

House Engrossed

FILED

**JANICE K. BREWER
SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
2006

CHAPTER 346

HOUSE BILL 2866

AN ACT

AMENDING SECTION 35-122, ARIZONA REVISED STATUTES; AMENDING TITLE 41, CHAPTER 32, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 41-3506; MAKING AN APPROPRIATION; RELATING TO BUDGET PROCEDURES FOR BUDGET RECONCILIATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 35-122, Arizona Revised Statutes, is amended to
3 read:

4 35-122. Strategic plans; program lists; compilation

5 A. Consistent with instructions issued by the governor, the
6 administrative head of each budget unit is responsible for developing a list
7 of programs for the budget unit. For purposes of this section, a program may
8 include a subprogram as determined by the governor's office of strategic
9 planning and budgeting and the staff of the joint legislative budget
10 committee. In consultation with the staff of the joint legislative budget
11 committee, the governor's office of strategic planning and budgeting may
12 modify the list of programs submitted by each budget unit.

13 B. Consistent with instructions issued by the governor, the
14 administrative head of each annual budget unit is responsible for:

15 1. Developing a five-year strategic plan for the entire budget
16 unit. The strategic plan shall be updated annually as necessary. The plan
17 shall contain strategic issues, a mission statement, A description, goals,
18 strategies and resource assumptions. The resource assumptions shall include
19 the number of full-time equivalent positions and budgetary data, including
20 all funding sources categorized by general fund, other appropriated funds,
21 nonappropriated funds and federal funds that are required to support the
22 strategic plan. THE AGENCY SHALL ALSO PROVIDE AN EXECUTIVE SUMMARY OF THE
23 STRATEGIC PLAN. THE EXECUTIVE SUMMARY SHALL NOT EXCEED FIVE PAGES IN LENGTH.
24 The strategic plan, INCLUDING THE EXECUTIVE SUMMARY, shall be posted on the
25 agency's official internet web site and submitted to the governor's office of
26 strategic planning and budgeting and to the staff of the joint legislative
27 budget committee by January 1 of each year. The senate appropriations
28 committee and the house of representatives appropriations committee shall
29 review the strategic plans annually.

30 2. Developing an operating plan for each program identified in
31 subsection A. The plan shall use the format required in subsection E and be
32 submitted to the governor's office of strategic planning and budgeting by
33 September 1 of each year. Each year annual budget units shall submit
34 performance measures and budgetary data for the prior, current and ensuing
35 fiscal year.

36 3. Developing a mission statement, A description and strategic issues
37 for the entire budget unit as part of the operating plan to be submitted to
38 the governor's office of strategic planning and budgeting by September 1 of
39 each year. The mission statement, description and strategic issues shall be
40 submitted at the same time to the staff of the joint legislative budget
41 committee.

42 C. Consistent with instructions issued by the governor, the
43 administrative head of each biennial budget unit is responsible for:

44 1. Developing an operating plan for each program identified in
45 subsection A. The plan shall use the format required in subsection E and be

1 submitted to the governor's office of strategic planning and budgeting by
2 September 1 of each year. In even-numbered years, biennial budget units
3 shall submit performance measures and budgetary data for the prior, current
4 and two ensuing fiscal years. In odd-numbered years, biennial budget units
5 shall submit performance measures and budgetary data for the prior, current
6 and one ensuing fiscal year.

7 2. Developing a mission statement, A description and strategic issues
8 for the entire budget unit as part of the operating plan to be submitted to
9 the governor's office of strategic planning and budgeting by September 1 of
10 each year. The mission statement, description and strategic issues shall be
11 submitted at the same time to the staff of the joint legislative budget
12 committee.

13 D. Pursuant to subsection A, biennial budget units that have one
14 program are responsible for the plan requirements of the program and the
15 budget unit.

16 E. The operating plan shall include a mission statement, A
17 description, goals, performance measures that emphasize results and budgetary
18 data. The budgetary data shall include funding amounts, regardless of
19 source.

