

JOINT LEGISLATIVE BUDGET COMMITTEE

Thursday, September 24, 2015

1:00 p.m.

Senate Appropriations Room 109

JLBC

STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
SENATE

1716 WEST ADAMS
PHOENIX, ARIZONA 85007

DON SHOOTER
CHAIRMAN 2016
OLIVIA CAJERO BEDFORD
STEVE FARLEY
GAIL GRIFFIN
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(602) 926-5491

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**** REVISED ****

JOINT LEGISLATIVE BUDGET COMMITTEE
Thursday, September 24, 2015
1:00 P.M.
Senate Appropriations, Room 109

MEETING NOTICE

- Call to Order
- [Approval of Minutes of June 18, 2015.](#)
- DIRECTOR'S REPORT (if necessary).
- EXECUTIVE SESSION
 - A. Arizona Department of Administration, Risk Management Services - Consideration of Proposed Settlements under Rule 14.
 - B. Arizona Department of Administration - Risk Management Annual Report.
- 1. DEPARTMENT OF CHILD SAFETY
 - A. [Review of FY 2016 Internet Crimes Against Children Expenditure Plan.](#)
 - B. [Review of Fourth Quarter Benchmarks.](#)
 - C. [Review of FY 2016 Intensive Family Services Expenditure Plan.](#)
- 2. [ARIZONA DEPARTMENT OF CORRECTIONS - Review of FY 2015 Bed Capacity Report.](#)
- 3. [ARIZONA DEPARTMENT OF ADMINISTRATION - Consider Approval of Maximum Lodging and Per Diem Reimbursement Rates.](#)
- 4. [ARIZONA DEPARTMENT OF ADMINISTRATION/DEPARTMENT OF EDUCATION - Review of Automation Projects Fund Expenditure Reallocation \(Automation Projects Fund\).](#)

5. ARIZONA DEPARTMENT OF ADMINISTRATION/DEPARTMENT OF REVENUE - Review of Data Capture Contingency Expenditure Plan (Automation Projects Fund).
6. ATTORNEY GENERAL - Review of Quarterly Reports on Legal Settlements.
7. JLBC STAFF - Review of Agency Legal Services Charges.
8. BOARD OF BEHAVIORAL HEALTH SERVICES - Testimony on Proposed Licensing Rules.
9. AHCCCS/DEPARTMENT OF HEALTH SERVICES/DEPARTMENT OF ECONOMIC SECURITY/DEPARTMENT OF CHILD SAFETY - Review of Proposed Capitation Rate Changes.
10. DEPARTMENT OF ENVIRONMENTAL QUALITY - Review of Safe Drinking Water Expenditure Plan.

The Chairman reserves the right to set the order of the agenda.

~~9/17/15~~

9/21/15

Im

People with disabilities may request accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Requests for accommodations must be made with 72 hours prior notice. If you require accommodations, please contact the JLBC Office at (602) 926-5491.



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MINUTES OF THE MEETING

JOINT LEGISLATIVE BUDGET COMMITTEE

June 18, 2015

The Chairman called the meeting to order at 1:11 p.m., Thursday, June 18, 2015, in House Hearing Room 4. The following were present:

Members:	Senator Shooter, Vice-Chairman	Representative Olson, Chairman
	Senator Griffin	Representative Alston
	Senator Hobbs	Representative Bowers
	Senator Kavanagh	Representative Mitchell
	Senator Yarbrough	Representative Montenegro
		Representative Ugenti
Absent:	Senator Cajero Bedford	Representative Mach
	Senator Farley	Representative Stevens
	Senator Lesko	

APPROVAL OF MINUTES

Hearing no objections from the members of the Committee to the minutes of March 31, 2015, Chairman Justin Olson stated that the minutes would stand approved.

ARIZONA DEPARTMENT OF ADMINISTRATION (ADOA) - Consider Approval of Maximum Lodging and Per Diem Reimbursement Rates.

Ms. Rebecca Perrera, JLBC Staff, stated that this item requires the Committee to approve rate changes to the maximum reimbursement amounts for lodging and meal expenses taking into consideration the amounts established by the federal government.

Mr. D. Clark Partridge, State Comptroller, General Accounting Office, ADOA, responded to member questions.

(Continued)

Senator Shooter moved that the Committee approve the use of the current federal lodging reimbursement rate and the current federal per diem rate, (less \$10) as the state rates with the following provisions:

- A. Committee approval does not constitute an endorsement of additional appropriations to cover higher reimbursement costs.
- B. ADOA is to rescind its delegated waiver authority to agencies. ADOA can continue to waive use of the federal maximum rate if circumstances warrant. ADOA is to report to the Committee on the number of waivers submitted to the department as well as the number approved. The tracking period for the report shall begin with the implementation of the new rates. The report is to be submitted 3 weeks prior to the next JLBC meeting, which is tentatively scheduled for September 2015.

The motion carried.

The department's submission shall also address its criteria for granting waiver requests.

Consistent with current ADOA practice, the maximum rates do not apply to lodging expenses associated with attending a conference.

ADOA - Review of ASET Projects (Automation Projects Fund).

Ms. Rebecca Perrera, JLBC Staff, stated that ADOA is requesting review of \$8,550,000 in proposed FY 2016 expenditures from the Automation Projects Fund (APF) for information technology (IT) projects for the Arizona Strategic Enterprise Technology (ASET) office in ADOA. The JLBC Staff presented options to the Committee.

Senator Shooter moved that the Committee give a favorable review of \$7,875,000 in FY 2016 expenditures from the APF for IT projects for the ASET Office in ADOA (See Table 1). JLBC review of the remaining \$675,000 for the Business One Stop project is deferred until the Information Technology Authorization Committee (ITAC) approves the project and the scope of the project is better defined. The favorable review included the following provisions:

- A. Committee review does not commit the Legislature to any ongoing ASET funding above the level of the FY 2016 appropriation.
- B. ADOA is to submit a report by December 31, 2015 on the potential ongoing funding options and revenue sources for the Arizona Enterprise Services Platform.
- C. ADOA, the JLBC Staff, and the Governor's Office of Strategic Planning & Budgeting (OSPB) are to report back to the Committee by October 1, 2015 on the final design of the Project Investment Justification (PIJ) reports.
- D. As a result of further planning and deployment efforts, should the final costs of the "Arizona Enterprise Services Platform" exceed the estimated costs by 10%, or more, or should there be significant changes to the proposed technology, scope of work, or implementation schedule, ADOA must amend the PIJ to reflect the changes and submit it to ADOA-ASET for review and approval prior to further expenditure of funds.

(Continued)

- E. ADOA may proceed with the assessment phase of the "Business One Stop" project, in order to complete the initial discovery and requirements gathering identified in the Pre-PIJ, at a cost not to exceed \$400,000. However, ADOA may not proceed with the development phase until the full PIJ, reflecting the final costs, scope of work, technology, and implementation schedule for the proposed solution, has been submitted to ADOA-ASET and ITAC for review and approval.

