,548.0
- Operating lump sum appropriation | $137,950,400
- Highway maintenance | $136,566,300
- Vehicles and heavy equipment | $32,154,700
- Total—highways | $306,671,400

**Fund sources:**
- State general fund | $63,100
- Safety enforcement and transportation infrastructure fund | $558,700
- State highway fund | $273,894,900
- Transportation department equipment fund | $32,154,700

**FUND SOURCES:**
- STATE GENERAL FUND | $63,100
- AIR QUALITY FUND | $71,700
- DRIVING UNDER THE INFLUENCE ABATEMENT FUND | $143,300
- HIGHWAY USER REVENUE FUND FEES | $617,000
- MOTOR VEHICLE LIABILITY INSURANCE ENFORCEMENT FUND | $2,177,500
- SAFETY ENFORCEMENT AND TRANSPORTATION INFRASTRUCTURE FUND | $2,158,000
- STATE AVIATION FUND | $1,862,400
- STATE HIGHWAY FUND | $395,580,000
- TRANSPORTATION DEPARTMENT EQUIPMENT FUND | $29,636,200
- VEHICLE INSPECTION AND TITLE ENFORCEMENT FUND | $1,682,500

**Performance measures:**
- Per cent of Maricopa regional freeway travel lane miles completed for the twenty-year half cent sales tax extension effective January 1, 2006 | 10.5
Per cent of overall highway construction projects completed on schedule 97

AVERAGE MVD OFFICE WAIT TIME FROM ARRIVING AT MVD OFFICE TO RECEIVING NUMBERED TICKET (MINUTES) 2.0

AVERAGE MVD OFFICE WAIT TIME FROM RECEIVING NUMBERED TICKET TO ARRIVING AT COUNTER (MINUTES) 12.5

PER CENT OF MVD OFFICE CUSTOMERS RATING SERVICES "GOOD" OR "EXCELLENT" 83

AVERAGE TELEPHONE WAIT TIME TO SPEAK TO AN MVD EMPLOYEE (MINUTES) 15.2

PER CENT OF ALTERNATIVE VEHICLE REGISTRATION RENEWAL METHODS (MAIL, INTERNET, THIRD PARTY) 80

PER CENT OF AIRPORT DEVELOPMENT PROJECTS COMPLETED ON SCHEDULE 95

It is the intent of the legislature that the department not include any administrative overhead expenditures in duplicate driver license fees charged to the public.

Of the total amount appropriated for the highways program, $136,566,300 in fiscal year 2009-2010 for highway maintenance is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that all unexpended and unencumbered monies of the appropriation revert to their fund of origin, either the state highway fund or the safety enforcement and transportation infrastructure fund, on August 31, 2010.

Of the total amount appropriated for the highways program, $2,663,000 in fiscal year 2009-2010 is for performance pay for participants in the department's engineer pay plan. The department shall establish performance measures with measurable quality and quantity objectives for participants in the engineer pay plan that are designed to result in increased productivity and improved quality of the delivery of state services or products. The department shall either apply these performance measures to the entire engineer pay plan or apply relevant performance measures to subsets within the engineer pay plan either on a group or individual basis. Every quarter or month, the department shall review the participants' performance to determine if the performance measures were met. If the performance measures are met or exceeded, the applicable participants are entitled to receive the performance pay for the corresponding quarter.

Motor vehicle

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE positions</td>
<td>1,755.0</td>
</tr>
<tr>
<td>Operating lump-sum appropriation</td>
<td>$107,966,800</td>
</tr>
<tr>
<td>Abandoned vehicle administration</td>
<td>$1,039,800</td>
</tr>
<tr>
<td>Description</td>
<td>Amount</td>
</tr>
<tr>
<td>-------------------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Fraud investigation</td>
<td>788,300</td>
</tr>
<tr>
<td>New third party funding</td>
<td>923,500</td>
</tr>
<tr>
<td><strong>Total appropriation – motor vehicle</strong></td>
<td><strong>$110,728,400</strong></td>
</tr>
</tbody>
</table>

**Fund Sources:**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air quality fund</td>
<td>71,700</td>
</tr>
<tr>
<td>Driving under the influence abatement fund</td>
<td>143,300</td>
</tr>
<tr>
<td>Highway user revenue fund fees</td>
<td>617,000</td>
</tr>
<tr>
<td>Motor vehicle liability insurance enforcement fund</td>
<td>2,419,500</td>
</tr>
<tr>
<td>Safety enforcement and transportation infrastructure fund</td>
<td>1,599,300</td>
</tr>
<tr>
<td>State highway fund</td>
<td>104,195,100</td>
</tr>
<tr>
<td>Vehicle inspection and title enforcement fund</td>
<td>1,682,500</td>
</tr>
</tbody>
</table>

**Performance Measures:**

1. Average office wait time from arriving at MVD office to receiving numbered ticket (minutes): 2.0
2. Average office wait time from receiving numbered ticket to arriving at counter (minutes): 12.5
3. Per cent of office customers rating services "good" or "excellent": 83
4. Average telephone wait time to speak to an MVD employee (minutes): 15.2
5. Per cent of alternative vehicle registration renewal methods (mail, internet, third-party): 80

The department shall not transfer any funds to or from the motor vehicle division without the review by the joint legislative budget committee.