20 F. The governor's office of strategic planning and budgeting shall
21 compile the submissions required in subsection B, paragraphs 2 and 3, and
22 subsection C and no later than five days after the regular session of the
23 legislature convenes of each even-numbered year shall publish a master list
24 of programs that are performed or overseen by state government. The master
25 list shall include the program description, agency description, mission
26 statement, strategic issues, goals, performance measures and budgetary data.
27 The list shall include all programs that are administered jointly by two or
28 more budget units.

29 Sec. 2. Title 41, chapter 32, article 1, Arizona Revised Statutes, is
30 amended by adding section 41-3506, to read:

31 41-3506. State web portal fund; exemption

32 A. THE STATE WEB PORTAL FUND IS ESTABLISHED AND IS SUBJECT TO
33 LEGISLATIVE APPROPRIATION. THE GOVERNMENT INFORMATION TECHNOLOGY AGENCY
34 SHALL ADMINISTER THE FUND. THE STATE WEB PORTAL FUND SHALL CONSIST OF:

35 1. MONIES APPROPRIATED TO THE FUND BY THE LEGISLATURE.

36 2. ANY WEB PORTAL USAGE FEES COLLECTED UNDER ANY AGREEMENT BETWEEN
37 THIS STATE AND AN INDEPENDENT CONTRACTOR PROVIDING SERVICES FOR THE COMMON
38 WEB PORTAL LESS THE CONTRACTOR'S PRICE OF MAINTAINING AND OPERATING THE WEB
39 PORTAL.

40 3. MONIES RECEIVED FROM PRIVATE GRANTS OR DONATIONS IF DESIGNATED FOR
41 THE FUND BY THE GRANTOR OR DONOR.

42 4. MONIES RECEIVED FROM THE FEDERAL GOVERNMENT BY GRANT OR OTHERWISE
43 TO ASSIST THIS STATE IN PROVIDING ANY COMMON WEB PORTAL PROJECTS.

1 B. MONIES IN THE STATE WEB PORTAL FUND MAY BE USED FOR IMPROVING OR
2 EXPANDING THIS STATE'S INFORMATION TECHNOLOGY SERVICES AND PROJECTS,
3 INCLUDING THE COMMON WEB PORTAL.

4 C. MONIES IN THE STATE WEB PORTAL FUND ARE EXEMPT FROM THE PROVISIONS
5 OF SECTION 35-190 RELATING TO LAPSING OF APPROPRIATIONS.

6 Sec. 3. Business reengineering/integrated tax system contract
7 extension

8 Notwithstanding any other law, the department of revenue must receive
9 legislative authorization before executing any future extension or
10 modification of the current business reengineering/integrated tax system
11 contract with a fiscal impact that increases the contractor's share of
12 gain-sharing proceeds from state revenues.

13 Sec. 4. Program budgeting conversion; delay

14 By October 1, 2006, the governor's office of strategic planning and
15 budgeting shall submit to the joint legislative budget committee staff
16 proposed program budgeting structures for the following agencies that have
17 not had their budgeting structures converted to program budgeting pursuant to
18 Laws 1997, chapter 210:

- 19 1. Arizona health care cost containment system.
- 20 2. Department of economic security.
- 21 3. Department of health services.
- 22 4. Arizona department of housing.
- 23 5. Arizona board of regents.
- 24 6. Arizona state university - main campus.
- 25 7. Arizona state university - east campus.
- 26 8. Arizona state university - west campus.
- 27 9. Northern Arizona university.
- 28 10. University of Arizona - main campus.
- 29 11. University of Arizona - health sciences center.

30 Sec. 5. State web portal fund; fiscal year 2006-2007
31 appropriation; contract

32 A. All receipts to the state web portal fund established by section
33 41-3506, Arizona Revised Statutes, as added by this act, in fiscal year
34 2006-2007 are appropriated to the government information technology agency
35 for fiscal year 2006-2007. Before any expenditure of fund monies in fiscal
36 year 2006-2007, the government information technology agency shall submit
37 planned expenditures from the state web portal fund for review by the joint
38 legislative budget committee.

39 B. After executing but before implementing any new contract for the
40 state web portal in fiscal year 2006-2007, the government information
41 technology agency shall submit the fiscal provisions of the contract,
42 including a list of services and their associated fees and fee sharing
43 arrangements, for review by the joint legislative budget committee.