The motion carried.

Provisions D and E were also approved by ASET.

Table 1				
FY 2014 - FY 2016 ASET-APF Appropriations and Remaining Balances ^{1/}				
<u>ASET Project</u>	<u>FY 2014 Funds Remaining</u>	<u>FY 2015 Funds Remaining</u>	<u>FY 2016 Request</u>	<u>Option 2</u>
State Data Center	\$1,158,662	\$ 940,343	\$2,625,000	\$2,625,000
Security, Privacy, and Risk	669,266	2,794,424	2,200,000	2,200,000
Enterprise Architecture	161,412	499,667	500,000	500,000
Project Management	467,779	1,917,275	2,150,000	2,150,000
Digital Government/Business One Stop	-	240,693	1,075,000	400,000
Web Portal Transition	1,231,235	-	-	-
Total	\$3,688,354	\$6,392,402	\$8,550,000	\$7,875,000
^{1/} Information as of March 31, 2015 and as reported in ADOA's quarterly APF report to the JLBC.				

ADOA - Review of Arizona Financial Information System Transaction Fee.

Ms. Rebecca Perrera, JLBC Staff, stated that ADOA is requesting Committee review of its proposed \$1.08 transaction fee charged to state agencies for the operating cost of the Arizona Financial Information System (AFIS) for FY 2016. The JLBC Staff presented options to the Committee.

Senator Shooter moved that the Committee give a favorable review of a \$1.08 transaction fee charged to state agencies for the operation of AFIS. The motion carried.

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (AHCCCS)/DEPARTMENT OF HEALTH SERVICES (DHS)/DEPARTMENT OF ECONOMIC SECURITY (DES) - Review of Revised Capitation Rate Changes.

Mr. Jon Stall, JLBC Staff, stated that this item is for review of AHCCCS, DHS and DES capitation rate changes prior to implementation. The agencies propose revisions to previously reviewed contract year (CYE) 2013 capitation rates. AHCCCS, DHS and DES are revising their cap rates to reimburse Medicaid health insurers for federal and state income taxes that will be incurred as a result of rate changes previously reviewed at the JLBC meeting on December 17, 2014. The JLBC Staff presented options to the Committee.

Senator Shooter moved that the Committee give a favorable review to the proposed revisions to previously reviewed contract year (CYE) 2013 capitation rates. The motion carried.

(Continued)

ARIZONA DEPARTMENT OF CORRECTIONS (ADC) - Review of Per Diem Rate Change for Inmate Health Care Contracted Services.

Ms. Micaela Larkin, JLBC Staff, stated that this item is for review of inmate health care capitation rates prior to implementing any changes. The JLBC Staff presented options to the Committee.

Senator Shooter moved that the Committee give a favorable review of the increase to the inmate health care per diem from \$11.20 to \$11.60. The motion carried.

ARIZONA DEPARTMENT OF EDUCATION (ADE) - Review of K-3 Reading Expenditure Plan.

Mr. Steve Schimpp, JLBC Staff, stated that this item is for review of expenditures from the K-3 Reading line item prior to the expenditure of monies. The JLBC Staff presented options to the Committee.

Senator Shooter moved that the Committee give a favorable review to the \$500,000 in proposed FY 2016 expenditures from the K-3 Reading line item for technical assistance and state level administration of the K-3 Reading program. The motion carried.

ADE - Review of AELAS Expenditure Plan.

Mr. Matt Gress, JLBC Staff, stated that ADE is requesting Committee review of \$7,000,000 in FY 2016 expenditures from the Automation Projects Fund (APF) for the Arizona Education Learning and Accountability System (AELAS). The JLBC Staff presented options to the Committee.

Senator Shooter moved that the Committee give a favorable review to \$7,000,000 in proposed FY 2016 expenditures from the APF for the AELAS. The favorable review includes the following provisions:

- A. The results of a new third-party independent assessment are to be reported to the Committee by January 29, 2016 to evaluate the budget for AELAS for FY 2017.*
- B. ADE is to report to the Committee by January 29, 2016 on the expected revenues and expenditures for the Opt In Statewide Student Information System (SSIS) for FY 2016 and FY 2017, along with a rationale for how the SSIS rates are established. The report should include the projected FY 2017 SSIS rates.*
- C. ADE is to report to the Committee by January 29, 2016 on the potential financial implications of using AELAS to compute school finance payments compared to using the old Student Accountability Information System (SAIS).*
- D. ADE shall work with the ASET Office to help ensure that the contract to be established with the selected vendor provides appropriate levels of protection for the state in regard to cloud-based vendor solutions.*
- E. ADE shall provide an information update to ITAC on a quarterly basis, or as otherwise requested, to include the required third-party review report currently provided to ASET. If the quarterly update indicates that this project or other associated projects are at risk of failing to achieve intended results, ASET may recommend future funding be temporarily suspended pending the successful implementation of the risk mitigation plan. ADE will include ASET in all meetings with the third-party reviewers until the risk mitigation plan is fully implemented.*
- F. ADE shall identify a funding source of the development and/or operations costs associated with the projects beyond the current FY 2016 APF allocations.*

(Continued)

- G. Prior to any acquisition other than professional and outside services, licensing, and/or training costs identified in the approved PIJ, ADE must provide detailed information, including pricing, quantity, and description regarding the proposed technology or services, and obtain approval from ASET, and ITAC if required, before proceeding with the planned expenditure.

The motion carried.

Provisions D-G were also adopted by ITAC at its May 27, 2015 meeting.

DEPARTMENT OF PUBLIC SAFETY (DPS) - Review of the Expenditure Plan for the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Fund Border Security and Law Enforcement Subaccount.

Mr. Eric Billings, JLBC Staff, stated that this item is for review of the FY 2016 expenditure plan for the GIITEM Fund Border Security and Law Enforcement Subaccount prior to the expenditure of monies. The JLBC Staff presented options to the Committee.

Senator Shooter moved that the Committee give a favorable review of \$2,390,000 expenditure plan from the GIITEM Fund Border Security and Law Enforcement Subaccount. This amount would be distributed amongst all 15 county sheriffs, 3 municipalities, and the Arizona Department of Corrections. The motion carried.

Table 2 displays the grant recipients in FY 2016.

<u>Proposed Recipient</u>	<u>FY 2016 Allocation</u>
Police Departments/Marshall's Offices	
Coolidge Police Department	56,000
Douglas Police Department	120,000
Oro Valley Police Department	48,000
Subtotal	\$ 224,000
County Sheriffs	
Apache County Sheriff's Office	\$ 12,000
Cochise County Sheriff's Office	540,600
Coconino County Sheriff's Office	22,000
Gila County Sheriff's Office	10,000
Graham County Sheriff's Office	55,800
Greenlee County Sheriff's Office	2,000
La Paz County Sheriff's Office	3,500
Maricopa County Sheriff's Office	141,300
Mohave County Sheriff's Office	33,000
Navajo County Sheriff's Office	18,000
Pima County Sheriff's Department	494,000
Pinal County Sheriff's Office	210,300
Santa Cruz County Sheriff's Office	64,000
Yavapai County Sheriff's Office	35,000
Yuma County Sheriff's Office	217,300
Subtotal	\$ 1,858,800
Arizona Department of Corrections	\$ 228,300
Unallocated	\$ 78,900
Total	\$ 2,390,000

(Continued)

ATTORNEY GENERAL (AG) - Review of Quarterly Reports on Legal Settlements.