The department of transportation shall submit quarterly progress reports to the joint legislative budget committee on progress in improving motor vehicle division wait times and vehicle registration renewal by mail turnaround times. The reports shall document the monthly averages for the total time customers spent at the office and the reasons for changes in these times for each motor vehicle division field office equipped with electronic customer monitoring devices. The reports shall document the wait time to get a numbered ticket from a motor vehicle division employee, the time between receiving the numbered ticket and arriving at the counter and the transaction time at the counter. The reports shall document the number of customers who arrived at motor vehicle division offices but who did not complete their transaction, and the motor vehicle division's average turnaround time for
vehicle registration renewal by mail. The reports shall include details by office for all offices in the metropolitan areas that are defined to include all of Maricopa county, Apache Junction, Tucson and Flagstaff, and summarized for the nonmetropolitan areas. In addition to documenting wait times, the reports shall document the number of primary transactions (driver licenses, titles and vehicle registrations) and secondary transactions (all others), the number of counter positions assigned and filled and the productivity levels (the average number of primary transactions completed by staff and the average number of secondary transactions completed by staff). The reports shall document the number of primary and secondary transactions completed by third parties by metropolitan and nonmetropolitan area offices. The reports are due within thirty days after the end of each calendar quarter.

**Aeronautics**

- **FTE positions**: 33.0
- **Lump sum appropriation**: $2,247,000
- **Fund sources**:
  - **State aviation fund**: $2,247,000
- **Performance measures**:
  - Per cent of airport development projects completed on schedule: 95
- **Lump sum FTE position reduction**: (200.0)
- **Lump sum reduction**: $(47,027,800)
- **Fund sources**:
  - **Motor vehicle liability insurance enforcement fund**: $(242,000)
  - **State aviation fund**: $(384,600)
  - **State highway fund**: $(42,003,600)
  - **Transportation department equipment fund**: $(4,397,600)
- **Total appropriation—Arizona department of transportation**: $418,109,000
- **Fund sources**:
  - **State general fund**: $63,100
  - **Air quality fund**: 71,700
  - **Driving under the influence abatement fund**: 143,300
  - **Highway user revenue fund fees**: 617,000
  - **Motor vehicle liability insurance enforcement fund**: 2,177,500
Of the $418,109,000 $433,991,700 appropriation to the department of transportation, the department of transportation shall pay $16,773,800 in fiscal year 2009-2010 from all funds to the department of administration for its risk management payment.

ANY TRANSFER TO OR FROM AN OPERATING BUDGET OR SPECIAL LINE ITEM AS OUTLINED IN THE JOINT LEGISLATIVE BUDGET COMMITTEE STAFF FISCAL YEAR 2009-2010 APPROPRIATIONS REPORT THAT EQUALS OR EXCEEDS $1,000,000 IN TOTAL FOR FISCAL YEAR 2009-2010 MUST BE REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE. ANY TRANSFERS BELOW $1,000,000 SHALL BE REPORTED TO THE JOINT LEGISLATIVE BUDGET COMMITTEE STAFF.

Sec. 42. Senate Bill 1188, section 105, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 105. UNIVERSITY LUMP SUM REDUCTION

Lump sum reduction $(40,000,000)

Fund sources:
State general fund $(40,000,000)

On or before August 1, 2009, the Arizona board of regents shall report to the joint legislative budget committee the final allocation of the $40,000,000 lump sum reduction. The Arizona board of regents shall allocate the $40,000,000 lump sum reduction by campus for Arizona state university. The final allocation shall not increase differences in per student funding among the universities. The $40,000,000 lump sum reduction is in addition to lump sum reductions separately delineated in individual university budget sections.

Lump sum reduction deferral $(100,000,000)

Fund sources:
State general fund $(100,000,000)

The Arizona board of regents shall defer funding to the institutions under its jurisdiction in proportion to the state general fund appropriation received by each institution.
Sec. 43. Senate Bill 1188, section 109, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 109. DEPARTMENT OF WEIGHTS AND MEASURES

<table>
<thead>
<tr>
<th>2009-10</th>
</tr>
</thead>
<tbody>
<tr>
<td>General services</td>
</tr>
<tr>
<td>FTE positions 22.9</td>
</tr>
<tr>
<td>Lump sum appropriation $1,916,500</td>
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<td>Fund sources:</td>
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<tr>
<td>State general fund $1,593,600</td>
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<tr>
<td>Motor vehicle liability insurance enforcement fund 322,900</td>
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<td>Vapor recovery</td>
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<td>FTE positions 8.5</td>
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<tr>
<td>Lump sum appropriation $638,400</td>
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<tr>
<td>Fund sources:</td>
</tr>
<tr>
<td>Air quality fund $638,400</td>
</tr>
<tr>
<td>Oxygenated fuel</td>
</tr>
<tr>
<td>FTE positions 6.0</td>
</tr>
<tr>
<td>Lump sum appropriation $885,400</td>
</tr>
<tr>
<td>Fund sources:</td>
</tr>
<tr>
<td>Air quality fund $885,400</td>
</tr>
<tr>
<td>Lump sum reduction $(575,200)</td>
</tr>
<tr>
<td>$(307,600)</td>
</tr>
<tr>
<td>Fund sources:</td>
</tr>
<tr>
<td>State general fund $(350,300)</td>
</tr>
<tr>
<td>$(278,000)</td>
</tr>
<tr>
<td>Air quality fund $(224,900)</td>
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<tr>
<td>$(29,600)</td>
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<tr>
<td>Total appropriation - department of weights and measures $2,865,100</td>
</tr>
<tr>
<td>$3,132,700</td>
</tr>
<tr>
<td>Fund sources:</td>
</tr>
<tr>
<td>State general fund $1,242,300</td>
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<tr>
<td>$1,315,600</td>
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<tr>
<td>Air quality fund 1,298,900</td>
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<tr>
<td>1,494,200</td>
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<tr>
<td>Motor vehicle liability insurance enforcement fund 322,900</td>
</tr>
<tr>
<td>Performance measures:</td>
</tr>
<tr>
<td>Average customer satisfaction rating (Scale 1-5) 4.7</td>
</tr>
<tr>
<td>Per cent of retail stores' price scanning devices in compliance 78</td>
</tr>
</tbody>
</table>
Per cent of cleaner burning gas samples in compliance with oxygenated fuel standards 100

Per cent of gasoline dispensing facilities inspected annually that are in compliance with vapor recovery standards 88

