

House Engrossed

**FILED**

**Betsy Bayless  
Secretary of State**

State of Arizona  
House of Representatives  
Forty-fifth Legislature  
Third Special Session  
2002

CHAPTER 2

## **HOUSE BILL 2003**

AN ACT

AMENDING LAWS 2001, SECOND SPECIAL SESSION, CHAPTER 5, SECTIONS 7, 8, 18, 19, 21, 22, 33, 55, 74 AND 82; AMENDING LAWS 2001, SECOND SPECIAL SESSION, CHAPTER 4, SECTIONS 1 AND 3; MAKING APPROPRIATION ADJUSTMENTS AND CONDITIONAL APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS FOR THE 2001-2002 FISCAL YEAR.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Laws 2001, second special session, chapter 5, section 7 is  
 3 amended to read:

4 Sec. 7. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

	<u>2001-02</u>
5	
6	<u>Administration</u>
7	FTE positions 2,478.8
8	Operating lump sum appropriation \$ 67,725,600
9	DOA data center charges 5,534,100
10	Indian advisory council 213,700
11	DES eligibility 44,529,000
12	DES Title XIX pass-through 301,900
13	DHS Title XIX pass-through 1,681,000
14	Healthcare group administration 1,300,500
15	Office of administrative hearings 190,200
16	CHIP - administration 8,623,900
17	CHIP - services 73,313,300
18	<u>Finger imaging 950,000</u>
19	Total expenditure authority -
20	administration <del>\$204,363,200</del>
21	\$203,413,200

22 Performance measures:

23	Cost avoidance from fraud and abuse	
24	prevention program	\$ 7,000,000
25	Per cent of enrollees filing a grievance	0.4
26	Per cent of eligibility accuracy as	
27	measured by quality control sample	97
28	Per cent of AHCCCS employee turnover	11.5
29	Administration as a per cent of total cost	4.4
30	Customer satisfaction rating for eligibility	
31	determination clients (Scale 1-8)	6.0

32 Of the ~~\$204,363,200~~ \$203,413,200 expenditure authority for  
 33 administration in fiscal year 2001-2002, ~~\$55,872,100~~ \$54,922,100 is  
 34 appropriated from the state general fund, \$1,300,500 is appropriated from the  
 35 donations fund and \$81,937,200 is appropriated from the children's health  
 36 insurance program fund.

37 It is the intent of the legislature that the appropriation for the  
 38 department of administration data center charges be used only for the payment  
 39 of charges incurred by the department for the use of computing services  
 40 provided by the department of administration data center.

41 In implementing any changes to the operating budget in fiscal year  
 42 2001-2002, the administration shall not take any additional reductions from  
 43 pass-through allocations provided in special line items.

1           The amounts appropriated for the department of economic security  
2 eligibility special line item shall be used for intergovernmental agreements  
3 with the department of economic security for the purpose of eligibility  
4 determination and other functions. The general fund share may be used for  
5 eligibility determination for other programs administered by the division of  
6 benefits and medical eligibility based on the results of the Arizona random  
7 moment sampling survey.

8           The amounts appropriated for the department of health services title  
9 XIX pass-through special line item shall be used for intergovernmental  
10 agreements with the department of health services for the purpose of  
11 medicaid-related licensure, certification and registration, and other  
12 functions.

13           The Arizona health care cost containment system administration shall  
14 report by January 1 of each year on the agency's use of the cost savings that  
15 results from entering into an agreement with another state as outlined in  
16 Laws 1999, chapter 313, section 27. The report shall also include detail on  
17 the source of all revenues and expenditure of monies from the  
18 intergovernmental service fund.

19           Before the expenditure of any monies for the Arizona health care cost  
20 containment system administration customer eligibility system, the Arizona  
21 health care cost containment system administration shall submit a report to  
22 the joint legislative budget committee for its review. The report shall  
23 discuss how the automation improvements are compatible with the no wrong door  
24 initiative.

25           The Arizona health care cost containment system shall report by  
26 September 30 of each year to the joint legislative budget committee on the  
27 services that receive reimbursement from the federal government under the  
28 medicaid in public school initiative. The report shall include information  
29 on the type of services, how those services meet the definition of medical  
30 necessity, and the total amount of federal dollars that the schools have  
31 received under the medicaid in public school initiative.

32           If federal matching monies are received for the finger imaging  
33 enrollment program, the Arizona health care cost containment system shall  
34 revert the portion of the state general fund appropriation received equal to  
35 the federal dollars received for this program in the year that federal monies  
36 are received.

37           The Arizona health care cost containment system administration is  
38 exempt from the rule making requirements of title 41, chapter 6, Arizona  
39 Revised Statutes, for the purposes of implementing the finger imaging  
40 enrollment program established pursuant to Laws 2000, chapter 378. It is the  
41 intent of the legislature that the administration shall hold hearings to give  
42 the public an opportunity to comment on the proposed rules. The  
43 administration shall hold at least one of these hearings in a county with a  
44 population of less than five hundred thousand persons according to the most  
45 recent United States decennial census.

1	<u>Acute care</u>	
2	Capitation	<del>989,635,500</del>
3		\$1,018,890,700
4	Fee for service	278,620,300
5		282,667,100
6	Reinsurance	56,843,600
7		57,909,500
8	Medicare premiums	33,454,100
9	Graduate medical education	21,683,200
10	Disproportionate share payments	<u>59,149,000</u>
11	Total expenditure authority -	
12	acute care	<del>1,439,585,700</del>
13		\$1,473,753,600

14	Performance measures:	
15	Per cent of two year old children enrolled	
16	in AHCCCS who have received age	
17	appropriate immunizations	83
18	Per cent of well child visits in the first	
19	15 months of life (EPSDT)	75
20	Per cent of children's access to primary	
21	care provider	83
22	Per cent of women receiving annual cervical	
23	screening	46
24	Member satisfaction as measured by	
25	percentage of enrollees that choose	
26	to change health plans	4.0

27 Of the ~~1,439,585,700~~ \$1,473,753,600 expenditure authority for acute  
 28 care in fiscal year 2001-2002, ~~315,440,900~~ \$319,202,800 is appropriated from  
 29 the state general fund.

30 Before making fee-for-service program or rate changes that pertain to  
 31 hospital, nursing facility or home and community based services rates or for  
 32 any of the other fee-for-service rate categories that have increases that,  
 33 in the aggregate, are two per cent above and \$1,500,000 from the state  
 34 general fund greater than budgeted medical inflation in fiscal year  
 35 2001-2002, the Arizona health care cost containment system administration  
 36 shall report its plan to the joint legislative budget committee for review.

37 Before implementation of ANY CHANGES IN capitation ~~rate changes that~~  
 38 ~~have a budgetary impact~~ RATES, the Arizona health care cost containment  
 39 system administration shall report its plan to the joint legislative budget  
 40 committee for review. THIS INCLUDES ANY CAPITATION RATES USED FOR THE  
 41 POPULATION AS DEFINED BY SECTION 36-2901.01, ARIZONA REVISED STATUTES, AS  
 42 ENACTED IN PROPOSITION 204 IN THE NOVEMBER 2000 GENERAL ELECTION.

43 The Arizona health care cost containment system shall provide a report  
 44 to the joint legislative budget committee by January 31, 2002 detailing the

1 graduate medical education distribution by hospital and the methodology used  
 2 to determine the distribution.

3 The fiscal year 2001-2002 disproportionate share payment of \$59,149,000  
 4 is based on the federal fiscal year 2001-2002 authorized expenditure level  
 5 of \$38,435,000. If the final federal expenditure authorization is an amount  
 6 different from the estimate, the governor shall direct the Arizona health  
 7 care cost containment system administration, subject to the availability of  
 8 monies and subject to review of the joint legislative budget committee, to  
 9 proportionately adjust authorization amounts among the identified recipients  
 10 of the disproportionate share hospital payment. Before the final payment,  
 11 the governor shall provide notification to the president of the senate, the  
 12 speaker of the house of representatives, the chairmen of the house and senate  
 13 appropriations committees and the staff director of the joint legislative  
 14 budget committee of the adjusted federal authorized expenditure level and the  
 15 proposed distribution plan for these monies.

16 The appropriation for disproportionate share payments for fiscal year  
 17 2001-2002 made pursuant to section 36-2903.01, subsection P, Arizona Revised  
 18 Statutes, includes \$59,149,000 for qualifying county operated hospitals.

19 Long-term care

20	Program lump sum appropriation	<del>\$642,560,700</del>
21		\$636,237,900
22	Board of nursing	<u>209,700</u>
23	Total expenditure authority -	
24	long-term care	<del>\$642,770,400</del>
25		\$636,447,600

26 Performance measures:

27	Per cent of nursing facility residents that	
28	receive influenza immunization	85
29	Per cent of members utilizing home and	
30	community based services (HCBS)	49
31	Per cent of ALTCS applications processed on	
32	time (within 45 days)	90
33	Per cent of financial redeterminations	
34	processed on time (within 12 months)	90

35 Any federal funds that the Arizona health care cost containment system  
 36 administration passes through to the department of economic security for use  
 37 in long-term administration care for the developmentally disabled shall not  
 38 count against the long-term care expenditure authority above.

39 Pursuant to section 11-292, subsection B, Arizona Revised Statutes, the  
 40 fiscal year 2001-2002 nonfederal portion of the costs of providing long-term  
 41 care system services is ~~\$222,446,300~~ \$219,820,900. The county contribution  
 42 is ~~\$171,024,000~~ \$169,893,300 and the state contribution is ~~\$51,422,300~~  
 43 \$49,927,600. The state contribution includes ~~\$48,318,100~~ \$49,623,400 from  
 44 the state general fund, AND \$304,200 from the medical services stabilization  
 45 fund and ~~\$2,800,000~~ in administrative adjustments.

1 Before making fee-for-service program or rate changes that pertain to  
2 hospital, nursing facility or home and community based services rates or for  
3 any of the other fee-for-service rate categories that have increases that,  
4 in the aggregate, are two per cent above and \$1,500,000 from the state  
5 general fund greater than budgeted medical inflation in fiscal year  
6 2001-2002, the Arizona health care cost containment system administration  
7 shall report its plan to the joint legislative budget committee for review.

8 Before implementation of capitation rate changes that have a budgetary  
9 impact, the Arizona health care cost containment system administration shall  
10 report its plan to the joint legislative budget committee for review.

11 The administration shall provide the joint legislative budget committee  
12 staff an implementation plan for the provider rate adjustment by September  
13 1, 2001.

14 It is the intent of the legislature that the agency distribute one  
15 hundred per cent of the increase intended for providers to contracted  
16 community treatment providers.

17 It is the intent of the legislature that the provider rate increase be  
18 incorporated into contracted rates. Since this increase in the contracted  
19 rate would not be competitively procured, the adjustment in this section is  
20 exempt from the provisions of Arizona Revised Statutes, title 41, chapter 23,  
21 related to procurement.

22 It is the intent of the legislature that the adjustment be directed  
23 toward raising rates paid to providers receiving less than other providers  
24 providing similar levels of service for the same service types, if  
25 applicable.

26 It is the intent of the legislature that independent providers are  
27 eligible for these increases.

28 It is the intent of the legislature that community treatment providers  
29 allocate the adjustments for salary increases to direct care staff who  
30 provide direct care services for more than eighty per cent of their time  
31 weekly and who earn less than thirteen dollars per hour.

32 It is the intent of the legislature that these funds be spent for  
33 ongoing pay adjustments and salary-related employee related expenses such as  
34 workers' compensation, unemployment insurance, and FICA.

35 Each contract provider receiving a rate adjustment shall report to the  
36 agency by June 1, 2002 on how the adjustment was used. The Arizona health  
37 care cost containment system shall summarize this information and report it  
38 to the joint legislative budget committee by July 1, 2002.