Mr. Matt Gress, JLBC Staff, stated that the Committee is required to review quarterly reports on the receipts and disbursements from the Consumer Protection - Consumer Fraud Revolving Fund and the Consumer Restitution and Remediation Revolving Fund (including its 2 subaccounts), as well as deposits made to the General Fund submitted by the Attorney General. The JLBC Staff presented options to the Committee.

Senator Shooter moved that the Committee give a favorable review to the AG's allocation of legal settlements among the various funds. The motion carried.

ATTORNEY GENERAL (AG) - Review of Uncollectible Debts.

Mr. Matt Gress, JLBC Staff, stated that A.R.S. § 35-150E requires the AG to submit a list of uncollectible debts referred to the AG by state agencies for collection. Upon the Committee's review, these debts may be removed from the state's accounting system. The JLBC Staff presented options to the Committee.

Senator Shooter moved that the Committee give a favorable review to the AG's FY 2015 and prior years listings of uncollectible debts referred to the AG by state agencies for collection. The uncollectible debt listings total \$88,439,100 for FY 2015 and prior years. The motion carried.

EXECUTIVE SESSION

Senator Shooter moved that the Committee go into Executive Session. The motion carried.

At 2:32 p.m. the Joint Legislative Budget Committee went into Executive Session.

Senator Shooter moved that the Committee reconvene into open session. The motion carried.

At 3:10 p.m. the Committee reconvened into open session.

A. Arizona Department of Administration (ADOA) - Review for Committee the Planned Contribution Strategy for State Employee and Retiree Health Plans as Required under A.R.S. § 38-658A.

Senator Shooter moved that the Committee give a favorable review of the planned contribution strategy for state employee and retiree health coverage for Plan Year 2016 with the provision that ADOA report on the success of its wellness program by December 31, 2015. The motion carried.

C. JLBC STAFF - Review of Policies and Procedures Pursuant to a Rule 14 Settlement.

Senator Shooter moved that the Committee recommends that the Arizona Department of Administration's (ADOA) Risk Management Division adopt the following new statewide procedures:

- *State agencies use the Arizona State Employee Drivers Record Application (ASEDRA) each month to verify employees' state driving privileges.*
- *In instances where a local office, rather than a central fleet office, is responsible for vehicles, the office supervisor spot check vehicle driving logs monthly to prevent unauthorized use.*

(Continued)

- *When state employees use their private vehicles to fulfill work responsibilities, state employees annually submit proof of private auto insurance to their department.*

The motion carried.

B. Arizona Department of Administration, Risk Management Services - Consideration of Proposed Settlements under Rule 14.


Senator Shooter moved that the Committee approve the recommended settlements proposed by the Attorney General's office in the cases of:

- *Reynolds, Murphy & Molina v. State of Arizona, et al.*
- *Ashcraft v. State of Arizona, et al.*

The motion carried.

Without objection, the meeting adjourned at 3:12 p.m.

Respectfully submitted:



Kristy Paddock, Secretary



Richard Stavneak, Director



Representative Justin Olson, Chairman



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DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Ben Beutler, Senior Fiscal Analyst *BB*

SUBJECT: Department of Child Safety - Review of FY 2016 Internet Crimes Against Children
Expenditure Plan

Request

The FY 2016 General Appropriation Act (Laws 2015, Chapter 8) requires Committee review prior to any monies being expended from the Department of Child Safety's (DCS) \$350,000 FY 2016 appropriation for Internet Crimes Against Children (ICAC).

Recommendation

The Committee has at least the following 2 options:

1. A favorable review of the expenditure plan.
2. An unfavorable review of the expenditure plan.

Under either option, the Committee may consider a provision that the Arizona Internet Crimes Against Children Task Force (AZICAC) via DCS report any funding reallocations above \$50,000.

Analysis

The Legislature established the ICAC line item in FY 2015. AZICAC, led by the Phoenix Police Department's ICAC unit, will receive these funds again in FY 2016. AZICAC is a joint federal/local law enforcement task force that investigates child pornography.

(Continued)

The proposed FY 2016 AZICAC expenditure plan allocates the \$350,000 appropriation to the following purposes:

- \$225,000 for a forensic high tech regional safety support vehicle - Forensic and tactical teams will use the vehicle for search warrant operations and interviews. The vehicle will be equipped with state of the art software and hardware. The state purchased a similar AZICAC command vehicle in FY 2015. AZICAC reports high demand among police departments across the state for the existing command vehicle, and a second vehicle would increase AZICAC's capacity.
- \$50,000 for equipment - Laptops, computers, software, hardware and other AZICAC equipment as well as materials for community presentations.
- \$50,000 for training - Will cover the cost of AZICAC staff attending training seminars, including airfare, per-diem, hotel, car rental, and registration. Also funds training and ICAC detectives.
- \$25,000 for overtime and Arizona Counter Terrorism Information Center lab work

In FY 2015, AZICAC used its \$350,000 appropriation for equipment, training, overtime, and a new command vehicle used by police departments throughout the state. In response to the state's investment in the task force in FY 2015, the City of Phoenix authorized 2 new full-time ICAC investigators paid out of its own budget.

In addition to the \$350,000 FY 2016 ICAC appropriation in DCS, Laws 2015, Chapter 245 establishes an appropriated ICAC Fund administered by the Attorney General. Chapter 245 allocates \$900,000 of lottery proceeds to the ICAC Fund. Resources in the ICAC Fund are intended for AZICAC. Chapter 245, however, included a technical error and did not appropriate the revenues in FY 2016. The bill sponsor plans to propose legislation to address this issue.

Chapter 245 requires quarterly reports to JLBC on the expenditure of the Attorney General funds. Once the technical error is fixed, those reports will allow us to compare DCS and Attorney General ICAC spending.

RS/BB:kp



Arizona Department of Child Safety

Douglas A. Ducey
Governor

Gregory McKay
Director

September 4, 2015

The Honorable Don Shooter
Chairman, Arizona Senate Appropriations Committee
1700 West Washington
Phoenix, AZ 85007



Re: Department of Child Safety Expenditures

Dear Senator Shooter:

The Department of Child Safety (DCS) requests to be placed on the Joint Legislative Budget Committee agenda for the two items below.

Expenditure plan for Intensive Family Services

Laws 2015, First Regular Session, Chapter 8, Section 21, appropriated \$8.5 million to the Department of Child Safety for the Intensive Family Services Special Line Item with the provision that the Department report on how it plans to expend the funds in FY 2016. The Department requests that the committee review the expenditure plan as contained in Attachment A.