Sec. 44. Senate Bill 1188, section 110, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 110. **Transfer of fund monies to the state general fund:**

**Fiscal year 2009-2010**

A. Notwithstanding any other law, on or before June 30, 2010, the following amounts from the following funds or sources are transferred to the state general fund for the purposes of providing adequate support and maintenance for agencies of this state:

1. **Department of administration**

   **Admin - AFIS II collections fund:**

   - Salary reduction 64,300
   - Spending reduction 173,900

   **Air quality fund:**

   - Spending reduction 85,000

   **Automation operations fund:**

   - Salary reduction 992,500
   - Spending reduction 2,409,000

   **Capital outlay stabilization fund:**

   - Salary reduction 316,900
   - Spending reduction 1,300,000

   **Construction insurance fund:**

   - Excess balance 1,507,700

   **Co-op state purchasing fund:**

   - Salary reduction 22,300
   - Spending reduction 44,000

   **Corrections fund:**

   - Salary reduction 48,300
   - Spending reduction 73,400

   **Emergency telecommunication services revolving fund:**

   - Salary reduction 30,900

   **Employee travel reduction fund:**

   - Salary reduction 36,100

   **Motor vehicle pool revolving fund:**

   - Salary reduction 78,700
   - Spending reduction 1,272,700

   **Personnel division fund:**

   - Salary reduction 740,600
   - Spending reduction 1,888,100
1. Risk management revolving fund:
   Salary reduction 581,300
2. Special employee health insurance trust fund:
   Salary reduction 251,100
3. Special services revolving fund:
   Salary reduction 34,200
   Spending reduction 216,500
4. State surplus materials revolving fund:
   Salary reduction 62,200
   Spending reduction 425,800
5. Telecommunications fund:
   Salary reduction 152,700
   Excess balance 917,300
   Spending reduction 1,115,800
6. Telecommunications fund:
   Infrastructure improvements
   Account transfer 12,000,000
7. 2. Arizona health care cost containment system:
   AHCCCS third party collections fund:
   Excess balance 130,700
8. Healthcare group fund:
   Salary reduction 361,900
9. Intergovernmental services fund:
   Excess balance 273,200
10. 3. Arizona commission on the arts:
    Arts endowment fund:
    Transfer 15,000,000
    4,652,300
11. Arts special revenues fund:
    Salary reduction 12,500
12. 4. Attorney general:
    Anti-racketeering revolving fund:
    Salary reduction 139,200
    Spending reduction 500,000
13. Attorney general legal services cost allocation fund:
    Salary reduction 606,600
14. Collection enforcement revolving fund:
    Salary reduction 365,500
    Spending reduction 1,000,000
15. Consumer protection - consumer fraud
    revolving fund:
    Salary reduction 164,300
1. Risk management revolving fund:
   Salary reduction 789,000

2. Victims' rights fund:
   Salary reduction 33,000

3. Automobile theft authority:
   Automobile theft authority fund:
   Salary reduction 40,600

4. Department of commerce:
   Arizona job training fund:
   Salary reduction 30,900
   Excess balance 100,000
   Spending reduction 1,850,000
   Commerce and economic development commission fund:
   Salary reduction 73,200
   Excess balance 2,693,700
   Spending reduction 394,300

5. Commerce development bond fund:
   Excess balance 699,000

6. Commerce workshops fund:
   Spending reduction 51,600

7. GADA revolving fund:
   Salary reduction 19,800
   Excess balance 500,000
   Spending reduction 50,000

8. State lottery fund:
   Salary reduction 19,500

9. Registrar of contractors:
   Registrar of contractors fund:
   Salary reduction 696,000
   Excess balance 2,576,400
   Spending reduction 1,216,400

10. Residential contractors' recovery fund:
    Excess balance 1,836,500
8. Corporation commission:
   Investment management regulatory and enforcement fund:
   Salary reduction 73,500
   Excess balance 433,300
   Spending reduction 92,900
   Public access fund:
   Salary reduction 255,700
   Excess balance 284,200
   Securities regulatory and enforcement fund:
   Salary reduction 295,500
   Spending reduction 392,100
   Utility regulation revolving fund:
   Salary reduction 1,038,400
   Excess balance 278,300

9. Department of corrections:
   Arizona correctional industries revolving fund:
   Salary reduction 598,600
   Excess balance 391,700
   Corrections fund:
   Salary reduction 37,200
   Indirect cost recovery fund:
   Spending reduction 122,400
   Special services fund:
   Excess balance 454,700
   State DOC revolving transition fund:
   Spending reduction 341,000
   State education fund for correctional education:
   Salary reduction 35,700
   Transition program drug treatment fund:
   Excess balance 119,800

10. Arizona criminal justice commission:
    Criminal justice enhancement fund:
    Salary reduction 48,600
    Excess balance 400,000
    Drug and gang enforcement account:
    Salary reduction 59,200
    Driving under the influence abatement fund:
    Excess balance 500,000
    State aid to county attorneys fund:
    Excess balance 100,000
State aid to indigent defense fund:
   Excess balance 209,100

Commission for the deaf and hard of hearing:
   Telecommunication fund for the deaf:
      Salary reduction 95,200
      Excess balance 474,600
      Spending reduction 944,100

Drug and gang prevention resource center fund:
   Drug and gang prevention resource center fund:
      Excess balance 206,300
      Salary reduction 22,500
      Spending reduction 44,700

Department of economic security:
   Arizona training program at Phoenix closure fund:
      Excess balance 1,450,400
   Child support enforcement administration fund:
      Salary reduction 796,900
   Domestic violence shelter fund:
      Excess balance 483,800
      Spending reduction 480,000
   Industries for the blind fund:
      Salary reduction 360,100
   Long-term care system fund:
      Spending reduction 2,972,600

Public assistance collections fund:
   Salary reduction 40,500
   Spending reduction 51,700