39	Total expenditure authority	<del>\$ 2,286,719,300</del>
40		\$ 2,313,614,400
41	Less tobacco tax medically needy	
42	account withdrawals	<del>(35,947,400)</del>
43		(45,947,400)

1	Less medical services stabilization	
2	fund withdrawals	(37,339,800)
3	Less collections, other receipts	
4	and balances forward	(1,710,563,300)
5		<u>(1,723,341,200)</u>
6	Total appropriation - Arizona health care	
7	cost containment system	<del>\$ 502,868,800</del>
8		\$ 506,986,000
9	Fund sources:	
10	State general fund	<del>\$ 419,631,100</del>
11		\$ 423,748,300
12	Other appropriated funds	83,237,700
13	Performance measures:	
14	Per cent of people under age 65 that are	
15	uninsured	24
16	Per cent of children (under 18 years)	
17	that are uninsured	22
18	AHCCCS enrollment	583,364
19	Children's health insurance program	
20	(CHIP) enrollment	45,627
21	Premium sharing enrollment	7,000
22	Sec. 2. Laws 2001, second special session, chapter 5, section 8 is	
23	amended to read:	
24	Sec. 8. ARIZONA COMMISSION ON THE ARTS	
25		<u>2001-02</u>
26	FTE positions	12.5
27	Lump sum appropriation	\$ 612,500
28	<del>Arts endowment fund</del>	<del>500,000</del>
29	Community service projects	<u>1,775,000</u>
30	Total appropriation - Arizona commission	
31	on the arts	<del>\$ 2,887,500</del>
32		\$ 2,387,500
33	Performance measures:	
34	Audiences reached by programs sponsored	
35	by agency	7,000,000
36	Number of grants awarded	550
37	Cumulative private funds raised to match	
38	state arts endowment fund	\$ 17,000,000
39	Customer satisfaction rating (Scale 1-8)	7.2
40	Administration as a per cent of total cost	2.2
41	Sec. 3. Laws 2001, second special session, chapter 5, section 18 is	
42	amended to read:	

1	Sec. 18. DEPARTMENT OF CORRECTIONS	
2		<u>2001-02</u>
3	<u>Administration</u>	
4	FTE positions	304.0
5	Lump sum appropriation	\$ 32,427,700
6	<u>Community corrections</u>	
7	FTE positions	157.0
8	Lump sum appropriation	\$ 8,870,200
9	<u>Prison operations and services security</u>	
10	FTE positions	7,374.4
11	Lump sum appropriation	\$257,843,600
12	Fund sources:	
13	State general fund	\$257,573,600
14	State charitable, penal and	
15	reformatory institutions	
16	land fund	270,000
17	<u>Inmate education, treatment and</u>	
18	<u>work programs</u>	
19	FTE positions	565.5
20	Lump sum appropriation	\$ 39,723,700
21	Fund sources:	
22	State general fund	\$ 37,197,300
23	Alcohol abuse treatment fund	449,300
24	State education fund for	
25	correctional education	2,077,100
26	<u>Private prisons</u>	
27	FTE positions	10.0
28	Lump sum appropriation	\$ 20,079,600
29	<u>Inspections and investigations</u>	
30	FTE positions	132.0
31	Lump sum appropriation	\$ 5,869,600
32	<u>Health care</u>	
33	FTE positions	847.0
34	Lump sum appropriation	<del>\$ 69,389,700</del>
35		\$ 73,889,700
36	FUND SOURCES:	
37	STATE GENERAL FUND	\$ 69,389,700
38	CORRECTIONS FUND	4,500,000
39	<u>Prison management and support</u>	
40	FTE positions	1,237.5
41	Lump sum appropriation	\$132,387,800
42	Fund sources:	
43	State general fund	\$129,929,300
44	Corrections fund	1,083,500
45	Penitentiary land fund	<u>1,375,000</u>

1	Total - prison operations and services	<del>\$525,294,000</del>
2		\$529,794,000
3	Fund sources:	
4	State general fund	\$ 520,039,100
5	Corrections fund	<del>1,083,500</del>
6		5,583,500
7	Penitentiary land fund	1,375,000
8	State charitable, penal and	
9	reformatory institutions	
10	land fund	270,000
11	State education fund for	
12	correctional education	2,077,100
13	Alcohol abuse treatment fund	449,300
14	Agencywide lump sum reduction	<del>\$(17,602,600)</del>
15	Total appropriation - department of	
16	corrections	<del>\$ 548,989,300</del>
17		\$ 553,489,300
18	Fund sources:	
19	State general fund	\$ 543,734,400
20	Corrections fund	<del>1,083,500</del>
21		5,583,500
22	Penitentiary land fund	1,375,000
23	State charitable, penal and	
24	reformatory institutions	
25	land fund	270,000
26	State education fund for	
27	correctional education	2,077,100
28	Alcohol abuse treatment fund	449,300
29	Performance measures:	
30	Average yearly cost per inmate	\$20,814
31	Average daily population - secure facilities	27,642
32	Fiscal year-end bed surplus/(shortage)	(1,941)
33	Escapes from secure facilities	0
34	Number of inmates receiving GED	2,550
35	Number of inmate random positive urinalysis	
36	results	1,025
37	Per cent of agency staff turnover	11.6
38	Administration as a per cent of total cost	6.6
39	Customer satisfaction rating for employee	
40	satisfaction (Scale 1-8)	6.0
41	Twenty-five per cent of land earnings and interest from the state	
42	charitable, penal and reformatory institutions land fund shall be distributed	
43	to the state department of corrections in compliance with section 25 of the	
44	enabling act and the constitution to be used for the support of state penal	
45	institutions.	

1 One hundred per cent of land earnings and interest from the  
 2 penitentiary land fund shall be distributed to the department of corrections  
 3 in compliance with section 25 of the enabling act and the constitution to be  
 4 used for the support of state penal institutions.

5 Before the expenditure of any state education fund for correctional  
 6 education receipts in excess of \$2,077,100, the department of corrections  
 7 shall report the intended use of the monies to the director of the joint  
 8 legislative budget committee.

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

13 Sec. 4. Laws 2001, second special session, chapter 5, section 19 is  
 14 amended to read:

15 Sec. 19. ARIZONA CRIMINAL JUSTICE COMMISSION

16		<u>2001-02</u>
17	FTE positions	6.0
18	Lump sum appropriation	<del>\$ 8,875,500</del>
19		\$ 8,759,400
20	Fund sources:	
21	State general fund	<del>\$ 2,905,200</del>
22		\$ 2,789,100
23	Criminal justice enhancement fund	455,500
24	Victim compensation and assistance	
25	fund	2,900,000
26	State aid to county attorneys fund	1,341,100
27	State aid to indigent defense fund	1,273,700
28	Performance measures:	
29	Crime victim program site visits completed	30
30	Per cent of crime victim program audits	
31	reflecting no deficiencies	100
32	Drug and violent crime arrests made by	
33	grant-funded task forces	5,611
34	Studies/reports completed and published	15
35	Number of juvenile jails assisted for	
36	improvement	4.0
37	Administration as a per cent of total cost	6.8
38	Customer satisfaction rating (Scale 1-8)	6.0

39 All victim compensation and victim assistance receipts received by the  
 40 Arizona criminal justice commission in excess of \$2,900,000 in fiscal year  
 41 2001-2002 are appropriated to the crime victims program. Before the  
 42 expenditure of any victim compensation and victim assistance receipts in  
 43 excess of \$2,900,000 in fiscal year 2001-2002, the Arizona criminal justice  
 44 commission shall submit the intended use of the monies for review by the  
 45 joint legislative budget committee.

1           Sec. 5. Laws 2001, second special session, chapter 5, section 21 is  
 2 amended to read:

3           Sec. 21. DEPARTMENT OF ECONOMIC SECURITY

4		<u>2001-02</u>
5	<u>Administration</u>	
6	FTE positions	305.9
7	Operating lump sum appropriation	\$ 38,777,100
8	Finger imaging	857,200
9	Lease purchase equipment	2,500,200
10	Public assistance collections	382,500
11	Attorney general legal services	568,700
12	Lump sum reduction	<u>(1,387,200)</u>
13	Total - administration	\$ 41,698,500
14	Fund sources:	
15	State general fund	\$ 31,158,500
16	Public assistance collections fund	295,400
17	Federal temporary assistance for	
18	needy families block grant	6,683,900
19	Federal child care and development	
20	fund block grant	1,040,200
21	Special administration fund	520,500
22	Statewide cost allocation plan	
23	fund	2,000,000
24	Performance measures:	
25	Customer satisfaction ratings based on	
26	annual survey (Scale 1-5)	
27	Office of personnel management	3.0
28	Office of management development	3.0
29	Office of appellate services administration	4.0
30	Office of technology services	3.0
31	Number of districts where strategic planning	
32	model was implemented for early intervention	
33	program	3.0
34	Per cent information technology service help	
35	calls requests resolved in 1 day	90
36	Cost per dollar to recover overpayments	.10
37	Per cent of agency staff turnover	15.6
38	Administration as a per cent of total cost	5.1

39           In accordance with section 35-142.01, Arizona Revised Statutes, the  
 40 department of economic security shall remit to the department of  
 41 administration any monies received as reimbursement from the federal  
 42 government or any other source for the operation of the department of  
 43 economic security west building and any other building lease-purchased by the  
 44 State of Arizona in which the department of economic security occupies space.

1 The department of administration shall deposit these monies in the state  
 2 general fund.

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

8 Developmental disabilities

9	FTE positions	373.0
10	Operating lump sum appropriation	\$ 4,814,000
11	Case management	2,996,300
12	Home and community based services	28,506,200
13	Institutional services	294,900
14	Arizona training program at	
15	Coolidge	5,462,700
16	State-funded long term care	
17	services	<u>17,950,600</u>
18	Total - developmental disabilities	\$ 60,024,700
19	Fund sources:	
20	State general fund	<del>\$ 45,533,100</del>
21		\$ 44,278,400
22	Long term care system fund	<del>14,491,600</del>
23		15,746,300

24 Performance measures:

25	Per cent of consumer satisfaction with	
26	case management services	90
27	Per cent of consumers (people who live	
28	at home) who are satisfied with services	
29	and support (biennial survey)	75
30	Average number of clients served monthly,	
31	including state-only and long term care	20,049
32	Cost per member year - Arizona training	
33	program - Coolidge	\$ 93,700
34	Average number of Arizona training program -	
35	Coolidge clients	175

36 It is the intent of the legislature that any available surplus monies  
 37 for developmental disability programs be applied toward the waiting list,  
 38 unless there are insufficient monies to annualize these costs in the  
 39 subsequent year. The children's waiting list shall receive first priority.  
 40 The amount appropriated for developmental disabilities shall be used to  
 41 provide for services for non-title XIX eligible clients. The amount shall  
 42 not be used for other purposes, unless a transfer of monies is reviewed by  
 43 the joint legislative budget committee.

44 It is the intent of the legislature that monies appropriated for  
 45 services relating to adult day services in the division of developmental

1 disabilities budget be transferred to the division of employment and  
 2 rehabilitation services, rehabilitation services administration to  
 3 accommodate individuals who are determined by the division of developmental  
 4 disabilities to need vocational independence in a supported work environment.  
 5 These monies may be transferred back to the division of developmental  
 6 disabilities if a supported work environment is no longer the most  
 7 appropriate day placement for a client.

8 The department of economic security shall report all new placements  
 9 into a state-owned ICF-MR or the Arizona training program at Coolidge campus  
 10 in fiscal year 2001-2002 to the president of the senate, the speaker of the  
 11 house of representatives, the chairmen of the senate and house of  
 12 representatives appropriations committees and the director of the joint  
 13 legislative budget committee, and the reason why this placement, rather than  
 14 a placement into a privately run facility for the developmentally disabled,  
 15 was deemed as the most appropriate placement. The department should also  
 16 report if no new placements were made. This report shall be made available  
 17 by July 15, 2002.