Expenditure plan for Internet Crimes Against Children

Laws 2015, First Regular Session, Chapter 8, Section 21, appropriated \$350,000 to the Department of Child Safety for the Internet Crimes Against Children Special Line Item. The Department requests that the committee review the expenditure plan as outlined in the ISA between the Department of Child Safety and the Phoenix Police Department.

If you have any questions, please contact our office at (602) 255-2500.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory McKay".

Gregory McKay
Director

Enclosure

cc: Richard Stavneak, JLBC Director

Senator Shooter
September 4, 2015
Page 2

Ben Beutler, JLBC
Lorenzo Romero, OSPB Director
Laura Johnson, OSPB

Intensive Family Services Expenditure Plan

The FY 2016 General Appropriation Act continued the Intensive Family Services SLI for a third year for \$8.5 million. The budget also continued the requirement for a prior review of expenditures, but added a new provision that the department provide an estimate of any comparable funding in the in-home preventive services support funding. The legislation maintained both the funding level and the provisions included in the original budget.

Expenditure Plan

DCS is seeking a Title IV-E waiver concerning Federal Funds to allow IV-E monies to be expended for in-home services as the state's federal IV-E funds are currently limited to out-of-home placements. DCS is currently in process of preparing a report for the modified Title IV-E Child Welfare Waiver Demonstration due September 8, 2015 to the Children's Bureau for approval. Upon anticipated approval, DCS will be able to move forward and start redesigning implementation of services. As DCS moves towards process redesign, DCS plans to continue to expend the FY 2016 funds in the same fashion as in FY 2015. These monies will essentially supplement existing in-home services.

Comparable Funding

Under the current In-Home contract, the focus is to improve the safety and well-being of families, enhance family functioning, increase competence in parenting abilities, foster a sense of self-reliance, reduce risk factors, increase protective factors and stabilize families. Specifically, Intensive Family Preservation is to provide crisis-oriented activities where conditions represent a threat to child safety and whose children are at significant risk of out-of home placement due to abuse and/or neglect in order to allow those children to safely remain in their home.

140780--0



**Intergovernmental Agreement Between
Phoenix Police Department/Arizona Internet Crimes Against Children Task Force
and Arizona Department of Child Safety**

Intergovernmental Agreement ("IGA") between the City of Phoenix ("City"), through the Phoenix Police Department ("Phoenix PD"), and the Arizona Department of Child Safety ("DCS") (collectively the "parties");

WHEREAS, the DCS is duly authorized to execute and administer contracts under Arizona Revised Statutes (A.R.S.) § 8-453; and

WHEREAS, DCS, is mandated pursuant to A.R.S. § 8-451, to protect children by investigating allegations of abuse and neglect, promoting the well-being of the child in a permanent home, and coordinating services to strengthen the family and prevent, intervene in, and treat abuse and neglect of children; and

WHEREAS, Phoenix PD is mandated to investigate allegations of abuse and neglect and combat internet crimes against children; and

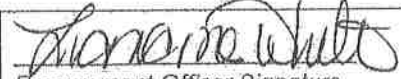
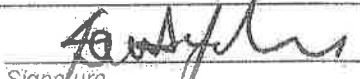
WHEREAS, 2015 Ariz Laws Ch. 8 § 21 appropriated \$350,000 for fiscal year 2016 (FY16), for Internet Crimes Against Children (ICAC).

THEREFORE, DCS and Phoenix PD agree to abide by all the terms and conditions set forth in this Contract.

BY SIGNING THIS FORM ON BEHALF OF THE CONTRACTOR, THE SIGNATORY CERTIFIES HE/SHE HAS THE AUTHORITY TO BIND THE CONTRACTOR TO THIS CONTRACT.

**FOR AND ON BEHALF OF THE ARIZONA
DEPARTMENT OF CHILD SAFETY:**

**FOR AND ON BEHALF OF THE CITY OF
PHOENIX:**

 Procurement Officer Signature	<u>7/7/15</u> Date	 Signature	<u>6-25-15</u> Date
Francine Whittington Printed Name		Joseph G. Yahner Printed Name	
Procurement Manager Title		Police Chief, Phoenix Police Department Title	
<u>ADCS16-098010</u> DCS Contract Number		 City Clerk Signature	 Date
		Chris Meyer City Clerk Name	

IN ACCORDANCE WITH A.R.S. §11-952 THIS CONTRACT HAS BEEN REVIEWED BY THE UNDERSIGNED WHO HAVE DETERMINED THAT THIS CONTRACT IS IN APPROPRIATE FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO EACH RESPECTIVE PUBLIC BODY.

By: 
Arizona Assistant Attorney General

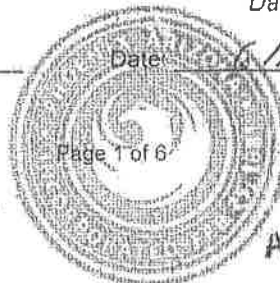
By: 
Daniel L. Brown, City Attorney

Date: 7/1/15

Date: 6/17/15

ATTEST


CITY CLERK



Approved as to form


ACTING City Attorney

CITY CLERK DEPT.
2015 JUN 26 PM 4:03

1.0 **ADCS VISION AND MISSION STATEMENTS**

1.1 ADCS Vision: Children thrive in family environments free from abuse and neglect.

1.2 ADCS Mission: Successfully engage children and families to ensure safety, strengthen families, and achieve permanency.

2.0 **PARTIES**

2.1 This IGA is between the DCS, and the City of Phoenix through the Phoenix Police Department.

3.0 **TERM OF AGREEMENT**

3.1 Term

3.1.1 The term of this IGA shall have an effective date of July 1, 2015 and shall end on September 1, 2016, unless otherwise agreed upon by both parties in writing.

3.2. Extension

3.2.1 This IGA may be extended in one-year intervals, depending upon availability of funds, by written amendment mutually agreed to by both parties.

3.3. Termination

3.3.1 This IGA may be terminated by mutual agreement of both parties at any time during the term of this agreement.

3.3.2 Each party shall have the right to terminate this agreement by hand-delivering to the other party written notice of termination at least thirty (30) days prior to the effective date of said termination.

4.0 **AMENDMENTS OR MODIFICATIONS**

4.1 This IGA may be amended or modified at any time by mutual agreement. No agent, employee or other representative of either party is empowered to alter any of the terms of the Agreement, unless done in writing and signed by the authorized representative of both parties.

4.2 Either party shall give written notice to the other party of any non-material alteration that affects the provisions of this Agreement. Non-material alterations that do not require a written amendment are as follows:

1. Change of telephone number;
2. Change in authorized signatory; and/or
3. Change in the name and/or address of the person to whom notices are to be sent.

5.0 **PURPOSE OF AGREEMENT**

5.1 The purpose of this agreement is to establish the duties of the Phoenix PD and DCS regarding the FY16 appropriation for ICAC funding.