Special administration fund:
   Excess balance 704,200
   Spending reduction 347,000

Spinal and head injuries trust fund:
   Salary reduction 43,700
   Excess balance 590,600
   Spending reduction 513,200

Arizona department of education:
   Internal services fund:
      Spending reduction 471,100
   Education production revolving fund:
      Salary reduction 43,700
      Spending reduction 217,000
<table>
<thead>
<tr>
<th>Fund</th>
<th>Action</th>
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<td>15. Department of environmental quality:</td>
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<td>Air permits administration fund:</td>
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<td>Air quality fund:</td>
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<td>Emissions inspection fund:</td>
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<td>Greenfields program fund:</td>
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<td>Indirect cost recovery fund:</td>
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<td>Monitoring assistance fund:</td>
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<td>Recycling fund:</td>
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<td>Solid waste fee fund:</td>
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<td>Underground storage tank revolving fund:</td>
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<td>Voluntary remediation fund:</td>
<td>Salary reduction</td>
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<td>Voluntary vehicle repair and retrofit program fund:</td>
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<td>Water quality assurance revolving fund:</td>
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<td>Spending reduction</td>
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<tr>
<td>Salary reduction</td>
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<td>371,300</td>
</tr>
</tbody>
</table>
1. Water quality fee fund:
   - Salary reduction 281,800
   - Excess balance 733,000

2. Arizona exposition and state fair board:
   - Arizona exposition and state fair fund:
     - Salary reduction 552,000
     - Excess balance 373,200
     - Spending reduction 1,130,000

3. Department of financial institutions:
   - Arizona escrow guaranty fund:
     - Excess balance 1,017,500
     - Revolving fund:
       - Salary reduction 55,200
       - Spending reduction 120,900

4. Arizona game and fish department:
   - Heritage fund:
     - Salary reduction 471,200
   - Off-highway vehicle recreation fund:
     - Salary reduction 31,900
     - Spending reduction 46,700
   - Watercraft licensing fund:
     - Salary reduction 115,100
     - Excess balance 265,600
     - Spending reduction 570,800

5. Government information technology agency:
   - Information technology fund:
     - Salary reduction 250,700
     - Excess balance 219,200
     - Spending reduction 368,300
   - State web portal fund:
     - Spending reduction 1,100,000

6. Office of the governor:
   - Prevention of child abuse fund:
     - Spending reduction 63,000

7. Department of health services:
   - Child fatality review fund:
     - Excess balance 135,300
   - Emergency medical services operating fund:
     - Salary reduction 249,300
     - Excess balance 685,800
     - Spending reduction 598,300
Environmental laboratory licensure
revolving fund:
  Salary reduction 41,300
Hearing and speech professionals fund:
  Salary reduction 20,900
Indirect cost fund:
  Salary reduction 382,300
  Excess balance 707,800
  Spending reduction 907,600
Substance abuse services fund:
  Excess balance 408,800
  Spending reduction 250,000
Vital records electronic systems fund:
  Salary reduction 16,000
  Excess balance 378,400
  Spending reduction 50,000

Department of housing:
HOUSING TRUST FUND:
  Excess balance 2,000,000
Housing program fund:
  Salary reduction 274,600
  Excess balance 1,818,400
  Spending reduction 459,100

Industrial commission:
Industrial commission administrative fund:
  Salary reduction 1,258,800
  Excess balance 429,100
  Spending reduction 1,686,900

Department of insurance:
Captive insurance regulatory and supervision fund:
  Salary reduction 13,100
  Spending reduction 52,300
Financial surveillance fund:
  Salary reduction 31,600
Insurance examiners' revolving fund:
  Salary reduction 113,500
  Spending reduction 482,100

Judiciary - Supreme court:
Alternative dispute resolution fund:
  Spending reduction 74,700
Arizona lengthy trial fund:
  Excess balance 260,700
<table>
<thead>
<tr>
<th>1</th>
<th>Court appointed special advocate fund:</th>
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<tbody>
<tr>
<td>2</td>
<td>Salary reduction</td>
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<td>3</td>
<td>Spending reduction</td>
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<tr>
<td>4</td>
<td>Criminal justice enhancement fund:</td>
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<tr>
<td>5</td>
<td>Salary reduction</td>
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<td>6</td>
<td>Excess balance</td>
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<td>7</td>
<td>Defensive driving school fund:</td>
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<td>10</td>
<td>Public defender training fund:</td>
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<td>State aid to the courts fund:</td>
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<td><strong>26.</strong> Judiciary - Superior court</td>
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<td>15</td>
<td>Criminal justice enhancement fund:</td>
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<td>16</td>
<td>Salary reduction</td>
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<tr>
<td>17</td>
<td>Drug treatment and education fund:</td>
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<td>Salary reduction</td>
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<td><strong>27.</strong> Department of juvenile corrections:</td>
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<td>Criminal justice enhancement fund:</td>
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<td>21</td>
<td>Salary reduction</td>
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<td>22</td>
<td>Spending reduction</td>
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<tr>
<td>23</td>
<td>State education fund for committed youth:</td>
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<tr>
<td>24</td>
<td>Salary reduction</td>
</tr>
<tr>
<td>25</td>
<td><strong>28.</strong> State land department:</td>
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<td>26</td>
<td>Cooperative forestry fund:</td>
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<tr>
<td>27</td>
<td>Fire suppression fund:</td>
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<td>28</td>
<td>Salary reduction</td>
</tr>
<tr>
<td>29</td>
<td><strong>29.</strong> Legislature - house of representatives:</td>
</tr>
<tr>
<td>30</td>
<td>Excess balance</td>
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<tr>
<td>31</td>
<td><strong>30.</strong> Department of liquor licenses and control:</td>
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<tr>
<td>32</td>
<td>Liquor license special collections fund:</td>
</tr>
<tr>
<td>33</td>
<td>Excess balance</td>
</tr>
<tr>
<td>34</td>
<td><strong>31.</strong> Arizona state lottery commission:</td>
</tr>
<tr>
<td>35</td>
<td>State lottery fund:</td>
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<td>36</td>
<td>Salary reduction</td>
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<td>37</td>
<td>Spending reduction</td>
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<tr>
<td>38</td>
<td>State lottery fund - advertising:</td>
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<td>39</td>
<td>Transfer</td>
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<td>40</td>
<td>State lottery fund - unclaimed prizes:</td>
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<tr>
<td>41</td>
<td>Transfer</td>
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</tbody>
</table>