18	<u>Long term care system fund</u>	
19	FTE positions	1,278.4
20	Operating lump sum appropriation	\$ 18,228,700
21	Case management	18,891,200
22	Home and community based services	<del>282,067,400</del>
23		273,801,500
24	Institutional services	11,335,800
25	Medical services	54,735,700
26	Arizona training program at	
27	Coolidge	10,934,000
28	Less title XIX and other funds	<del>(258,118,500)</del>
29		<u>(252,747,300)</u>
30	Total - long term care system fund	<del>\$ 138,074,300</del>
31		\$ 135,179,600
32	Performance measures:	
33	Per cent of consumer satisfaction with	
34	case management services	90
35	Per cent of consumers (people who live at	
36	home) who are satisfied with services	
37	and support (biennial survey)	75
38	Average number of clients served monthly,	
39	including state-only and long term care	20,049
40	Cost per member year at Arizona training	
41	program - Coolidge	\$ 93,700
42	Average number of Arizona training program -	
43	Coolidge clients	175

1 All monies in the long term care system fund unexpended and  
 2 unencumbered at the end of fiscal year 2001-2002 revert to the state general  
 3 fund, subject to approval by the Arizona health care cost containment system.

4 Monies for the long term care program are appropriated for the  
 5 capitation rates effective on October 1, 2000. No monies may be expended for  
 6 a change in these capitation rates unless an expenditure plan is reviewed by  
 7 the joint legislative budget committee.

8 Before the expenditure of any monies for improvements to the division  
 9 of developmental disabilities automation system, the department of economic  
 10 security shall submit a report to the joint legislative budget committee for  
 11 its review. The report shall discuss how the automation improvements will  
 12 ensure coordination between the division of developmental disabilities and  
 13 other eligibility-based programs in the department of economic security.

14 Benefits and medical eligibility

15	FTE positions	747.3
16	Operating lump sum appropriation	\$ 34,061,300
17	Temporary assistance for needy	
18	families cash benefits	132,863,100
19	FLSA supplement	1,267,200
20	Tribal welfare reform	1,000,000
21	General assistance	4,260,800
22	Institutional support payments	266,400
23	Tuberculosis control	32,200
24	Outreach and naturalization	85,000
25	Food stamp outreach and education	50,000
26	Tribal pass-through funding	<u>4,212,800</u>
27	Total - benefits and medical	
28	eligibility	\$178,098,800
29	Fund sources:	
30	State general fund	\$ 84,513,900
31	Federal temporary assistance for	
32	needy families block grant	93,584,900
33	Performance measures:	
34	Per cent of cash benefits issued timely	98.6
35	Per cent of total cash benefits payments	
36	issued accurately	95.0
37	Average cash benefits caseload	93,527
38	Per cent of total food stamps payments	
39	issued accurately	95.0
40	Average monthly number of food stamp	
41	recipients	297,400
42	Per cent of clients satisfied with family	
43	assistance administration	87.7

1 The operating lump sum appropriation may be expended on Arizona health  
 2 care cost containment system eligibility determinations based on the results  
 3 of the Arizona random moment sampling survey.

4 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,  
 5 any transfer to or from the \$132,863,100 appropriated for temporary  
 6 assistance for needy families cash benefits in fiscal year 2001-2002 requires  
 7 approval of the joint legislative budget committee.

8 The \$1,000,000 appropriated for tribal welfare reform in fiscal year  
 9 2001-2002 shall be distributed to Native American tribes in this state to  
 10 enhance welfare reform efforts on behalf of tribal citizens. The \$1,000,000  
 11 appropriation shall be distributed by the department of economic security on  
 12 a proportional basis based on the population residing on the reservation of  
 13 each tribe in this state.

14 Of the amount appropriated for temporary assistance for needy families  
 15 cash benefits, \$4,200,000 reflects appropriation authority only. The  
 16 department shall notify the joint legislative budget committee and the  
 17 governor's office of strategic planning and budgeting staff before the use  
 18 of any of the \$4,200,000 appropriation authority.

19 The department of economic security shall provide data on the Arizona  
 20 works program to the joint legislative budget committee on a bimonthly basis  
 21 to accompany the report required by section 46-344, Arizona Revised Statutes.  
 22 The department of economic security shall also provide data related to the  
 23 performance contract with the Arizona works vendor to the vendor and the  
 24 joint legislative budget committee no later than seventy days after the end  
 25 of each fiscal quarter.

26 The department of economic security shall provide the Arizona works  
 27 agency procurement board a level of support equivalent to that received in  
 28 fiscal year 2000-2001.

29 Child support enforcement

30	FTE positions	732.2
31	Operating lump sum appropriation	\$ 30,476,400
32	Genetic testing	723,600
33	Central payment processing	3,088,600
34	County participation	10,066,300
35	Attorney general legal services	5,108,900
36	Lump sum reduction	(98,000)
37	Less federal funds	<u>(33,453,600)</u>
38	Total - child support enforcement	\$ 15,912,200
39	Fund sources:	
40	State general fund	\$ 4,726,300
41	Child support enforcement	
42	administration fund	11,185,900
43	Performance measures:	
44	Number of IV-D cases	228,300
45	Total IV-D collections	\$258,000,000

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1	Per cent of IV-D caseload with a IV-D	
2	collection	44.4
3	Ratio of current IV-D support collected	
4	and distributed to current IV-D support	
5	due	47.2
6	Per cent of IV-D court ordered cases with a	
7	collection during the year	69.4
8	Per cent of IV-D children in the paternity	
9	function for whom paternity was established	
10	during the year	20.2
11	Per cent of cases in the establishment	
12	function for which orders were established	
13	during the year	29.5

14 All state share of retained earnings and federal incentives above  
 15 \$10,377,700 in fiscal year 2001-2002 received by the division of child  
 16 support enforcement are appropriated for operating expenditures. New  
 17 full-time equivalent positions may be authorized with the increased  
 18 funding. The division of child support enforcement shall report the intended  
 19 use of the monies to the speaker of the house of representatives, the  
 20 president of the senate, the chairmen of the senate and house appropriations  
 21 committees and the directors of the joint legislative budget committee and  
 22 the governor's office of strategic planning and budgeting.

23 Aging and community services

24	FTE positions	95.1
25	Operating lump sum appropriation	\$ 5,476,500
26	Community and emergency services	6,979,500
27	Coordinated hunger program	1,786,600
28	Information and referral	115,400
29	Coordinated homeless program	2,738,600
30	Adult services	11,496,300
31	Domestic violence prevention	8,823,800
32	Long-term care ombudsman	<u>359,500</u>
33	Total - aging and community services	\$ 37,776,200
34	Fund sources:	
35	State general fund	\$ 22,648,000
36	Federal temporary assistance for	
37	needy families block grant	13,428,200
38	Domestic violence shelter fund	1,700,000
39	Performance measures:	
40	Average per cent of survey respondents	
41	indicating provision of services avoided	
42	premature institutionalization	81
43	Adult protective services investigation	
44	per cent rate	81

1	Per cent of participants in older workers	
2	program transitioned from subsidized to	
3	unsubsidized positions	47
4	Per cent of eligibility determination made	
5	within 48 hours for refugee medical	
6	assistance program	98
7	Per cent of clients surveyed who were	
8	accurately referred by the information	
9	and referral program	90

10       It is the intent of the legislature that the \$115,400 appropriated in  
 11 fiscal year 2001-2002 for information and referral services shall be used to  
 12 fund services in each city of this state with a population of more than two  
 13 hundred fifty thousand persons according to the most recent United States  
 14 decennial or special census.

15       It is the intent of the legislature that a state general fund amount  
 16 of \$250,000 in adult services be matched with \$250,000 from the federal  
 17 social services block grant for nonmedical home and community based services.

18       All domestic violence shelter fund monies above \$1,700,000 received by  
 19 the department of economic security in fiscal year 2001-2002 are appropriated  
 20 for the domestic violence prevention special line item. The department of  
 21 economic security shall report the intended use of the monies above  
 22 \$1,700,000 in fiscal year 2001-2002 to the joint legislative budget  
 23 committee.

24	<u>Children, youth and families</u>	
25	FTE positions	1,188.4
26	Operating lump sum appropriation	\$ 43,534,000
27	Children services	41,186,500
28	Intensive family services	3,035,600
29	High risk infant services	300,300
30	Adoption services	20,434,800
31	Homeless youth intervention	400,000
32	Permanent guardianship subsidy	983,300
33	Temporary assistance for needy	
34	families deposit to the joint	
35	substance abuse treatment fund	333,300
36	Child abuse prevention	812,000
37	Family builders program	6,197,000
38	Comprehensive medical and dental	
39	program	2,779,900
40	Attorney general legal services	4,254,100
41	Child protective services appeals	587,000
42	Temporary assistance for needy	
43	families deposit to social	
44	services block grant	32,066,500

1	Child protective services	
2	expedited substance abuse	
3	treatment fund deposit	224,500
4	IV-E cost allocation contingency	<u>8,224,200</u>
5	Total - children, youth and families	<del>\$168,028,000</del>
6		\$165,353,000

7	Fund sources:	
8	State general fund	\$ 98,027,800
9	Child abuse prevention fund	1,062,000
10	Children and family services	
11	training program fund	209,600
12	Federal temporary assistance for	
13	needy families block grant	<del>68,728,600</del>
14		66,053,600

15 THE AMENDED APPROPRIATIONS FOR THE LINE ITEMS ENTITLED "TOTAL-CHILDREN,  
 16 YOUTH AND FAMILIES" AND "FEDERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES  
 17 BLOCK GRANT" ARE SHOWN AS REDUCTIONS RESULTING FROM THE GOVERNOR'S LINE-ITEM  
 18 VEToes IN THE FORTY-FIFTH LEGISLATURE, SECOND SPECIAL SESSION.

19	Performance measures:	
20	Per cent of children in out-of-home care	
21	who exit the child welfare system who	
22	achieve permanent placement through	
23	reunification, adoption or legal	
24	guardianship	36
25	Per cent of children in out-of-home care	
26	who have not returned to their families	
27	or been placed in another type of	
28	permanent placement for more than 24	
29	consecutive months since they were	
30	removed from their homes	30
31	Number of children with finalized adoption	1,110
32	Per cent of CPS reports responded to by CPS	
33	staff	74
34	Per cent of CPS reports responded to by	
35	family builders	26
36	Substantiated reports of child maltreatment	4,589
37	Per cent of newly hired CPS specialists	
38	completing training within 7 months	
39	of hire	93
40	Per cent of CPS original dependencies	
41	cases where court denied or dismissed	3.0
42	Per cent of office of administrative	
43	hearings where CPS case findings	
44	are affirmed	86

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1	Per cent of CPS complaints reviewed by	
2	the office of the ombudsman-citizens	
3	aide where allegations are reported	
4	as valid by the ombudsman	14
5	Per cent of calls to the family advocate	
6	that relate to CPS complaints	4.0
7	Per cent of CPS cases where the family	
8	advocate is involved and is successful	
9	in facilitating a solution	85
10	Per cent of CPS cases where most or all of the	
11	foster care review board recommendations	
12	are agreed on before court action as	
13	reported by the board	85
14	Average per cent of time spent on	
15	administrative paperwork as reported by	
16	CPS workers in an annual survey	
17	District 1	Baseline
18		
19	District 2	Baseline
20		
21	District 3	Baseline
22		
23	District 4	Baseline
24		
25	District 5	Baseline
26		
27	District 6	Baseline
28		
29	Average per cent rate at which CPS	
30	reports are substantiated	20.1

31 Of the \$32,066,500 appropriated from the federal temporary assistance  
32 for needy families block grant to the social services block grant for deposit  
33 into the temporary assistance for needy families deposit to social services  
34 block grant special line item, \$25,595,500 is allocated for use to the  
35 children services program in fiscal year 2001-2002. The balance of  
36 \$6,471,000 is allocated for use to the children services program in fiscal  
37 year 2002-2003 and is exempt from the provisions of section 35-190, Arizona  
38 Revised Statutes, relating to lapsing of appropriations, until June 30, 2003.  
39 The \$6,471,000 may be expended during fiscal year 2001-2002 on review of the  
40 joint legislative budget committee. The department of economic security  
41 shall provide the joint legislative budget committee staff with bimonthly  
42 reports beginning August 1, 2001 of this and all other appropriated and  
43 nonappropriated expenditures for the children services program. Each  
44 bimonthly report shall compare for each month in the current fiscal year

1 projected funding needs by funding source to client caseload levels and  
 2 approved funding in the current fiscal year.