6.0 **SERVICE DESCRIPTION**

6.1 Phoenix Police Department Internet Crimes against Children Task Force Mission Statement

6.1.1 The ICAC program assists state and local law enforcement agencies in the development of an effective response to cases involving images depicting the sexual exploitation of minors and the sexual assault and abuse of children facilitated by technology. Due in large part to the technological aspects of these cases, the ICAC Task Force Program promotes a multi-jurisdictional, multi-agency approach to investigating and prosecuting ICAC cases statewide.

6.1.2 The ICAC Task Force's goals are to increase the investigations and prosecutions of Internet crimes against children offenses, and to increase public awareness and prevention of ICAC offenses. The policy objectives for the ICAC Task Force are to:

- (1) Increase the investigative capabilities, including effectiveness and efficiency, of law enforcement officers in the detection, investigation of qualifying offenses and the apprehension of offenders;
- (2) Increase the number of ICAC-qualifying state offenses being prosecuted;
- (3) Create a multi-agency task force response to ICAC offenses;
- (4) Enhance the statewide response to ICAC offenses; and
- (5) Develop and deliver ICAC public awareness and prevention programs.

7.0 **RESPONSIBILITIES**

7.1 The ADCS and the Phoenix PD ICAC Task Force agree as follows:

7.2 Phoenix PD ICAC Task Force shall:

- 7.2.1 On or before September 30, 2015, submit an expenditure plan for the Internet Crimes Against Children appropriation for review by the Joint Legislative Budget Committee (JLBC).
- 7.2.2 Only use the appropriation for purchases and expenditures related to fulfilling the mission of the ICAC Task Force, and in accordance with Title 2 in the Code of Federal Regulations, Subtitle A, Chapter II, part 225.
- 7.2.2 Once the expenditure plan is approved by JLBC, during FY16, purchase the follow items using the JLBC approved expenditure amounts:
 - 7.2.2.1 \$225,000.00 (or amount approved by JLBC) for the purchase of a Forensic High Tech Regional Safety Support Vehicle:
 - a. For search warrant entry operations and interviews by ICAC-Forensics and Tactical teams. This vehicle is to be used for subjects that barricade themselves during warrants and other operations. It will be equipped with advanced communication devices and forensic software and hardware to conduct operations.
 - b. For safety to investigators and officers conducting search warrants and various other tactical operations around the state.
 - c. Vehicle will be equipped with work benches and areas for high tech equipment and forensic capability at the scene to assist with scene examinations and officer safety procedures.
 - 7.2.2.2 \$50,000.00 (or amount approved by JLBC) for the purchase of Equipment, including:
 - a. Laptops, computers, software, hardware and ICAC equipment to include but not limited to window tinting, forensic software, forensic hardware and any other items that fulfill the ICAC mission.
 - b. Items needed to conduct community presentations, items used to provide to students and teachers such as challenge coins, coloring books, patches, lanyards, and other items to support community outreach and internet safety for the children of Arizona.
 - 7.2.2.3 \$50,000.00 (or amount approved by JLBC) for the purchase and/or provision of Training for ICAC Investigators around the state, including:
 - a. Airfare, per-diem, hotel, car rental, class registration and any other associated costs per the federal General Services Administration rate to attend the ICAC training around the country. In addition, this funding will be used to train ICAC detectives in the state.
 - 7.2.2.4 \$25,000.00 (or amount approved by JLBC) for Personnel services and employee-related expenditures, including:
 - a. Overtime and employee costs related to additional casework, to include standby. Includes all costs associated with the job, hourly rates and fringe benefits.
 - b. Assisting investigators at the Arizona Counter Terrorism Information Center (ACTIC) lab and ICAC in order to fulfill call-out and extra work needed to conduct field operations.
- 7.2.3 Use residual funds that may occur if the above cost category items are not fully expended, for other purchases and items as needed by AZ ICAC, such as training, equipment, community outreach items, and others in support of ICAC operations around the State of Arizona.
- 7.2.4 Pursuant to A.R.S. §§ 35-190 and 35-191, revert all unspent funds appropriated for ICAC to the State General Fund following the adjustment period at the end of FY16.
- 7.2.5 Appropriately capitalize, maintain, record, and report capital assets and stewardship resources pursuant to the State of Arizona General Accounting Office Statewide Accounting Manual § II-G-1 and the Governmental Accounting Standards Board Statement of Governmental Accounting Standard No. 34.
- 7.3 DCS will:
- 7.3.1 Review the quarterly financial reports and supporting documentation as submitted by Phoenix PD to ensure expenditures are related to fulfilling the mission of the ICAC Task Force and that the expenditures are approved for FY16.
- 7.3.2 Reimburse Phoenix PD on a quarterly basis, following approval of expenditures as reported in the quarterly financial reports and supporting documentation.
- 7.3.2 Review capitalization of assets on the balance sheet; depreciation schedules; fixed asset listings, perform physical inventory, and monitor to ensure that Phoenix PD appropriately capitalizes, maintains, records, and reports Capital Assets pursuant to the State of Arizona General Accounting Office Statewide Accounting Manual § II-G-1 and the Governmental Accounting Standards Board Statement of Governmental Accounting Standard No. 34.

8.0 MANNER OF FINANCING

8.1 Funding for this Agreement will be a composite of State and Federal money.

9.0 REPORTING REQUIREMENTS

9.1 Phoenix PD will submit four quarterly reports that provide an accurate and detailed accounting of appropriated expenditures.

9.1.1 The quarterly reports shall be submitted according to the following schedule:

- a. 1st Quarter FY16: November 15, 2015
- b. 2nd Quarter FY16: February 15, 2016
- c. 3rd Quarter FY16: May 15, 2016
- d. 4th Quarter FY16: August 15, 2016

9.1.2 The final quarterly report for the fiscal year will include an accounting of any expenditures incurred during FY16 that have not yet been reimbursed, and a disposition of any non-expended funds.

9.2 Phoenix PD will submit adequate supporting documentation, which may include, but is not limited to copies of invoices, purchase orders and receipts.

9.3 Reports shall be sent to:

Department of Child Safety
3003 N Central Ave, SC CH010-23A
Phoenix, Arizona 85012
Attn: Alex Ong, Deputy Assistant Director

10.0 NOTICES

10.0 All notices, claims, request, and demands under this IGA are to be in writing and served in person or via certified (return receipt requested) United States mail, postage prepaid, addressed as stated below, or at such other address as shall be indicated in writing by each party. Service by certified mail will be deemed to occur on the postmark date borne by the return receipt.

10.1 All notices to the Phoenix PD regarding this agreement shall be sent to the following address

Phoenix Police Department
620 W Washington St.
Phoenix, Arizona 85003
Attn: Chief Joseph G. Yahner

10.2 All notices to the DCS regarding this agreement shall be sent to the following address:

Department of Child Safety
3003 N Central Ave, SC CH010-23A
Phoenix, Arizona 85012
Attn: Elizabeth Brandt, Assistant Director, Business Operations

11.0 DISPOSITION OF PROPERTY

11.1 The parties do not anticipate the need to dispose of any property or equipment upon termination of this Agreement. After termination of this Agreement, disposition of property or equipment purchased under this Agreement shall be at the discretion of Phoenix PD.