- 88 -
31. Department of mines and mineral resources:
   Mines and mineral resources fund:
   Salary reduction 16,200

32. Parents commission on drug education and prevention:
   Drug treatment and education fund:
   Excess balance 175,900
   Spending reduction 427,600

33. Arizona state parks board:
   Heritage fund:
   Salary reduction 163,900
   Off-highway vehicle recreation fund:
   Salary reduction 50,300
   Excess balance 467,500
   Spending reduction 66,300
   Partnership fund:
   Salary reduction 14,000
   Publications and souvenir revolving fund:
   Salary reduction 22,700
   Reservation surcharge revolving fund:
   Salary reduction 41,800
   Spending reduction 54,800
   State lake improvement fund:
   Salary reduction 185,400
   Excess balance 4,753,000
   Spending reduction 415,000

34. Commission for postsecondary education:
   Early graduation scholarship fund:
   Excess balance 2,863,800
   Spending reduction 57,800

35. Department of public safety:
   Anti-racketeering fund:
   Salary reduction 84,500
   Automatic fingerprint identification fund:
   Salary reduction 29,000
   Excess balance 71,900
Board of fingerprinting fund:
  Salary reduction  37,600
  Spending reduction  29,500

Crime laboratory assessment fund:
  Salary reduction  347,600
  Excess balance  206,600

Criminal justice enhancement fund:
  Salary reduction  215,000
  Excess balance  206,600

DNA identification system fund:
  Salary reduction  267,100
  Excess balance  552,300

DNA identification system fund:
  Garage fund transfer  2,504,000

Department of public safety
  administration fund:
    Salary reduction  65,000

Department of public safety licensing
  fund:
    Salary reduction  77,700
    Excess balance  96,700

Fingerprint clearance card fund:
  Salary reduction  184,900
  Excess balance  193,800

Highway patrol fund:
  Salary reduction  1,498,800

Indirect cost recovery fund:
  Salary reduction  77,000

Motorcycle safety fund:
  Excess balance  100,000

Parity compensation fund:
  Salary reduction  271,100
  Excess balance  455,400

Peace officers training fund:
  Salary reduction  189,000
  Excess balance  181,200

Public safety equipment fund:
  Spending reduction  2,485,400

Records processing fund:
  Salary reduction  78,900
  Excess balance  49,500
  Spending reduction  567,800

Spending reduction  2,485,400
  755,400
36. Arizona department of racing:
   Arizona breeders award fund:
   Excess balance 131,300
   County fairs racing betterment fund:
   Excess balance 182,600

37. Radiation regulatory agency:
   Radiation certification fund:
   Salary reduction 21,300

38. Residential utility consumer office:
   Residential utility consumer office revolving fund:
   Excess balance 219,400

39. Department of revenue:
   Estate and unclaimed property fund:
   Excess balance 1,011,000
   Liability set-off fund:
   Salary reduction 23,700
   Excess balance 177,500

40. School facilities board:
   School facilities revenue bond debt service fund:
   Transfer 880,000
   State school trust revenue bond debt service fund:
   Transfer 500,000

41. Office of tourism:
   Tourism fund:
   Excess balance 400,000

42. Department of transportation:
   Arizona highways magazine fund:
   Salary reduction 236,500
   Excess balance 404,500
   Spending reduction 647,800
   Economic strength project fund:
   Excess balance 684,700
   Spending reduction 100,000
   Motor vehicle liability insurance enforcement fund:
   Excess balance 266,700
   Spending reduction 242,000
   State aviation fund:
   Salary reduction 150,900
   Excess balance 731,400
   Spending reduction 233,700
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<thead>
<tr>
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<th>Salary Reduction</th>
<th>Excess Balance</th>
<th>Spending Reduction</th>
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<td>Transportation department equipment</td>
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<td>1,989,200</td>
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<td>Vehicle inspection and title</td>
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<td>enforcement fund</td>
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HB 2643

51. 44. Department of veterans' services:
   Veterans' cemetery fund:
   Excess balance 121,600

52. 45. Department of water resources:
   Arizona water banking fund:
   Excess balance 4,000,000
   Arizona water protection fund:
   Excess balance 2,346,000
   Arizona water quality fund:
   Salary reduction 31,700
   Excess balance 152,600
   Spending reduction 56,300
   Assured and adequate water supply fund:
   Salary reduction 61,100
   Spending reduction 111,900
   Augmentation and conservation assistance fund:
   Salary reduction 24,600
   Spending reduction 110,500
   Dam repair fund:
   Excess balance 378,400
   Indirect cost recovery fund:
   Salary reduction 92,100
   Excess balance 205,100
   Spending reduction 163,300
   Well administration and enforcement fund:
   Salary reduction 44,200
   Spending reduction 78,800

53. 46. Department of weights and measures:
   Air quality fund:
   Salary reduction 70,600
   Spending reduction 154,300
   29,600

B. Agencies listed shall reduce expenditures from the listed funds accordingly in order to ensure a sufficient fund balance for these fund transfers.