3 Monies appropriated from the federal temporary assistance for needy  
 4 families block grant and deposited into the joint substance abuse treatment  
 5 fund pursuant to section 8-881, Arizona Revised Statutes, shall be  
 6 administered jointly by the department of economic security and the  
 7 department of health services. The program development costs shall be  
 8 limited to seven per cent and shall include training opportunities for  
 9 community collaboratives. The program evaluation costs shall be limited to  
 10 twelve per cent and shall include technical assistance to communities for  
 11 developing and providing substance abuse prevention and treatment programs.  
 12 The program evaluation costs shall also include expenditures for conducting  
 13 meetings to ensure collaboration, coordination and integration of services  
 14 and funding sources between public and private agencies, programs, service  
 15 providers, advocates and consumers to meet prevention, treatment and other  
 16 service needs. The amounts allocated for program development and program  
 17 evaluation for the first three years of the program may be compared to total  
 18 costs over those three years for purposes of meeting the cost limits.

19 The department of economic security shall provide training to any new  
 20 child protective services full-time equivalent positions before assigning to  
 21 any of these employees any client caseload duties. The department shall also  
 22 implement statewide by October 1, 2001 the family group decision making  
 23 program authorized by Laws 2000, chapter 369.

24 It is the intent of the legislature that the department of economic  
 25 security shall use the funding in the division of children, youth and  
 26 families, including the operating lump sum appropriation and the family  
 27 builders program appropriation, to achieve a one hundred per cent response  
 28 rate.

29 Employment and rehabilitation services

30	FTE positions	471.5
31	Operating lump sum appropriation	\$ 23,506,100
32	Job search stipends	30,000
33	Vocational rehabilitation services	3,913,400
34	Independent living rehabilitation	
35	services	2,203,500
36	Developmental disabilities	
37	employment support	6,593,600
38	Summer youth program	1,000,000
39	Summer youth employment and training	1,000,000
40	Day care subsidy	111,827,500
41	Transitional child care	27,887,400
42	JOBS	25,701,700

1	Work-related transportation	3,302,200
2	Workforce investment act programs	<u>46,070,600</u>
3	Total - employment and rehabilitation	
4	services	\$253,036,000
5	Fund sources:	
6	State general fund	\$ 39,849,400
7	Federal temporary assistance for	
8	needy families block grant	76,395,600
9	Federal child care and development	
10	fund block grant	79,496,900
11	Special administration fund	3,585,000
12	Spinal and head injuries trust fund	2,256,100
13	Workforce investment act grant	47,875,000
14	Federal reed act grant	3,578,000
15	Performance measures:	
16	Number of TANF recipients who obtained	
17	employment	12,264
18	Average cost per JOBS participant in all	
19	work activities	\$771
20	Total average children in all child care	
21	programs per month	41,907
22	Per cent of customer satisfaction with	
23	child care	91.0
24	Vocational rehabilitation individuals	
25	successfully rehabilitated	2,197

26 It is the intent of the legislature that the \$25,701,700 appropriated  
 27 for JOBS in fiscal year 2001-2002 may be used to support nonpermanent and  
 28 seasonal positions to fulfill federal program requirements when contracts for  
 29 services cannot be established with outside parties. The use of such  
 30 positions shall be reported to the director of the joint legislative budget  
 31 committee.

32 All federal workforce investment act funds that are received by the  
 33 state in excess of \$47,875,000 in fiscal year 2001-2002 are appropriated to  
 34 the workforce investment act programs special line item. Excess monies may  
 35 not be spent until a proposed expenditure plan for the excess monies has been  
 36 reviewed by the joint legislative budget committee.

37 Of the \$111,827,500 appropriated for day care subsidy in fiscal year  
 38 2001-2002, \$84,839,200 is for a program in which the upper income limit is  
 39 one hundred sixty-five per cent of the federal poverty level. This provision  
 40 may not be construed to impose a duty on an officer, agent or employee of the  
 41 state to discharge a responsibility or to create any right in a person or  
 42 group if the discharge or right would require an expenditure of state monies  
 43 in excess of the \$84,839,200 appropriation.

44 All spinal and head injuries trust fund receipts received by the  
 45 department of economic security in excess of \$2,256,100 in fiscal year

1 2001-2002 are appropriated to the independent living rehabilitation services  
 2 special line item. Before the expenditure of any spinal and head injuries  
 3 trust fund receipts in excess of \$2,256,100 in fiscal year 2001-2002, the  
 4 department of economic security shall submit the intended use of the monies  
 5 for review by the joint legislative budget committee.

6 It is the intent of the legislature that the department shall use  
 7 \$4,500,000 of the monies appropriated for the JOBS special line item for  
 8 contracts with education and training entities. These contracts shall focus  
 9 on assisting JOBS clients in obtaining jobs paying, on average, ten dollars  
 10 per hour or more. The department shall report to the joint legislative  
 11 budget committee by October 15, 2002 on these efforts. The report shall  
 12 include, but not be limited to, expenditure details and placement data.

13 Of the monies appropriated for the JOBS special line item, the  
 14 department may use up to \$5,500,000 to provide job training, education,  
 15 supportive services, and other services that will promote job retention and  
 16 career advancement of former temporary assistance for needy families  
 17 recipients.

18	Agencywide lump sum reduction	<u>\$(1,193,600)</u>
19	Total appropriation - department of	
20	economic security	<del>\$891,455,100</del>
21		\$885,885,400

22 THE AMENDED APPROPRIATION FOR THE LINE ITEM ENTITLED "TOTAL  
 23 APPROPRIATION - DEPARTMENT OF ECONOMIC SECURITY" REFLECTS BOTH A FEDERAL  
 24 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT REDUCTION OF \$2,675,000  
 25 RESULTING FROM THE GOVERNOR'S LINE-ITEM VETOES IN THE FORTY-FIFTH  
 26 LEGISLATURE, SECOND SPECIAL SESSION AND A STATE GENERAL FUND REDUCTION OF  
 27 \$4,149,400 AND A LONG TERM CARE SYSTEM FUND INCREASE OF \$1,254,700 FOR THE  
 28 PURPOSES OF THIS ACT.

29	Fund sources:	
30	State general fund	<del>\$463,596,000</del>
31		\$459,446,600
32	Federal temporary assistance for	
33	needy families block grant	<del>258,562,900</del>
34		255,887,900
35	Federal child care and development	
36	fund block grant	80,537,100
37	Special administration fund	4,105,500
38	Public assistance collections fund	295,400
39	Long term care system fund	<del>14,491,600</del>
40		15,746,300

1	Child support enforcement	
2	administration fund	11,185,900
3	Domestic violence shelter fund	1,700,000
4	Child abuse prevention fund	1,062,000
5	Children and family services	
6	training program fund	209,600
7	Spinal and head injuries trust fund	2,256,100
8	Workforce investment act grant	47,875,000
9	Federal reed act grant	3,578,000
10	Statewide cost allocation plan fund	2,000,000

11 THE AMENDED APPROPRIATION FOR THE LINE ITEM ENTITLED "FEDERAL TEMPORARY  
12 ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT" IS SHOWN AS A REDUCTION RESULTING  
13 FROM THE GOVERNOR'S LINE-ITEM VETOES IN THE FORTY-FIFTH LEGISLATURE, SECOND  
14 SPECIAL SESSION.

15 Performance measures:

16	CPS and family builders per cent	
17	response rate	100
18	Agencywide customer satisfaction rating	
19	(Scale 1-5)	3.0
20	Employee satisfaction rating (Scale 1-5)	3.7

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

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

40 The department of economic security shall report the receipt and  
41 intended use of all current and prior year reversions from nonappropriated  
42 sources to the joint legislative budget committee.



1	Performance measures:	
2	Average number of days to process	
3	applications for certification services	30
4	Increased percentage of customers satisfied	
5	with certification services above the	
6	fiscal year 2000-2001 percentage	+1
7	<u>General services administration</u>	
8	FTE positions	110.4
9	Operating lump sum appropriation	\$ 6,667,300
10	FTE positions - achievement testing	3.0
11	Achievement testing	6,577,500
12	Fund sources:	
13	State general fund	\$ 5,477,500
14	State general fund - dedicated	
15	Proposition 301 fund	1,100,000
16	The appropriated amount includes \$1,906,200 for fiscal year 2001-2002	
17	for norm-referenced testing of pupils in grades one through nine.	
18	The appropriated amount includes \$1,100,000 in school accountability	
19	funding from Proposition 301 pursuant to section 42-5029, subsection E,	
20	paragraph 7, Arizona Revised Statutes.	
21	Before making any changes to the achievement testing program that will	
22	affect program costs, the state board of education shall report the estimated	
23	fiscal impact of those changes to the joint legislative budget committee.	
24	FTE positions - charter schools	
25	administration	3.0
26	Charter schools administration	149,700
27	FTE positions - special education	
28	audit	2.5
29	Special education audit	<u>321,000</u>
30	Total - general services	
31	administration	\$ 13,715,500
32	Fund sources:	
33	State general fund	\$ 12,615,500
34	State general fund - dedicated	
35	Proposition 301 fund	1,100,000
36	Performance measures:	
37	Per cent of school report cards available	
38	in hard copy and on the agency's web site	20
39	Total cost of administration	\$ 4,300,000
40	Per cent difference between the average	
41	daily membership (ADM) statewide total	
42	reported as of March 1 <sup>st</sup> each year versus	
43	the year-end actual total as compared	
44	with the per cent difference observed	
45	for fiscal year 2000-2001:	

1 -- Charter schools -1  
 2 -- School districts -1  
 3 Increased percentage of customers satisfied  
 4 with the agency above the fiscal year  
 5 2000-2001 percentage +1

6 Assistance to schools  
 7 Basic state aid entitlement ~~\$2,356,019,000~~  
 8 \$2,361,168,700  
 9 Fund sources:  
 10 State general fund ~~\$2,281,120,700~~  
 11 \$2,288,905,700  
 12 Permanent state school fund ~~74,898,300~~  
 13 72,263,000

14 The above appropriation provides basic state support to school  
 15 districts for maintenance and operations funding as provided by section  
 16 15-973, Arizona Revised Statutes, and includes an estimated ~~\$74,898,300~~  
 17 \$72,263,000 in expendable income derived from the permanent state school fund  
 18 for fiscal year 2001-2002.

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

23 Except as required by section 37-521, Arizona Revised Statutes, all  
 24 monies received during the fiscal year from national forests, interest  
 25 collected on deferred payments on the purchase of state lands, the income  
 26 from the investment of permanent funds as prescribed by the enabling act and  
 27 the constitution and all monies received by the superintendent of public  
 28 instruction from whatever source, except monies received pursuant to sections  
 29 15-237 and 15-531, Arizona Revised Statutes, when paid into the state  
 30 treasury are appropriated for apportionment to the various counties in  
 31 accordance with law. No expenditures may be made except as specifically  
 32 authorized above.