12.0 APPLICABLE LAW

12.1 This Contract shall be governed and interpreted by the laws of the State of Arizona. The materials and services supplied under this Contract shall comply with all applicable Federal, State and local laws, and the Contractor shall maintain all applicable licenses and permit requirements.

13.0 ARBITRATION

13.1 The parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. §12-1518 except as may be required by other applicable statutes.

14.0 AUDIT

14.1 In accordance with A.R.S. §35-214 and §35-215, both parties shall retain and shall contractually require each subcontractor to retain all data, books and other records ("records") relating to this Agreement for a period of five (5) years after the completion of the Agreement. All records shall be subject to inspection.

and audit by the State at reasonable times. Upon request, each party shall produce the original of any or all such records.

15.0 CONFLICT OF INTEREST

15.1 In accordance with A.R.S. §38-511, the State may within three years after execution cancel the Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the Agreement on behalf of the State, at any time while the Agreement is in effect, becomes an employee or agent of any other party to the Agreement in any capacity or a consultant to any other party to the Agreement with respect to the matter of the Agreement.

16.0 E-VERIFY

16.1 In accordance with ARS §41-4401, both parties warrant compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with A.R.S. § 23-214, Subsection A.

17.0 FEDERAL IMMIGRATION AND NATIONALITY ACT

17.1 By entering into the Agreement, the Phoenix PD warrants compliance with the Federal Immigration and Nationality Act. (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Phoenix PD shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Agreement. The Phoenix PD and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Agreement. I-9 forms are available for download at USCIS.GOV.

17.2 The State may request verification of compliance for any Contractor or subcontractor performing work under the Agreement. Should the State suspect or find that the Contractor or any of its subcontractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to suspension of work, termination of the Agreement for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Phoenix PD.

18.0 CONFIDENTIALITY

18.1 It is understood that any confidential information pertaining to investigations of ICAC will be held in the strictest confidence, and will only be shared with participating ICAC Task Force members or other law enforcement agencies where necessary or as otherwise permitted by federal and/or state law. Phoenix PD must comply with State and Federal Public Records laws.

18.2 Phoenix PD shall comply with the requirements of Arizona Address Confidentiality Program, A.R.S. §41-161 et. seq. The ADCS will advise Phoenix PD as to applicable policies and procedures the ADCS has adopted for such compliance.

19.0 INDEMNIFICATION

19.1 Indemnification for Phoenix PD:

19.1.1 Each party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other party (as "Indemnitee") from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "Claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such Claims which result in vicarious/derivative liability to the Indemnitee are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

19.2 Indemnification for Subcontractor

19.2.1 In addition, Phoenix PD shall cause its contractor(s) and subcontractors, if any, to indemnify, defend, save and hold harmless the State of Arizona, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and their respective directors, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Phoenix PD's contractor or any of the directors, officers, agents, or employees or subcontractors of such contractor. This Indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such

contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by such contractor from and against any and all claims. It is agreed that such contractor will be responsible for primary loss investigation, defense and judgment costs where this Indemnification is applicable.

20.0 INSURANCE REQUIREMENTS

20.1 The State of Arizona is self-insured per A.R.S. § 41-621. The City of Phoenix is self-insured per A.R.S. § 11-981 and Phoenix City Code, Chapter 42, Section 7.

20.2 If either party uses a contractor to perform services in relation to this agreement, that party shall require the contractor to obtain the minimum insurance required by the State of Arizona, Department of Risk Management.

21.0 NON-AVAILABILITY OF FUNDS

21.1 In accordance with ARS § 35-154, every payment obligation of the State under the Agreement is conditioned upon the availability of funds appropriated or allocated for payment of such obligation. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

22.0 NON-DISCRIMINATION

22.1 Both parties shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act. Both parties shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.



STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
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MICHELLE UGENTI

DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Ben Beutler, Senior Fiscal Analyst *BB*

SUBJECT: Department of Child Safety - Review of Fourth Quarter Benchmarks

Request

Laws 2014, 2nd Special Session, Chapter 2 requires the Department of Child Safety (DCS) to submit a report for Committee review of quarterly benchmarks for assessing progress made in increasing the department's number of FTE Positions and in reducing the number of backlog cases.

Recommendation

The Committee has at least the following 3 options:

1. A favorable review.
2. An unfavorable review.
3. Accept the report with no comment.

Analysis

Fourth Quarter Benchmark - Filled FTE Positions

Since submitting their quarterly benchmark report, DCS has updated their FTE data through July. DCS had 1,286 filled direct line staff in July 2015, or (120) FTE Positions below its fourth quarter benchmark of 1,406. Compared to July 2014, DCS has 5 more staff. DCS' highest hiring level occurred in April 2015, with 1,357 direct line staff. Direct line staff includes case-carrying caseworkers, caseworkers in

(Continued)

training and hotline staff but excludes "hired awaiting training" figures for benchmark comparison purposes.

Fourth Quarter Benchmark - Reducing the Backlog

In June 2014, DCS set benchmarks for reducing the backlog. The backlog is defined as non-active cases for which documentation has not been entered into the child welfare automated system for at least 60 days and for which services have not been authorized for at least 60 days. As shown in *Table 1*, DCS activated all 13,024 June 2, 2014 backlog cases, thereby meeting the fourth quarter benchmark, although 3,139 cases had relapsed into inactivity as of June 2015. DCS had 11,807 post-June 2, 2014 backlog cases in June 2015. Combined with the pre-June 2, 2014 activity, there are a total of 14,946 backlog cases in June 2015. DCS had hoped to reduce its total backlog to 1,000 cases by that time.

Table 1

Progress Reducing the June 2, 2014 Backlog in FY 2015

	Fourth Quarter Benchmark	Fourth Quarter Actual
Cases Activated	13,024	13,024
Activated Cases in Investigation Phase	2,578	3,896
In-Home Preventive Services	1,128	304
Out-of-Home Support Services and Placements	1,137	905
Cases Closed	8,842	7,695
Cases with No Service or Placement Payments in CHILDS	N/A	4,120
Remaining Backlog Cases		
Number of Backlog Cases as of June 30, 2015	1,000	14,946
Number of Relapsed June 2, 2014 Backlog Cases	0	3,139
Number of Post-June 2, 2014 Backlog Cases	1,000	11,807

Fourth Quarter Benchmark - Expenditures on Personal Services

In its June 2014 expenditure plan, DCS estimated spending \$30.6 million on Personal Services in the fourth quarter for 2,809 FTE Positions. DCS actually spent \$29.7 million, or \$(900,000) less than the benchmark, on 2,673 FTE Positions.

Fourth Quarter Benchmark - Expenditures to Reduce the Backlog

DCS was appropriated \$23.1 million from the General Fund and \$5.9 million from Federal Funds for a total of \$29.0 million in FY 2015 for the elimination of the June 2 backlog. Fourth quarter spending of \$6.5 million is significantly lower than the anticipated amount of \$12.7 million, likely due to DCS spending \$10.7 million on post-June 2, 2014 backlog cases.