C. The fund transfers in this section shall be made as soon as is practicable to avoid a shortfall in each fund. On or before August 1, 2009, the governor's office of strategic planning and budgeting shall report to the joint legislative budget committee on any fund transfers that have not been fully made as of July 15, 2009. For each fund transfer not fully made as of July 15, 2009, the report shall list when the fund transfer will be completed or additional steps required to make the full fund transfer.
Sec. 45. Senate Bill 1188, section 112, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 112. Department of transportation; vehicle license tax; transfer

Notwithstanding any other law, $76,783,600 $43,170,600 received in fiscal year 2009-2010 pursuant to title 28, chapter 16, article 3, Arizona Revised Statutes, relating to vehicle license tax, for distribution to the state highway fund pursuant to section 28-6538, subsection A, paragraph 1, Arizona Revised Statutes, shall be deposited in the state general fund.

Sec. 46. Senate Bill 1188, section 113, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 113. Appropriation reduction; water quality assurance revolving fund

Notwithstanding any other law, the appropriation from the state general fund to the water quality assurance revolving fund for fiscal year 2009-2010 shall not exceed $9,000,000 $7,000,000.

Sec. 47. Senate Bill 1188, section 120, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 120. Department of economic security; lump sum reduction deferral; supplemental appropriation; appropriations

A. The appropriation made from the state general fund in fiscal year 2008-2009 to the department of economic security is reduced by $25,000,000 from the state general fund to defer payments for services provided in fiscal year 2008-2009 to fiscal year 2009-2010.

B. In addition to the appropriation made in Laws 2008, chapter 285, section 6, the sum of $9,400,000 is appropriated from the state general fund and $12,000,000 in additional expenditure authority of federal monies is appropriated to the department of economic security in fiscal year 2008-2009 for services to the developmentally disabled.

C. The sum of $25,000,000 is appropriated from the state general fund to the department of economic security in fiscal year 2009-2010 for the purpose of paying bills for services provided in June 2009 with the monies appropriated by the legislature to the department for fiscal year 2009-2010.

D. The sum of $25,000,000 $42,000,000 is appropriated from the state general fund to the department of economic security in fiscal year 2010-2011 for the purpose of paying bills for services provided in June 2010 with the monies appropriated by the legislature to the department for fiscal year 2010-2011.

Sec. 48. Senate Bill 1188, section 121, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 121. AHCCCS; health plan payment deferral; appropriation

In addition to any other amounts appropriated to the Arizona health care cost containment system, for fiscal year 2010-2011, the sum of $117,889,100 $118,032,200 is appropriated from the state general fund and
$226,312,600 in federal title XIX expenditure authority for health plan payments deferred from fiscal year 2009-2010.

Sec. 49. Senate Bill 1188, section 122, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 122. Federal assistance; reductions; appropriations

Notwithstanding any other law, if this state receives federal assistance through an increase in federal matching monies:

1. The following state general fund amounts are reduced from appropriations made to state agencies in fiscal year 2009-2010 as listed below:

   (a) Arizona health care cost containment system - $575,206,900
   $581,861,700.
   (b) Department of economic security - $100,644,600.
   (c) Department of health services - $133,171,600.

2. The following additional amounts are appropriated to state agencies in fiscal year 2009-2010 from federal title XIX expenditure authority as listed below:

   (a) Arizona health care cost containment system - $575,206,900
   $581,861,700.
   (b) Department of economic security - $100,644,600.
   (c) Department of health services - $133,171,600.

Sec. 50. Senate Bill 1188, section 124, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 124. Reductions; fiscal year 2009-2010; K-12 education; legislative intent; federal education stabilization fund

A. Notwithstanding any other law, if this state receives federal assistance from the federal education stabilization fund, the sum of $223,234,200 $222,114,000 is reduced from appropriations made from the state general fund in fiscal year 2009-2010 to the department of education FOR BASIC STATE AID AND ADDITIONAL STATE AID and is transferred to the state general fund.

B. It is the intent of the legislature that in fiscal year 2009-2010, $223,234,200 $222,114,000 will be disbursed from the federal education stabilization fund to the department of education in order to restore the funding reduction made in subsection A. These monies shall be disbursed in accordance with the provisions of the American recovery and reinvestment act of 2009.

C. NOTWITHSTANDING ANY OTHER LAW, FOR FISCAL YEAR 2009-2010, THE USE OF THE MONIES SPECIFIED IN SUBSECTION B SHALL NOT IMPACT THE REVENUE CONTROL LIMIT OF ANY SCHOOL DISTRICT OR CHARTER SCHOOL.
Sec. 51. Senate Bill 1188, section 125, forty-ninth legislature, first
regular session, as transmitted to the governor, is amended to read:
Sec. 125. Reductions; fiscal year 2009-2010; higher education;
legislative intent; federal education stabilization
fund
A. Notwithstanding any other law, if this state receives federal
assistance from the federal education stabilization fund, in addition to any
other reductions made to the Arizona board of regents in this act, the sum of
$19,514,600 $10,000,000 is reduced from the appropriation made from the state
general fund in fiscal year 2009-2010 to the Arizona board of regents for the
support and maintenance of institutions under its jurisdiction and is
transferred to the state general fund. On or before August 1, 2009, the
Arizona board of regents shall report to the joint legislative budget
committee the final allocation of the $19,514,600 $10,000,000 reduction. The
Arizona board of regents shall reduce funding to the institutions under its
jurisdiction in proportion to the state general fund appropriation received
by each institution.

B. It is the intent of the legislature that in fiscal year 2009-2010,
$146,000,000 will be disbursed from the federal education stabilization fund
to the Arizona board of regents, part of which will restore the funding
reductions made in subsection A. These monies shall be disbursed in
accordance with the provisions of the American recovery and reinvestment act
of 2009. On or before August 1, 2009, the Arizona board of regents shall
report to the joint legislative budget committee the final allocation of the
$146,000,000 disbursement. The legislature intends that the Arizona board of
regents allocate the $146,000,000 disbursement in a manner that does not
increase the differences in per student funding among the universities.