33 Additional state aid to schools ~~219,581,000~~  
 34 231,796,000  
 35 Assistance to school districts for  
 36 children of state employees 35,200  
 37 Certificates of educational  
 38 convenience 859,700  
 39 Special education fund 23,965,200  
 40 FTE positions - adult education  
 41 assistance 5.8  
 42 Adult education assistance 4,588,600

43 The appropriated amount is for classes in adult basic education,  
 44 general education development and citizenship on a statewide basis.

1 It is the intent of the legislature that no more than ten per cent of  
 2 the appropriation for adult education assistance be used by the department  
 3 of education for operating the division of adult education. It is also the  
 4 intent of the legislature that the greatest possible proportion of monies  
 5 appropriated for adult education programs be devoted to instructional, rather  
 6 than administrative, aspects of the programs.

7	AIMS intervention; dropout	
8	prevention	550,000
9	FTE positions - chemical abuse	3.0
10	Chemical abuse	863,400
11	Extended school year	500,000
12	FTE positions - family literacy	1.0
13	Family literacy	1,000,000
14	FTE positions - gifted support	2.0
15	Gifted support	1,296,700
16	Optional performance incentive	
17	programs	120,000

18 The optional performance incentive program shall be limited to schools  
 19 currently performing ranking performance pay.

20	Parental choice for reading success	1,000,000
21	Residential placement	10,000
22	FTE positions - school accountability	14.0
23	School accountability	3,349,000

24 Fund sources:

25	State general fund - dedicated	
26	proposition 301 fund	\$3,349,000
27	FTE positions - school report cards	3.0
28	School report cards	491,000
29	FTE positions - school safety program	3.0
30	School safety program	6,717,000
31	Small pass-through programs	581,600

32 The appropriated amounts for fiscal year 2001-2002 include \$50,000 for  
 33 the academic contest fund, \$82,400 for academic decathlon, \$50,000 for  
 34 Arizona geographic alliance, \$40,000 for Arizona humanities council, \$25,200  
 35 for Arizona principals' academy, \$234,000 for Arizona school service through  
 36 education technology, \$50,000 for project citizen and \$50,000 for the  
 37 economic academic council.

38	FTE positions - state block grant	5.7
39	State block grant for early	
40	childhood education	19,492,600
41	FTE positions - state block grant	34.3
42	State block grant for vocational	
43	education	11,117,000

44 The appropriated amount is for block grants to charter schools and  
 45 school districts that have vocational education programs. It is the intent

1 of the legislature that monies appropriated in the fiscal year 2001-2002  
 2 general appropriations act for the state block grant for vocational education  
 3 be used to promote improved student achievement by providing vocational  
 4 education programs with flexible supplemental funding that is linked both to  
 5 numbers of students in such programs and to numbers of program completers who  
 6 enter jobs in fields directly related to the vocational education program  
 7 that they completed. It is the intent of the legislature that the amount of  
 8 the state block grant for vocational education funding that is used for state  
 9 level administration of the program be limited to no more than the amount  
 10 used for such costs during the prior fiscal year plus the applicable amount  
 11 of any pay raise that may be provided for state employees through legislative  
 12 appropriation.

13	Vocational education extended	
14	year	<u>600,000</u>
15	Total - assistance to schools	<del>\$2,652,737,000</del>
16		\$2,670,101,700
17	Fund sources:	
18	State general fund	<del>\$2,574,489,700</del>
19		\$2,594,489,700
20	State general fund - dedicated	
21	proposition 301 fund	\$ 3,349,000
22	Permanent state school fund	<del>74,898,300</del>
23		<u>72,263,000</u>
24	Performance measures:	
25	Per cent of students tested who perform	
26	at or above the national norm on the	
27	Stanford 9 test	54
28	Per cent of students in the class of	
29	2002 meeting state academic standards	
30	in reading, writing and math	96
31	Increased percentage of schools with at	
32	least 75 per cent of students meeting	
33	or exceeding standards in reading,	
34	writing and math above the fiscal	
35	year 2001-2002 percentage	+1
36	Increased percentage of students who	
37	enter 9 <sup>th</sup> grade and graduate within	
38	four years above the fiscal year	
39	2001-2002 percentage	+1
40	Per cent of students in grade 3 meeting	
41	or exceeding state academic standards	
42	in reading	74
43	Per cent of students in grade 3 meeting	
44	or exceeding state academic standards	
45	in writing	71

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1	Per cent of students in grade 3 meeting	
2	or exceeding state academic standards	
3	in math	52
4	Per cent of students in grade 5 meeting	
5	or exceeding state academic standards	
6	in reading	68
7	Per cent of students in grade 5 meeting	
8	or exceeding state academic standards	
9	in writing	50
10	Per cent of students in grade 5 meeting	
11	or exceeding state academic standards	
12	in math	43
13	Per cent of students in grade 8 meeting	
14	or exceeding state academic standards	
15	in reading	56
16	Per cent of students in grade 8 meeting	
17	or exceeding state academic standards	
18	in writing	52
19	Per cent of students in grade 8 meeting	
20	or exceeding state academic standards	
21	in math	20
22	Per cent of students tested	94
23	Per cent of parents who rate "A+" the public	
24	school that their oldest school-age child	
25	attends	8.0
26	Agencywide lump sum reduction	<u>(\$608,700)</u>
27	Total appropriation - state board of	
28	education and superintendent	
29	of public instruction	<del>\$2,667,821,000</del>
30		\$2,685,185,700
31	Fund sources:	
32	State general fund	<del>\$2,587,488,900</del>
33		\$2,607,488,900
34	State general fund - dedicated	
35	proposition 301 fund	\$ 4,449,000
36	Permanent state school fund	<del>74,898,300</del>
37		72,263,000
38	Teacher certification fund	984,800
39	Performance measures:	
40	Per cent of students tested who perform	
41	at or above the national norm on the	
42	Stanford 9 test	54
43	Per cent of students tested	94

1 Per cent of parents who rate "A+" the public  
 2 school that their oldest school-age child  
 3 attends 8.0  
 4 Per cent of agency staff turnover 19  
 5 Administration as a per cent of total cost 0.2  
 6 Total cost of administration \$ 4,300,000  
 7 Sec. 7. Laws 2001, second special session, chapter 5, section 33 is  
 8 amended to read:

9 Sec. 33. DEPARTMENT OF HEALTH SERVICES

	<u>2001-02</u>
<u>Administration</u>	
FTE positions	419.4
Personal services	\$ 7,004,500
Employee related expenditures	1,505,000
All other operating expenditures	4,670,100
Assurance and licensure	6,593,800
Newborn screening fund - indirect costs	478,600
Indirect cost fund	<u>7,596,300</u>
Total - administration	\$ 27,848,300
Fund sources:	
State general fund	\$ 19,321,200
Newborn screening fund	478,600
Indirect cost fund	7,596,300
Nursing care institution resident protection fund	38,000
Emergency medical services operating fund	19,500
Federal child care and development fund block grant	394,700
Performance measures:	
Per cent of relicensure surveys completed on time	
Child care facilities	46
Health care facilities	46
Per cent complaint investigations initiated later than investigative guidelines	
Child care facilities	29
Health care facilities	56
Days to process enforcement action	41.6
Administration as a per cent of total cost	2.3

42 The department of health services shall report to the joint legislative  
 43 budget committee by November 1, 2002 on the status of licensure backlogs in  
 44 the assurance and licensure division.

1	<u>Public health</u>	
2	FTE positions	242.7
3	Personal services	\$ 4,084,200
4	Employee related expenditures	944,200
5	All other operating expenditures	1,310,900
6	Tuberculosis provider care and	
7	control	1,082,000
8	Vaccines	3,059,300
9	STD control subventions	52,500
10	AIDS reporting and surveillance	1,125,000
11	Laboratory services	3,868,800
12	Kidney program	101,000
13	Direct grants	578,000
14	Reimbursement to counties	396,300
15	Loan repayment	100,000
16	Community health centers	1,000,000
17	Alzheimer disease research	1,000,000
18	U of A poison center funding	1,050,000
19	Poison control center funding	800,000
20	EMS operations	2,736,200
21	Trauma advisory board	250,000
22	Arizona statewide immunization	
23	information system	477,000
24	Hepatitis C surveillance	<u>350,000</u>
25	Total - public health	\$ 24,365,400
26	Fund sources:	
27	State general fund	\$ 15,935,100
28	Emergency medical services	
29	operating fund	2,986,200
30	Poison control fund	1,850,000
31	Tobacco tax and health care fund	
32	medically needy account	2,827,000
33	Environmental laboratory licensure	
34	revolving fund	767,100
35	Performance measures:	
36	Number of uninsured clients receiving	
37	primary care services through the	
38	tobacco tax grants	65,000
39	Number of clients receiving HIV medications	
40	through the Arizona drug assistance	
41	program (average per month)	800
42	Immunization rate among 2-year-old children	82
43	Per cent of high school youth who smoked	
44	in the last month	25.1

1	Exposure calls received at Arizona poison	
2	control centers	82,000
3	Customer waiting time in vital records'	
4	lobby (in minutes)	20

5 The appropriation for direct grants is to provide for local health work  
6 and a portion of the cost of employing one public health nurse and one  
7 sanitarian in each county and is to be divided equally among the fifteen  
8 counties on a nonmatching basis. All monies that are received by a county  
9 under this appropriation and that are not used for the prescribed purposes  
10 revert to the state general fund.

11 The \$396,300 appropriated in fiscal year 2001-2002 for reimbursement  
12 to counties is to provide matching monies to counties for local health work  
13 on an equal matching basis and shall be distributed in the following  
14 manner: \$174,790 of the monies shall be distributed to counties with  
15 populations of less than five hundred thousand persons based on amounts  
16 received in fiscal year 1996-1997. The distribution for counties with a  
17 population of five hundred thousand persons or more but less than one million  
18 persons is \$57,750, and for counties with a population of one million persons  
19 or more the distribution is \$163,760.

20 The \$1,050,000 appropriated in fiscal year 2001-2002 for the university  
21 of Arizona poison control center shall not be used to support any poison  
22 control center other than the one at the university of Arizona. The  
23 department of health services shall transmit all of the appropriated amount  
24 to the university of Arizona for this purpose.

25 The \$800,000 appropriated in fiscal year 2001-2002 for poison control  
26 center funding shall only be expended for poison control services in counties  
27 with a population of more than one million five hundred thousand persons  
28 according to the most recent United States decennial census.

29 The department of health services shall report to the joint legislative  
30 budget committee by February 1, 2002 and February 1, 2003 on the amount of  
31 federal monies received for fiscal year 2001-2002 and fiscal year 2002-2003  
32 for the 317 vaccines program. If the department receives more than  
33 \$1,188,000 in federal 317 monies for vaccines purchase for fiscal year  
34 2001-2002, the state general fund amount of the state fiscal year 2001-2002  
35 appropriation for the vaccines special line item equal to the amount by which  
36 the federal monies exceed \$1,188,000 up to \$576,600 shall revert to the state  
37 general fund.

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

44 The \$1,000,000 appropriated for community health centers in fiscal year  
45 2001-2002 shall be allocated to qualifying community health centers pursuant

1 to section 36-2907.06, subsection A, Arizona Revised Statutes. The monies  
 2 shall not be used for abortion or abortion referral and counseling under the  
 3 same conditions as set forth in section 36-2989, subsection A, paragraph 9,  
 4 Arizona Revised Statutes.