RS/BB:kp



Arizona Department of Child Safety

Douglas A. Ducey
Governor

Gregory McKay
Director

August 10, 2015



The Honorable Justin Olson
Chairman, House Appropriations Committee
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

Re: Department of Child Safety Quarterly Progress Report

Dear Representative Olson:

Pursuant to Laws 2014, 2nd Special Session, Chapter 2, Section 6, the Department submits its report including quarterly benchmarks for the fourth quarter of FY 2015 for assessing the Department's progress increasing the number of filled FTE positions and in reducing the number of backlog cases, as well as updates to the quarterly expenditure plans for FY 2015 monies appropriated for personal services and for reducing the backlog.

If you have any questions, please contact our office at (602) 255-2500.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory McKay", written over a horizontal line.

Gregory McKay
Director

Enclosure

cc: Richard Stavneak, Director, Joint Legislative Budget Committee
Bill Greeney, Director, Governor's Office and Strategic Planning and Budget
Lorenzo Romero, State Budget Director, Governor's Office and Strategic Planning and Budget
Ben Beutler, Joint Legislative Budget Committee
Laura Johnson, Governor's Office and Strategic Planning and Budget



DEPARTMENT OF CHILD SAFETY

Quarterly Progress Report for Filled FTE Positions and Reducing the Backlog

Laws 2014, 2nd Special Session, Chapter 2 requires the Department of Child Safety (DCS) to submit a report for review by the Joint Legislative Budget Committee containing the progress made in increasing the Department's number of FTE positions and in reducing the number of backlog cases.

The filled FTE, case count, and expenditures are final for fiscal year 2015.

Filled FTE Positions

As of June 30, 2014, the Department had a total of 2,392 filled FTE positions, including 982 case-carrying staff, 225 staff in training, 76 FTE in Intake, and 1,109 other FTE. The total number of FTE through the fourth quarter of FY 2015 is outlined below.

Total FTE classified as Hired Awaiting Training in the fourth quarter are greater than the previous two quarters due to technical issues with the Human Resources Division's transition to the state's new accounting system resulting in delays in June's processing of new hires.

Table 1. Progress on Filled FTE Positions in Fiscal Year 2015 Qtr 4				
	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Quarter 4 Actual
Total Authorized FTE	3,045.1	3,045.1	3,045.1	3,045.1
Authorized Attorney General FTE Positions	222.2	222.2	222.2	222.2
Total Authorized DCS FTE Positions	2,822.9	2,822.9	2,822.9	2,822.9
Authorized Caseworkers	1,406.0	1,406.0	1,406.0	1,406.0
Filled Caseworkers (Active)	987.0	1,019.0	1,081.0	1,025.0
Filled Caseworkers (Training)	244.0	249.0	193.0	164.0
Hired Awaiting Training	60.0	46.0	44.0	106.0
Filled Intake (Hotline)	78.0	76.0	78.0	74.0
Subtotal Filled	1,369.0	1,390.0	1,396.0	1,369.0
Authorized Non-Caseworker Personnel	1,416.9	1,416.9	1,416.9	1,416.9
Filled Supervisors (Unit, APM)	246.0	255.0	255.0	242.0
Filled Case Aides	253.0	287.0	282.0	282.0
Filled Other Non-Caseworkers	787.0	831.0	812.0	780.0
Subtotal Filled	1,286.0	1,373.0	1,349.0	1,304.0
Total Filled FTE	2,655.0	2,763.0	2,745.0	2,673.0

Reducing the Backlog

The Department established the following quarterly benchmarks for assessing progress in reducing the number of backlog cases:

- Number of cases that were non-active as of June 2, 2014 that have been activated;
- Number of activated cases in the investigation phase;
- Number of activated cases receiving in-home services;
- Number of activated cases in out-of-home placements and receiving out-of-home support services;
- Number of activated cases closed.

A non-active case is a case that has had no documentation entered into the Children's Information Library and Data Source (CHILDS) for more than 60 days. As of June 2, 2014, there were 13,024 non-active cases. DCS conducted an action determination on all 13,024 of those cases.

As shown in Table 2, the number of total non-active cases that have gone 60 days without documentation subsequent to June 2 has decreased an average of 2% in the third and fourth quarters. Over FY 2015, the Department's progress has been slower than expected due to several factors, including the identification of underlying inefficiencies and the continued growth in new incoming cases. As a result, the Department is focusing significant effort on removing system inefficiencies.

Table 2. Reducing the June 2, 2014 Backlog in Fiscal Year 2015				
	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Actual	Actual	Actual	Actual
<u>Activity Status</u>				
Non-active as of June 2, 2014 that have been activated	11,911	13,024	13,024	13,024
Non-active as of June 2, 2014 requiring action	1,113	-	-	-
<u>Investigation Status</u>				
Open Investigation	9,171	7,198	5,191	3,896
Closed Investigation	3,503	5,476	7,648	8,964
No investigation documentation in CHILDS	350	350	185	164
<u>Case Status</u>				
Receiving In-Home Preventive Services	28	146	244	304
Receiving Out-of-Home Support Services and/or Placement	241	535	762	905
Cases with no service or placement payments in CHILDS	10,237	7,993	5,643	4,120
Cases Closed	2,518	4,350	6,375	7,695
Current number of non active cases as of 6/30/15	7,854	15,504	15,128	14,946

The investigation phase is only one part of a case. An investigation consists of a DCS Specialist reviewing documentation, conducting interviews, placing a child in an out-of-home placement if necessary, and entering documentation into CHILDS. As of June 30, 2015, 3,896 cases had an open investigation, 8,964 cases had a closed investigation, and 164 cases had no investigation documentation entered in the CHILDS system, which includes duplicate cases that will show as closed in future reports. When an investigation is closed, the case is either referred for case closure or to an on-going unit if the case participants are in need of in-home preventive or out-of-home support services.

In addition to investigations, cases may also involve in-home and out-of-home support services. In many instances, the children or family involved in the case may receive support services prior to the investigation receiving a closed status in CHILDS. As of June 30, 2015, of the cases identified as non-active on June 2, 2014, 304 were receiving In-Home Preventive Services, 905 were receiving Out-of-Home Support Services, and 4,120 had no record of services provided in the CHILDS financial records. This could mean that a service has been referred, but has not been delivered, or that service has been rendered but the Department has not issued a payment for that service. It can take up to 60 days to complete the invoicing and payment process once a service has been provided.

Expenditures for Personal Services in FY 2015

The table below shows personal services expenditures and FTE through fiscal year 2015.