C. It is the intent of the legislature that in fiscal year 2009-2010,
$29,825,900 will be disbursed from the federal education stabilization fund
to the Arizona community college system in order to partially restore the
reductions in this act. These monies shall be disbursed in accordance with
the provisions of the American recovery and reinvestment act of 2009. The
legislature intends that the $29,825,900 be distributed from the
stabilization fund as follows:
1. Operating state aid: $14,829,200
2. Capital outlay state aid: $14,996,700
   These amounts shall be distributed to each community college district
based on the formulas in sections 15-1464 and 15-1466, Arizona Revised
Statutes, using each community college district's fiscal year 2007-2008
audited full-time student equivalent count.
Sec. 52. Senate Bill 1188, section 126, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 126. Appropriation; operating adjustments

State employee health insurance adjustments

$10,000,000

$21,815,300

Fund sources:

State general fund

$10,000,000

$14,998,000

OTHER APPROPRIATED FUNDS

$6,817,300

THE OTHER APPROPRIATED FUNDS MAY BE ALLOCATED FROM THE FOLLOWING FUNDS:

BOARD OF ACCOUNTANCY FUND, ACUPUNCTURE BOARD OF EXAMINERS FUND, AIR PERMITS ADMINISTRATION FUND, AIR QUALITY FUND, ANTITRUST ENFORCEMENT REVOLVING FUND, BOARD OF APPRAISAL FUND, ARIZONA ARTS TRUST FUND, ASSURED AND ADEQUATE WATER SUPPLY ADMINISTRATION FUND, ATTORNEY GENERAL LEGAL SERVICES COST ALLOCATION FUND, ARIZONA AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM FUND, AUTOMOBILE THEFT AUTHORITY FUND, AUTOMATION OPERATIONS FUND, STATE AVIATION FUND, BOARD OF BARBERS FUND, BOARD OF BEHAVIORAL HEALTH EXAMINERS FUND, ARIZONA BENEFITS FUND, BOND FUND, CAPITAL OUTLAY STABILIZATION FUND, STATE CHARITABLE FUND, CHILD ABUSE PREVENTION FUND, CHILD FATALITY REVIEW FUND, CHILD SUPPORT ENFORCEMENT ADMINISTRATION FUND, CHILDREN'S HEALTH INSURANCE PROGRAM FUND, BOARD OF CHIROPRACTIC EXAMINERS FUND, CITRUS, FRUIT AND VEGETABLE REVOLVING FUND, CLEAN WATER REVOLVING FUND, COLLECTION ENFORCEMENT REVOLVING FUND, COMMERCE AND ECONOMIC DEVELOPMENT COMMISSION FUND, COMMERCIAL FEED FUND, CONFIDENTIAL INTERMEDIARY AND FIDUCIARY FUND, CONSUMER PROTECTION-CONSUMER FRAUD REVOLVING FUND, CORRECTIONS FUND, BOARD OF COSMETOLOGY FUND, CRIME LABORATORY ASSESSMENT FUND, CRIME LABORATORY OPERATIONS FUND, CRIMINAL JUSTICE ENHANCEMENT FUND, COURT APPOINTED SPECIAL ADVOCATE FUND, DEFENSIVE DRIVING SCHOOL FUND, DENTAL BOARD FUND, ARIZONA DEOXYRIBONUCLEIC ACID IDENTIFICATION SYSTEM FUND, BOARD OF DISPENSING OPTICIANS FUND, DRIVING UNDER THE INFLUENCE ABATEMENT FUND, DRUG AND GANG PREVENTION RESOURCE CENTER FUND, STATE EDUCATION FUND FOR COMMITTED YOUTH, STATE EDUCATION FUND FOR CORRECTIONAL EDUCATION, STATE EGG INSPECTION FUND, ELECTION SYSTEMS IMPROVEMENT FUND, EMERGENCY MEDICAL SERVICES OPERATING FUND, EMISSIONS INSPECTION FUND, ENVIRONMENTAL LABORATORY LICENSURE REVOLVING FUND, DEPARTMENT OF REVENUE ADMINISTRATIVE FUND, ARIZONA EXPOSITION AND STATE FAIR FUND, FEDERAL CHILD CARE AND DEVELOPMENT FUND BLOCK GRANT, FEDERAL REED ACT GRANT, FEDERAL SURPLUS MATERIALS REVOLVING FUND, FEDERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT, FERTILIZER MATERIALS FUND, BOARD OF FUNERAL DIRECTORS' AND EMBALMERS' FUND, GAME AND FISH FUND, GAME, NONGAME, FISH AND ENDANGERED SPECIES FUND, HAZARDOUS WASTE MANAGEMENT FUND, HEALTHCARE GROUP FUND, HEARING AND SPEECH PROFESSIONALS FUND, STATE HIGHWAY FUND, ARIZONA HIGHWAY PATROL FUND, HIGHWAY USER REVENUE FUND, HIGHWAY USER REVENUE FUND FEES, BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS' FUND, HOUSING...
State employee health insurance adjustments

The amount appropriated for state employee health insurance adjustments shall be deposited in the special employee health insurance trust fund for fiscal year 2009-2010 increases in the employer share of state employee health insurance premiums.
INSURANCE CONTRIBUTION ADJUSTMENTS SHALL BE FOR FISCAL YEAR 2009-2010 INCREASES IN THE EMPLOYER SHARE OF STATE EMPLOYEE HEALTH INSURANCE CONTRIBUTIONS. THE JOINT LEGISLATIVE BUDGET COMMITTEE STAFF SHALL DETERMINE AND THE DEPARTMENT OF ADMINISTRATION SHALL ALLOCATE TO EACH AGENCY'S OR DEPARTMENT'S EMPLOYEE-RELATED EXPENDITURES AN AMOUNT FOR THE EMPLOYER SHARE OF THE EMPLOYEE HEALTH INSURANCE ADJUSTMENTS. THE JOINT LEGISLATIVE BUDGET COMMITTEE STAFF SHALL ALSO DETERMINE AND THE DEPARTMENT OF ADMINISTRATION SHALL ALLOCATE ADJUSTMENTS, AS NECESSARY, IN EXPENDITURE AUTHORITY TO ALLOW IMPLEMENTATION OF STATE EMPLOYEE HEALTH INSURANCE ADJUSTMENTS.