5 Family health

6	FTE positions	87.0
7	Personal services	\$ 2,383,900
8	Employee related expenditures	531,100
9	All other operating expenditures	788,100
10	Children's rehabilitative services	3,693,800
11	AHCCCS - children's rehabilitative	
12	services	32,016,200
13	Adult cystic fibrosis	223,600
14	Adult sickle cell anemia	70,100
15	High risk perinatal services	3,829,000
16	Nutrition services	390,100
17	County prenatal services grant	1,281,100
18	Child fatality review team	99,800
19	Newborn screening program	2,307,400
20	Less federal collections	(21,369,800)
21	Total - family health	<del>\$ 26,712,100</del>
22		\$ 26,244,400

23 THE AMENDED APPROPRIATION FOR THE LINE ITEM ENTITLED "TOTAL-FAMILY  
 24 HEALTH" IS SHOWN AS A FEDERAL TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK  
 25 GRANT REDUCTION RESULTING FROM THE GOVERNOR'S LINE-ITEM VETOES IN THE  
 26 FORTY-FIFTH LEGISLATURE, SECOND SPECIAL SESSION.

27 Fund sources:

28	State general fund	\$ 23,387,200
29	Child fatality review team fund	99,800
30	Emergency medical services	
31	operating fund	450,000
32	Newborn screening fund	2,307,400

33 Performance measures:

34	CRS clients served (title XIX and non-title XIX)	16,200
35	Number of newborns screened under newborn	
36	screening program	82,000
37	Births by girls age 19 and under (rate per 1,000)	28.1
38	Per cent of women in health start program	
39	receiving prenatal care in first trimester	65

40 The amounts appropriated for children's rehabilitative services, for  
 41 AHCCCS-children's rehabilitative services and for federal expenditure  
 42 authority are intended to cover all indirect, fixed contract,  
 43 fee-for-services costs and all other costs of the children's rehabilitative  
 44 services program in full, unless a transfer of monies is approved by the  
 45 joint legislative budget committee.

1 Monies in the Arizona health care cost containment system - children's  
 2 rehabilitative services special line items are appropriated for capitation  
 3 rates effective December 1, 2000. No monies may be expended for a change in  
 4 these capitation rates unless an expenditure plan is reviewed by the joint  
 5 legislative budget committee.

6 In accordance with Laws 2000, chapter 339, the sum of \$133,000 in  
 7 personal services and employee related expenditures and 2 FTE positions has  
 8 been transferred from the department of health services to the department of  
 9 insurance and is not included in this appropriation.

10 The department of health services shall distribute all monies  
 11 appropriated for the county prenatal services grant on a pass-through basis  
 12 to counties to provide prenatal programs with consideration to population,  
 13 need and amount received in prior years.

14	<u>Behavioral health services</u>	
15	FTE positions	128.6
16	Personal services	\$ 3,821,500
17	Employee related expenditures	890,500
18	All other operating expenditures	3,409,000
19	Computer hardware lease	125,000
20	Children's behavioral health services	9,351,800
21	Children's behavioral health state	
22	match for title XIX	<del>102,582,500</del>
23		106,079,800
24	Seriously emotionally handicapped	
25	children	4,375,300
26	Seriously mentally ill state match	
27	for title XIX	<del>127,607,700</del>
28		133,623,500
29	Seriously mentally ill non-title XIX	58,916,700
30	Court monitoring	197,500
31	Psychiatric review board	81,700
32	Arnold v. Sarn	27,500,000
33	Mental health non-title XIX	947,300
34	Substance abuse non-title XIX	15,485,400
35	Mental health and substance abuse	
36	state match for title XIX	<del>33,022,200</del>
37		34,072,600
38	Offset for receipts	<del>(8,000,000)</del>
39		(17,500,000)
40	Less federal collections	<del>(174,457,100)</del>
41		<u>(181,321,300)</u>
42	Total - behavioral health services	<del>\$ 205,857,000</del>
43		\$ 200,056,300

1	Fund sources:	
2	State general fund	<del>\$ 185,217,000</del>
3		\$ 179,416,300
4	Substance abuse services fund	1,850,000
5	Tobacco tax and health care fund	
6	medically needy	10,790,000
7	Medical services stabilization fund	8,000,000
8	Performance measures:	
9	Per cent SMI clients on anti-psychotics	
10	receiving new generation psychotropic	
11	medications	68
12	Per cent of RBHA title XIX clients	
13	satisfied with services	68
14	Per cent of clients with improved	
15	functioning	26
16	Title XIX clients served	45,600
17	Non-title XIX clients served	39,400
18	Per cent of eligible title XIX consumer	
19	enrolled	8.0

20 All federal title XIX funds appropriated for administration are  
 21 appropriated as a lump sum.

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

27 Monies in the children's behavioral health state match for title XIX,  
 28 seriously mentally ill state match for title XIX and mental health and  
 29 substance abuse state match for title XIX special line items are appropriated  
 30 for capitation rates effective on December 1, 2000. No monies may be  
 31 expended for a change in these capitation rates unless an expenditure plan  
 32 is reviewed by the joint legislative budget committee.

33 On a monthly basis, the department shall provide information by program  
 34 for all populations on the number of new and non-title XIX clients reviewed  
 35 for title XIX eligibility under the provisions of Proposition 204 FROM THE  
 36 2000 GENERAL ELECTION as well as the number that convert from non-title XIX  
 37 status or that are newly enrolled.

38 For every dollar appropriated from the state general fund for the  
 39 Arnold v. Sarn special line item that is used for state match for title XIX  
 40 eligible clients, an amount consistent with the federal matching assistance  
 41 program that is current during the fiscal year of the appropriation shall be  
 42 appropriated in federal expenditure authority up to \$9,359,600 for fiscal  
 43 year 2001-2002. It is the intent of the legislature that the total amount  
 44 available in the Arnold v. Sarn special line item be used for the population  
 45 covered by the Arnold v. Sarn lawsuit in counties with a population of over

1 2,000,000 persons and for seriously mentally ill persons that meet the same  
2 criteria as those covered by the Arnold v. Sarn lawsuit in counties with  
3 populations of less than 2,000,000 persons. Prior to expenditure of these  
4 monies, the department shall submit an expenditure plan to the joint  
5 legislative budget committee for review. The report shall include projected  
6 Title XIX and non-Title XIX expenditures and estimated expenditures by  
7 service category.

8 It is the intent of the legislature that before any expenditure of  
9 general fund monies in fiscal year 2001-2002 for the seriously mentally ill  
10 non-title XIX population, at least \$5,200,000 in residual monies remaining  
11 from prior year capitation payments be expended for this population.

12 Arizona state hospital

13 FTE positions	910.2
14 Personal services	\$ 23,102,800
15 Employee related expenditures	4,977,400
16 All other operating expenditures	10,777,600
17 Community placement treatment	7,848,000
18 Sexually violent persons	<u>9,339,000</u>
19 Total - Arizona state hospital	\$ 56,044,800
20 Fund sources:	
21 State general fund	\$ 49,074,200
22 ASH land earnings fund	400,000
23 Arizona state hospital fund	6,570,600

24 Pursuant to Laws 2001, chapter 244, the following are the funding  
25 capacity levels for particular program at the Arizona state hospital. The  
26 adult inpatient restoration to competency program at the Arizona state  
27 hospital is limited to 60 beds. No less than 10 per cent and no greater than  
28 20 per cent of the beds are for females and no less than 80 per cent and no  
29 greater than 90 per cent of the beds are for males. The juvenile program is  
30 limited to 16 beds, of which 12 beds are for males and 4 beds are for  
31 females. The adult civil commitment treatment program is limited to 150  
32 beds, of which no less than 10 per cent and no greater than 20 per cent of  
33 the beds are for females and no less than 80 per cent and no greater than 90  
34 per cent of the beds are for males.

35 Performance measures:

36 Per cent of clients satisfied with 37 treatment and clinical services	90
38 Per cent of adult clients successfully 39 placed in community who return for 40 another stay within 1 year of discharge	9.5
41 Adult forensic patients year-end census	154
42 Civil adult patients year-end census	169
43 SVP program year-end census	237

1	Per cent of staff turnover during first	
2	12 months of employment	15
3	Agency wide lump sum reduction	<u>\$(2,568,800)</u>
4	Total appropriation - department of	
5	health services	<del>\$338,258,800</del>
6		\$331,990,400

7 THE AMENDED APPROPRIATION FOR THE LINE ITEM ENTITLED "TOTAL  
8 APPROPRIATION-DEPARTMENT OF HEALTH SERVICES" REFLECTS BOTH A FEDERAL  
9 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT REDUCTION OF \$467,700  
10 RESULTING FROM THE GOVERNOR'S LINE-ITEM VETOES IN THE FORTY-FIFTH  
11 LEGISLATURE, SECOND SPECIAL SESSION AND A STATE GENERAL FUND REDUCTION OF  
12 \$5,800,700 FOR THE PURPOSES OF THIS ACT.

13	Fund sources:	
14	State general fund	<del>\$290,365,900</del>
15		\$284,565,200
16	Nursing care institution resident	
17	protection fund	38,000
18	Newborn screening program fund	2,786,000
19	Indirect cost fund	7,596,300
20	Federal child care and development	
21	fund block grant	394,700
22	Tobacco tax and health care fund	
23	medically needy account	13,617,000
24	Medical services stabilization fund	8,000,000
25	Emergency medical services operating	
26	fund	3,455,700
27	Poison control fund	1,850,000
28	Environmental laboratory licensure	
29	revolving fund	767,100
30	Child fatality review fund	99,800
31	<del>Federal temporary assistance for</del>	
32	<del>needy families block grant</del>	<del>467,700</del>
33	Substance abuseservices fund	1,850,000
34	ASH land earnings fund	400,000
35	Arizona state hospital fund	6,570,600

36 THE AMENDED FUND SOURCE LINE ITEM ENTITLED "FEDERAL TEMPORARY  
37 ASSISTANCE FOR NEEDY FAMILIES BLOCK GRANT" RESULTS FROM THE GOVERNOR'S  
38 LINE-ITEM VETOES IN THE FORTY-FIFTH LEGISLATURE, SECOND SPECIAL SESSION.

39	Performance measures:	
40	Per cent of SMI clients on anti-psychotics	
41	receiving new generation psychotropic	
42	medications	68
43	Per cent of relicensure surveys completed	
44	on time	

1	Child care facilities	46
2	Health care facilities	46
3	Per cent of high school youth who smoked	
4	in the last month	25.1
5	Births by girls age 19 and under (rate per 1,000)	28.1
6	Per cent of agency staff turnover	9.5

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

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

26 Notwithstanding section 35-173, subsection C, Arizona Revised Statutes,  
27 any transfer to or from the amounts appropriated for seriously mentally ill  
28 state match for title XIX, seriously mentally ill non-title XIX, Arnold v.  
29 Sarn, children's behavioral health services, children's behavioral health  
30 state match for title XIX, mental health non-title XIX, substance abuse  
31 non-title XIX, mental health and substance abuse state match for title XIX,  
32 seriously emotionally handicapped children, children's rehabilitative  
33 services, AHCCCS - children's rehabilitative services, tuberculosis provider  
34 care and control, alzheimer's disease research, kidney program, adult cystic  
35 fibrosis, adult sickle cell anemia, high risk perinatal services, county  
36 prenatal services grant, nutrition services, community placement treatment,  
37 sexually violent persons, university of Arizona poison control center funding  
38 and the poison control center funding shall require review by the joint  
39 legislative budget committee. The amounts appropriated for these items shall  
40 be used exclusively for contracts for the provision of services to clients  
41 unless a transfer of monies is reviewed by the joint legislative budget  
42 committee. No monies may be used from these appropriated amounts for any  
43 other expenses of the department of health services.

1           Sec. 8. Laws 2001, second special session, chapter 5, section 55 is  
 2 amended to read:

3 Sec. 55. DEPARTMENT OF PUBLIC SAFETY

4		<u>2001-02</u>
5	<u>Agency support</u>	
6	FTE positions	194.5
7	Lump sum appropriation	\$ 21,113,700
8	Fund sources:	
9	State general fund	\$ 21,020,300
10	Criminal justice enhancement fund	93,400
11	<u>Highway patrol</u>	
12	FTE positions	835.0
13	Lump sum appropriation	\$ 53,018,000
14	Fund sources:	
15	State general fund	\$ 12,499,000
16	State highway fund	12,730,100
17	Highway user revenue fund	15,981,800
18	Arizona highway patrol fund	10,969,300
19	Safety enforcement and	
20	transportation	
21	infrastructure fund	750,000
22	Criminal justice enhancement fund	87,800
23	<u>Criminal investigations</u>	
24	FTE positions	314.0
25	Lump sum appropriation	\$ 15,368,800
26	GITEM	<u>6,134,600</u>
27	Total - criminal investigations	\$ 21,503,400
28	<u>Criminal justice support</u>	
29	FTE positions	435.3
30	Lump sum appropriation	\$ 29,691,500
31	Fingerprint board	<u>158,900</u>
32	Total - criminal justice support	\$ 29,850,400
33	Fund sources:	
34	State general fund	\$ 21,095,200
35	Arizona highway patrol fund	524,900
36	Crime laboratory assessment fund	3,618,300
37	Automated fingerprint identification	
38	fund	2,158,800
39	Arizona deoxyribonucleic acid	
40	identification fund	416,300
41	Fingerprint clearance card fund	35,500
42	Criminal justice enhancement fund	1,939,700
43	Board of fingerprinting fund	61,700

1	<u>Governor's office of highway safety</u>	
2	FTE positions	4.0
3	Lump sum appropriation	\$ 232,500
4	Fund sources:	
5	State highway fund	\$ 232,500
6	Agencywide lump sum reduction	<u>\$(3,225,700)</u>
7	Agencywide fund shift - state general	
8	fund	(14,187,800)
9		(24,187,800)
10	Agencywide fund shift - state highway	
11	fund	12,141,400
12	Agencywide fund shift - Arizona	
13	highway patrol fund	1,788,800
14	Agencywide fund shift - safety	
15	enforcement and transportation	
16	infrastructure	257,600
17	AGENCYWIDE FUND SHIFT - HIGHWAY USER	
18	REVENUE FUND	10,000,000
19	Total appropriation - department of public	
20	safety	\$122,492,300
21	Fund sources:	
22	State general fund	<del>\$ 58,704,400</del>
23		\$ 48,704,400
24	Highway user revenue fund	<del>15,981,800</del>
25		25,981,800
26	State highway fund	25,104,000
27	Arizona highway patrol fund	13,283,000
28	Criminal justice enhancement fund	2,120,900
29	Safety enforcement and transportation	
30	infrastructure fund	1,007,600
31	Crime laboratory assessment fund	3,618,300
32	Arizona deoxyribonucleic acid	
33	identification fund	416,300
34	Automated fingerprint identification	
35	fund	2,158,800
36	Fingerprint clearance card fund	35,500
37	Board of fingerprinting fund	61,700
38	Performance measures:	
39	Fatal highway crashes	352
40	Per cent of total highway crashes related	
41	to alcohol	15
42	Per cent of scientific analysis cases over	
43	30 calendar days old	3.0
44	Per cent of system reliability of the Arizona	
45	automated fingerprint identification network	98

1	Clandestine labs dismantled	440
2	Per cent of agency staff turnover	5.0
3	Administration as a per cent of total cost	13.9
4	Customer satisfaction rating for citizens	
5	(Scale 1-8)	6.0
6	Any monies remaining in the department of public safety joint account	
7	on June 30, 2002 shall revert to the funds from which they were appropriated.	
8	The reverted monies shall be returned in direct proportion to the amounts	
9	appropriated.	
10	The \$61,700 for fingerprinting in fiscal year 2001-2002 is appropriated	
11	from the state general fund to the board of fingerprinting fund and is	
12	further appropriated from the fund to the fingerprint board special line item	
13	for purposes as set forth by section 41-619.56, Arizona Revised Statutes.	
14	Sec. 9. Laws 2001, second special session, chapter 5, section 74 is	
15	amended to read:	
16	Sec. 74. <u>Appropriation; salary and operating adjustments</u>	
17		<u>2001-02</u>
18	Salary adjustments	<del>\$ 29,253,100</del>
19		\$ 5,225,100
20	Fund sources:	
21	State general fund	<del>\$ 24,223,100</del>
22		\$ 4,076,700
23	Other appropriated funds	5,030,000
24		\$ 1,148,400
25	Classification maintenance review	
26	annualization adjustments	\$ 8,188,800
27	Fund sources:	
28	State general fund	\$ 4,497,400
29	Other appropriated funds	\$ 3,691,400
30	Attorney general salary adjustments	
31	Fund sources:	
32	Other appropriated funds	\$ 268,900
33	Pro rata share contribution adjustments	
34	Fund sources:	
35	State general fund	\$ 663,200
36	Other appropriated funds	\$ 102,600
37	State-owned space rental adjustments	
38	Fund sources:	
39	State general fund	\$ 912,800
40	Other appropriated funds	\$ 260,800
41	State employee health insurance adjustments	
42	Fund sources:	
43	State general fund	\$ 20,338,900
44	Other appropriated funds	\$ 4,196,900

1           The other appropriated funds may be allocated from the following funds:  
2 board of accountancy fund, acupuncture board of examiners fund, office of  
3 administrative hearings fund, air permits administration fund, air quality  
4 fund, antitrust enforcement revolving fund, board of appraisal fund, Arizona  
5 arts trust fund, Arizona health care cost containment system donations fund,  
6 automated fingerprint identification fund, auto theft authority fund, state  
7 aviation fund, board of barbers fund, board of behavioral health examiners  
8 fund, bond fund, capital outlay stabilization fund, child abuse prevention  
9 fund, child fatality review team fund, child support enforcement  
10 administration fund, children's health insurance program fund, board of  
11 chiropractic examiners fund, citrus, fruit and vegetable revolving fund,  
12 collection enforcement revolving fund, commerce and economic development  
13 commission fund, commercial feed fund, community college certification fund,  
14 confidential intermediary and private fiduciary fund, consulting and  
15 training fund, consumer fraud revolving fund, cooperative forestry fund,  
16 corrections fund, board of cosmetology fund, crime laboratory assessment  
17 fund, criminal justice enhancement fund, county fair racing fund, court  
18 appointed special advocate fund, defensive driving fund, dental board fund,  
19 Arizona deoxyribonucleic acid identification fund, board of dispensing  
20 opticians fund, drug and gang prevention resource center fund, state  
21 education fund for committed youth, state education fund for correctional  
22 education, egg inspection fund, emergency medical services operating fund,  
23 emissions inspection fund, environmental laboratory licensure fund,  
24 environmental special plate fund, estate and unclaimed property fund, Arizona  
25 exposition and state fair fund, federal child care and development fund block  
26 grant, federal surplus materials revolving fund, federal temporary assistance  
27 for needy families block grant, fertilizer materials fund, board of  
28 fingerprinting fund, board of funeral directors and embalmers fund, game and  
29 fish fund, game, nongame, fish and endangered species fund, hazardous waste  
30 fund, state highway fund, Arizona highway patrol fund, highway user revenue  
31 fund, board of homeopathic medical examiners fund, housing trust fund, DHS  
32 indirect cost fund, ADEQ indirect cost recovery fund, industrial commission  
33 administrative fund, information technology fund, interagency service  
34 agreements fund, intergovernmental agreements and grants, investment  
35 management regulatory and enforcement fund, judicial collection enhancement  
36 fund, lease-purchase building operating and maintenance fund, liability  
37 set-off fund, long term care system fund, long-term disability administration  
38 account, state lottery fund, board of medical examiners fund, the miners'  
39 hospital for disabled miners land fund, motor vehicle liability insurance  
40 enforcement fund, motor vehicle pool revolving fund, naturopathic physicians  
41 board of medical examiners fund, newborn screening program fund, board of  
42 nursing fund, nursing care institution administrators' licensing and assisted  
43 living facility managers' certification fund, occupational therapy fund, oil  
44 overcharge fund, board of optometry fund, board of osteopathic examiners  
45 fund, state parks enhancement fund, personnel division fund, pesticide fund,

1 board of pharmacy fund, board of physical therapy fund, podiatry fund,  
2 postsecondary education fund, board for private postsecondary education fund,  
3 Arizona protected native plant fund, board of psychologist examiners fund,  
4 public access fund, public assistance collections fund, racing administration  
5 fund, state radiologic technologist certification fund, records services  
6 fund, recycling fund, registrar of contractors fund, reservation surcharge  
7 revolving fund, residential utility consumer office revolving fund, board of  
8 respiratory care examiners fund, state retirement system administration  
9 account, risk management revolving fund, safety enforcement and  
10 transportation infrastructure fund, securities regulatory and enforcement  
11 fund, seed law fund, solid waste fee fund, special administration fund,  
12 special employee health insurance trust fund, special services revolving  
13 fund, spinal and head injuries trust fund, state aid to the courts fund,  
14 Arizona state hospital fund, state surplus materials revolving fund,  
15 structural pest control commission fund, substance abuse services fund,  
16 teacher certification fund, technical registration fund, technology and  
17 telecommunication fund, telecommunication fund for the deaf, tobacco tax and  
18 health care fund, transportation department equipment fund, tribal state  
19 compact fund, used oil fund, utility regulation revolving fund, vehicle  
20 inspection and title enforcement fund, state veterans' conservatorship fund,  
21 state home for veterans' trust fund, veterinary medical examining board fund,  
22 victims' rights fund, watercraft licensing fund, water quality fee fund, and  
23 workforce investment act grant.

24 Salary adjustments

25 The salary adjustments include personal services and employee related  
26 expenditures for state officers and employees in accordance with the  
27 department's or agency's compensation plan, except as otherwise provided by  
28 this act.

29 For fiscal year 2001-2002, the joint legislative budget committee staff  
30 shall determine and the department of administration shall allocate to each  
31 agency or department an amount sufficient to increase the annual salary level  
32 of each employee by the ~~greater of \$1,500 or five per cent~~ \$1,450, effective  
33 ~~April 1~~ JUNE 8, 2002. The ~~\$1,500~~ minimum \$1,450 shall apply to less than  
34 full-time employees on a prorated basis.

35 The joint legislative budget committee staff shall also determine and  
36 the department of administration shall allocate adjustments, as necessary,  
37 in total expenditure authority to allow implementation of salary adjustments  
38 of appropriate amounts.

39 ~~Correctional officers who are eligible for the correctional officer pay~~  
40 ~~plan within the state department of corrections, youth correctional officers~~  
41 ~~who are eligible for the youth correctional officer pay plan within the~~  
42 ~~department of juvenile corrections, Employees of the Arizona state schools~~  
43 ~~for the deaf and blind, board and commission members who are paid on a per~~  
44 ~~diem basis, agency heads and who are appointed for a fixed term of office,~~

1 and employees that are otherwise noted in this act are not eligible for the  
2 five per cent or ~~\$1,500~~ \$1,450 general salary adjustments.