Sec. 53. Senate Bill 1188, section 132, forty-ninth legislature, first regular session, as transmitted to the governor, is amended to read:

Sec. 132. Interim reporting requirements
A. State general fund revenue for fiscal year 2008-2009, not including the beginning balance and including one-time revenues, is forecasted to be $8,403,873,200 to $8,404,873,200.

B. State general fund revenue for fiscal year 2009-2010, not including the beginning balance and including one-time revenues, is forecasted to be $8,224,391,100 to $8,382,972,500.

C. The executive branch shall provide to the joint legislative budget committee a preliminary estimate of the fiscal year 2008-2009 state general fund ending balance by September 15, 2009. The preliminary estimate of the fiscal year 2009-2010 state general fund ending balance shall be provided by September 15, 2010. The estimate shall include projections of total revenues, total expenditures and ending balance. The department of administration shall continue to provide the final report for the fiscal year in its annual financial report pursuant to section 35-131, Arizona Revised Statutes.

D. Based on the information provided by the executive branch, the staff of the joint legislative budget committee shall report to the joint legislative budget committee by October 15 of 2009 and 2010 as to whether that fiscal year's revenues and ending balance are expected to change by more than $50,000,000 from the budgeted projections. The executive branch may also provide its own estimates to the joint legislative budget committee by October 15 of each year.

Sec. 54. OFFICE OF EQUAL OPPORTUNITY

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Fund sources:
State general fund $212,500

Sec. 55. ARIZONA COMMISSION OF INDIAN AFFAIRS

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Sec. 56. Arizona water banking fund; interest; transfer
Notwithstanding any other law, the sum of $5,400,000 from interest earnings on the Arizona water banking fund established by section 45-2425, Arizona Revised Statutes, is transferred to the state general fund on the effective date of this act.

Sec. 57. Department of economic security; appropriation reduction for fiscal year 2009-2010
Beginning January 1, 2010, in addition to any other reductions made to the department of economic security's fiscal year 2009-2010 appropriation, the state general fund appropriation to the department of economic security shall be reduced by $(15,000,000) in fiscal year 2009-2010.

Sec. 58. Arizona judiciary; full-time equivalent positions; appropriation
In addition to any other appropriations of full-time equivalent position authority for the Arizona judiciary's fiscal year 2009-2010 appropriation, the court of appeals is appropriated 6.3 full-time equivalent position authority and the superior court is appropriated 1.0 full-time equivalent position authority in fiscal year 2009-2010.

Sec. 59. Appropriations; state parks board; repayment
The sum of $1,900,000 is appropriated from the state general fund in fiscal year 2009-2010 to the Arizona state parks board and shall be repaid to the state general fund from any available fund source no later than June 30, 2010.

Sec. 60. Fiscal year 2009-2010 conditional appropriations
A. On or before December 15, 2009, the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting shall project the state general fund revenues for fiscal year 2009-2010, which would include all state general fund revenues, not including the beginning balance, for fiscal year 2009-2010, including one-time revenues and revenues from any voter-approved temporary additional transaction privilege tax rate increment.

B. If the amount projected pursuant to subsection A of this section exceeds all budgeted state general fund revenues, not including the beginning balance, for fiscal year 2009-2010, including one-time revenues, the amount of the difference shall be allocated and appropriated from the state general fund as follows:
1. Fifty per cent of the amount of the difference shall be allocated to reduce the required net available proceeds of lease-purchase finance agreements by the department of administration in consultation with the state department of corrections in fiscal year 2009-2010, not to exceed $217,000,000.
2. Fifty per cent of the amount of the difference shall be appropriated in proportion to the corresponding reductions or required distributions made, as follows:

(a) To the department of education for basic state aid that would have otherwise been apportioned to school districts statewide for fiscal year 2009-2010 for the soft capital allocation prescribed in section 15-962, Arizona Revised Statutes, not to exceed $175,000,000.

(b) To the department of education for additional assistance funding that otherwise would be apportioned to charter schools statewide for fiscal year 2009-2010 pursuant to section 15-185, subsection B, paragraph 4, Arizona Revised Statutes, not to exceed $5,000,000.

(c) To cities and towns that receive vehicle license tax monies pursuant to section 28-5808, subsection A, paragraph 2, subdivision (c) and subsection B, paragraph 2, subdivision (c), Arizona Revised Statutes, and that are required to distribute a portion of those monies in fiscal year 2009-2010 to local school districts, distributed based on the cities' and towns' relative population and not to exceed $22,000,000.

(d) To the department of economic security for the state general fund appropriation reduction specified in section 57 of this act, not to exceed $15,000,000.

C. On or before December 15, 2009, the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting shall jointly notify the governor, the president of the senate and the speaker of the house of representatives whether the amount projected pursuant to subsection A of this section exceeds all budgeted state general fund revenues, not including the beginning balance, for fiscal year 2009-2010, including one-time revenues and, if so, the total excess amount.

D. If the report in subsection C of this section indicates a total excess amount of revenues, by December 25, 2009, the governor shall issue a public notice stating the amounts appropriated from the state general fund or allocated to reducing net available proceeds from lease-purchase financing at the levels indicated and for the purposes provided in subsection B, paragraph 2 of this section.

Sec. 61. **Conditional enactment**

This act does not become effective unless Senate Bill 1188, forty-ninth legislature, first regular session, relating to making transfers and appropriations for the different departments of the state, for state institutions and for public schools, becomes law.