3 ~~For fiscal year 2001-2002, each correctional officer shall receive a~~  
4 ~~salary adjustment in their annual salary level of \$2,500 for the period April~~  
5 ~~1, 2002 through June 30, 2002.~~

6 ~~For fiscal year 2001-2002, each youth correctional officer shall~~  
7 ~~receive a salary adjustment in their annual salary level of \$2,500 for the~~  
8 ~~period April 1, 2002 through June 30, 2002.~~

9 Classification maintenance review annualization adjustments

10 The amounts appropriated for classification maintenance review  
11 annualization adjustments shall be for positions that received a  
12 classification maintenance review adjustment in the Arizona department of  
13 administration personnel system on January 1, 2001. The joint legislative  
14 budget committee staff shall determine and the department of administration  
15 shall allocate to each agency or department the appropriate amounts to  
16 annualize the salary increases for these positions.

17 The joint legislative budget committee staff shall also determine and  
18 the department of administration shall allocate adjustments, as necessary,  
19 in total expenditure authority to allow implementation of classification  
20 maintenance review annualization adjustments of appropriate amounts.

21 Attorney general salary adjustments

22 The amounts appropriated for attorney general salary adjustments shall  
23 be for salary increases of assistant attorney general positions that are  
24 funded through contract agreements with other state agencies or departments.  
25 On or before May 1, 2001, the attorney general's office shall report the  
26 other appropriated funds allocation by agency to the joint legislative budget  
27 committee staff. The department of administration shall allocate to each  
28 agency or department as determined by the joint legislative budget committee  
29 staff. The joint legislative budget committee staff shall also determine and  
30 the department of administration shall allocate adjustments, as necessary,  
31 in total expenditure authority to allow implementation of attorney general  
32 salary adjustments.

33 Pro rata share contribution adjustments

34 The amounts appropriated for pro rata share contribution adjustments  
35 shall be for increases in agency and department pro rata share contributions  
36 to the personnel division fund. For fiscal year 2001-2002, the joint  
37 legislative budget committee staff shall determine and the department of  
38 administration shall allocate to each agency or department an amount  
39 sufficient to increase the pro rata share contribution to 0.95 per cent of  
40 the agency's or department's personal services base.

41 The joint legislative budget committee staff shall also determine and  
42 the department of administration shall allocate adjustments, as necessary,  
43 in total expenditure authority to allow implementation of pro rata share  
44 contribution adjustments.

1 State-owned space rental adjustments

2 The amounts appropriated for state-owned space rental adjustments shall  
3 be for increases in agency and department rental rates paid to the capital  
4 outlay stabilization fund. For fiscal year 2001-2002, the joint legislative  
5 budget committee staff shall determine and the department of administration  
6 shall allocate to each agency or department an amount sufficient to increase  
7 the square foot rental rates to \$15.00 for office space, and \$5.50 for  
8 storage space.

9 The joint legislative budget committee staff shall also determine and  
10 the department of administration shall allocate adjustments, as necessary,  
11 in total expenditure authority to allow implementation of state-owned space  
12 rental adjustments.

13 State employee health insurance adjustments

14 The amount appropriated for state employee health insurance adjustments  
15 shall be for increases in the employer share of state employee health  
16 insurance premiums. The joint legislative budget committee staff shall  
17 determine and the department of administration shall allocate to each  
18 agency's or department's employee related expenditures an amount sufficient  
19 for the employer share of the employee health insurance increase.

20 The joint legislative budget committee staff shall also determine and  
21 the department of administration shall allocate adjustments, as necessary,  
22 in total expenditure authority to allow implementation of state employee  
23 health insurance adjustments.

24 Sec. 10. Laws 2001, second special session, chapter 4, section 1 is  
25 amended to read:

26 Section 1. Transfers of fund monies to the state general fund;  
27 fiscal year 2001-2002

28 Notwithstanding any other law, on or before June 30, 2002, the  
29 following amounts from the following funds or sources are transferred to the  
30 state general fund for the purposes of providing adequate support and  
31 maintenance for agencies of this state:

- 32 1. Retiree accumulated sick leave fund (~~YAA 3200~~) (YYA 3200)  
33 \$3,463,100.
- 34 ~~3.~~ 2. Construction insurance fund (ADA 4219) \$600,000.  
35 ~~4.~~ 3. Motor vehicle pool revolving fund (ADA 4204) \$3,000,000.  
36 ~~5.~~ 4. Certificate of participation fund (AAA 5005) \$3,600,000.  
37 ~~6.~~ 5. Ratite control fund (AHA 2098) \$92,900.  
38 ~~7.~~ 6. Arizona health care cost containment system fund (HCA 2120)  
39 \$3,000,000.
- 40 ~~8.~~ 7. Third party collections fund (HCA 3791) \$2,400,000.  
41 ~~9.~~ 8. Anti-racketeering fund (AGA 2131) \$1,250,000.  
42 ~~10.~~ 9. Securities regulatory and enforcement fund (CCA 2264)  
43 \$1,000,000.
- 44 ~~11.~~ 10. Corrections fund (DCA 2088) ~~\$30,000,000~~ \$34,500,000.  
45 ~~12.~~ 11. Alcohol abuse treatment fund (DCA 2204) \$1,000,000.

- 1       ~~13.~~ 12. Long-term care system fund (DEA 2225) \$9,394,000.
- 2       ~~14.~~ 13. Information technology fund (GTA 2152) \$500,000.
- 3       ~~15.~~ 14. Department of health services internal services fund (HSA
- 4       4202) \$225,000.
- 5       ~~16.~~ 15. Agreements fund (HSA 2144) \$2,397,700.
- 6       ~~17.~~ 16. Federal reclamation trust fund (LDA 2024) \$500,000.
- 7       ~~18.~~ 17. State lottery fund (LOA 2122) \$2,498,000.
- 8       ~~19.~~ 18. Law enforcement alternative fuel vehicle fund (PSA 2452)
- 9       \$156,000.
- 10      ~~20.~~ 19. State lake improvement fund (PRA 2106) ~~\$1,000,000~~ \$6,000,000.
- 11      ~~21.~~ 20. Arizona water banking fund (WCA 2110) \$1,000,000.
- 12      ~~22.~~ 21. Dam repair fund (WCA 2218) \$199,800.
- 13      ~~23.~~ 22. Building renewal fund (SFA 2465) ~~\$34,934,700~~ \$69,934,700.
- 14      ~~24.~~ 23. Deficiencies corrections fund (SFA 2455) \$56,000,000.
- 15      ~~25.~~ 24. New school facilities fund (SFA 2460) ~~\$51,250,000~~ \$83,250,000.
- 16      ~~26.~~ Local transportation assistance fund - vehicle license tax
- 17      ~~(TRA 3848) \$3,450,000.~~
- 18      ~~27.~~ 25. Augmentation and conservation assistance fund (WCA 2213)
- 19      \$1,000,000.
- 20      ~~28.~~ 26. Arizona clean air fund (EPA 1238) ~~\$4,000,000~~ \$4,700,000.
- 21      27. ARIZONA JOB TRAINING FUND (EPA 1237) \$10,000,000.

22       Sec. 11. Laws 2001, second special session, chapter 4, section 3 is  
23 amended to read:

24       Sec. 3. Transfer of monies from the budget stabilization fund  
25                                   to the state general fund; fiscal year 2001-2002

26       Notwithstanding section 35-144, Arizona Revised Statutes, the sum of  
27 ~~\$119,000,000~~ \$166,150,000 is transferred from the budget stabilization fund  
28 to the state general fund in fiscal year 2001-2002.

29       Sec. 12. Laws 2001, second special session, chapter 5, section 82 is  
30 amended to read:

31       Sec. 82. Legislature; reversions

32       Notwithstanding Laws 2001, chapter 236, section 57, the following sums  
33 shall be reverted on the effective date of this act by the following  
34 agencies. These reversions are all state general fund agencywide lump sums  
35 reductions:

	<u>2001-02</u>
36           1. Senate	<del>\$321,800</del>
37	\$338,700
38           2. Legislative council	<del>\$258,100</del>
39	\$270,900
40           3. Joint legislative budget committee	<del>\$117,500</del>
41	\$123,400
42           4. Auditor general	<del>\$608,300</del>
43	\$639,600
44           5. Advocate for private property rights	\$ 97,500
45	



1 one-fourth of one per cent. In making this calculation, as authorized by  
2 this act, for Laws 2001, second special session, chapter 5, section 16, the  
3 calculation shall be based on the total general fund appropriation to the  
4 state board of directors for community colleges less the total appropriation  
5 for equalization aid. The lump sum reduction provided for by this act shall  
6 be in addition to the one-half of one per cent lump sum reduction provided  
7 for by Laws 2001, second special session, chapter 5, section 75.

~~8 Sec 16. State employees; leaving service; reversion  
9 For the remainder of fiscal year 2001-2002 and for fiscal year  
10 2002-2003, if a person funded in part or whole by the state general fund  
11 leaves state employment, fifty per cent of the unused state general fund  
12 portion of personal services and employee related expenditures for that  
13 position shall revert to the state general fund. The governor may exempt  
14 certain positions from this reversion if they are deemed to be essential for  
15 the ongoing operation of state government. A list of all exempted positions  
16 shall be transmitted quarterly to the president of the senate and the speaker  
17 of the house of representatives beginning with April 1, 2002. The total  
18 number of exempted employees shall not exceed twenty per cent of the total  
19 state general fund employees leaving state agencies. No individual agency  
20 shall revert more than ten per cent of their total personal services and  
21 employee related expenditure appropriation in a given year due to this  
22 section.~~

APPROVED BY THE GOVERNOR MARCH 21, 2002.

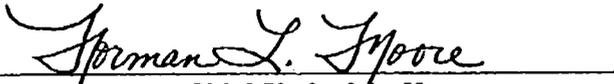
FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 21, 2002.

Passed the House March 19, 2002,

by the following vote: 46 Ayes,

10 Nays, 4 Not Voting

  
Speaker of the House

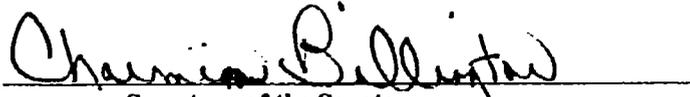
  
Chief Clerk of the House

Passed the Senate March 19, 2002,

by the following vote: 24 Ayes,

2 Nays, 4 Not Voting

  
President of the Senate

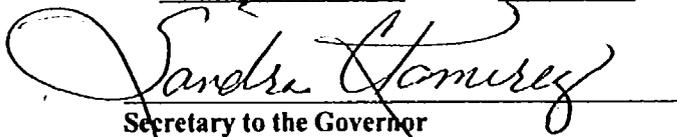
  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

20 day of March, 2002,

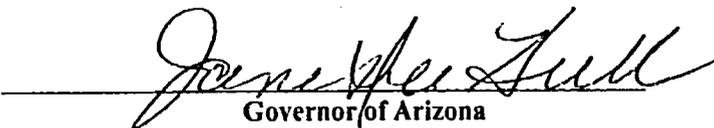
at 12:20 o'clock P M.

  
Secretary to the Governor

Approved this 20 21<sup>st</sup> day of

March, 2002

at 12:10 o'clock P M.

  
Governor of Arizona

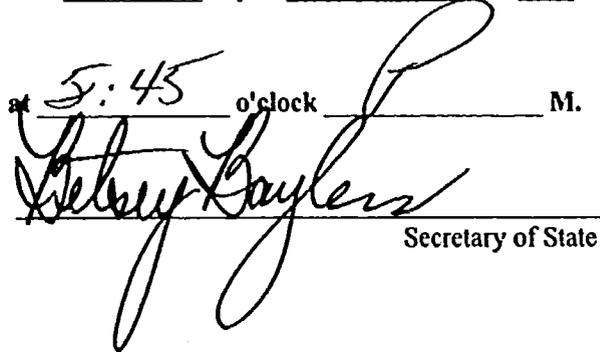
THIRD SPECIAL SESSION  
H.B. 2003

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 21 day of March, 2002,

at 5:45 o'clock P M.

  
Secretary of State