Table 3. Projected Expenditures for Personal Services Monies Appropriated in Fiscal Year 2015							
		Quarter 1		Quarter 2		Quarter 3	
		Actual		Actual		Actual	
Specialists							
P/S	\$	12,814,300	\$	15,622,700	\$	13,497,819	\$ 12,468,087
FTE		1,369.0		1,390.0		1,396.0	1,369.0
Non-Case Specialists							
P/S	\$	7,847,500	\$	9,581,200	\$	8,366,264	\$ 11,996,430
FTE		900.0		947.0		874.0	812.0
Administrative							
P/S		3,589,300		4,724,500		4,075,300	4,235,755
FTE		338.0		369.0		410.0	429.0
OCWI							
P/S		482,100		798,100		765,729	1,010,393
FTE		48.0		57.0		65.0	63.0
Total P/S	\$	24,733,200	\$	30,726,500	\$	26,705,111	\$ 29,710,666
Total FTE		2,655.0		2,763.0		27.0	2,673.0

Expenditures for Reducing the Backlog

The FY 2015 budget includes \$23.1 million from the General Fund (\$29.0 million total funds) to reduce the backlog of non-active cases. This appropriation includes funding for determining the action to be taken on each of the 13,024 cases that were not active on June 2, 2014, to investigate the cases in need of investigation, and for services and placement costs for non-active cases already in placements and receiving services, or for children who receive services after their case is reactivated and investigated.

The table below shows the final expenditures for fiscal year 2015 related to the entire backlog and projected costs.

Table 4. Expenditures for the 13,024 Cases Inactive as of June 2, 2014							
	Quarter 1 Actual	Quarter 2 Actual	Quarter 3 Actual	Quarter 4 Actual	Total	Expenditures to Address New Inactive Cases	Total Appropriation
Action Determination	167,300	79,200	-	-	246,500	-	246,500
Investigations ³	1,479,200	833,200	917,200	988,900	4,218,500	-	4,218,500
In-Home Support Services	28,900	19,200	815,400	267,800	1,131,300	3,041,800	4,173,100
Out-of-Home Support Services	145,900	609,700	1,359,900	1,674,800	3,790,300	6,946,600	10,736,900
Out-of-Home Placements	526,300	1,617,800	3,238,200	3,555,400	8,937,700	665,900	9,603,600
Total	2,347,600	3,159,100	6,330,700	6,486,900	18,324,300	10,654,300	28,978,600
3/ Investigations expenditures for quarter 4 are the average cost at the overtime rate per investigation (\$422.28) multiplied by the number of completed investigations; the Department does not track caseworker time by investigation							
4/ While the Department only reports expenditures related to the 13,024 cases that were inactive on June 2, 2014, significant work is also required to address the additional cases that have continued to become inactive since June 2. The funding appropriated for the backlog continues to address non-active cases.							

1C



STATE OF ARIZONA

Joint Legislative Budget Committee

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DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Ben Beutler, Senior Fiscal Analyst *BB*

SUBJECT: Department of Child Safety - Review of FY 2016 Intensive Family Services Expenditure Plan

Request

The FY 2016 General Appropriation Act (Laws 2015, Chapter 8) requires Committee review prior to any monies being expended from the Department of Child Safety's (DCS) \$8,500,000 FY 2016 appropriation for Intensive Family Services (IFS). DCS is requesting review of the entire appropriation.

Recommendation

The Committee has at least the following 2 options:

1. A favorable review of the expenditure plan.
2. An unfavorable review of the expenditure plan.

The Committee may consider a provision that any favorable review expires with federal approval or disapproval of the IV-E waiver. At that time, DCS would return for Committee review of any remaining IFS funds.

Analysis

In FY 2014, the Legislature restored funding for IFS. The line item provides contracted, time-limited services to families whose children are at risk of out-of-home placement due to maltreatment. Since FY 2014, the Committee has communicated to DCS its interest in using IFS funding for a new, alternative in-

(Continued)

home intervention program which focuses on greater use of contracted case management. These intervention services would attempt to keep households intact in appropriate circumstances without removing the child. This approach would also reduce current DCS staff workload and the number of out-of-home cases. The Committee, however, permitted DCS to use the IFS funding to supplement its existing in-home services array while a new in-home intervention program was developed.

Existing in-home services include parent education, counseling, communication skills, domestic violence intervention, behavioral management and modification, home management skills, and development of linkages to community resources. In addition to the \$8,500,000 in IFS funding used to supplement existing in-home services in FY 2016, DCS plans to disburse \$8,842,800 from the In-Home Preventive Support Services line item for in-home services. At an average cost of \$1,785 per family, total in-home funding of \$17,342,800 from the IFS and In-Home Preventive Support Services line items would be sufficient to provide services to 9,716 families.

Last year, as part of its FY 2015 IFS expenditure plan, DCS set forth a timetable to implement a new in-home intervention program for IFS that would also satisfy federal Title IV-E waiver requirements. (*See the Title IV-E Waiver section below.*) DCS planned to issue a request for proposals (RFP) in January 2015 and implement the new IFS intervention program in July 2015. Because of IV-E waiver delays, the RFP was not issued and the IFS intervention program was not implemented.

In its current FY 2016 IFS expenditure plan, the department is again requesting that the Committee favorably review the use of IFS funding to supplement existing in-home services. DCS plans to begin redesigning its in-home service array after approval of the IV-E waiver. The department's plan does not provide a timetable for the redesign of its in-home service array nor does it mention the type of in-home intervention programs that are under consideration for use in IFS.

As part of its independent review of Arizona's child welfare system, Chapin Hall, a research and policy center, recommended the implementation of more in-home interventions, providing a list of programs in other states. An example of an in-home intervention that Arizona currently employs is the Healthy Families program, a home visitation program for vulnerable families with expectant mothers and newborn children. Homebuilders is an example of an in-home intervention program that is used in other states but not Arizona.

Title IV-E Waiver

In September 2014, the U.S. Department of Health and Human Services (HHS) granted DCS' request for a federal Title IV-E waiver focused on reducing the number of children in congregate care. HHS, however, has not granted final approval of DCS' IV-E waiver proposal. Congregate care includes emergency shelters, group homes and residential treatment centers. "IV-E" refers to the section of federal law authorizing federal government payment of foster care and related expenses. Title IV-E funding has been the state's primary source of federal funding for children placed outside the home in the child welfare system. Title IV-E funding is traditionally uncapped, so there is no limit on the amount of IV-E monies that the state can draw down for qualifying expenses. In exchange for accepting a capped allocation of IV-E funding, HHS will allow DCS to use IV-E monies for a broader set of services, including in-home services.

Until HHS approves these types of services, DCS is reluctant to proceed with any new IFS programs. DCS anticipates HHS approval of the waiver in January 2016.



Arizona Department of Child Safety

Douglas A. Ducey
Governor

Gregory McKay
Director

September 4, 2015

The Honorable Don Shooter
Chairman, Arizona Senate Appropriations Committee
1700 West Washington
Phoenix, AZ 85007



Re: Department of Child Safety Expenditures

Dear Senator Shooter:

The Department of Child Safety (DCS) requests to be placed on the Joint Legislative Budget Committee agenda for the two items below.

Expenditure plan for Intensive Family Services

Laws 2015, First Regular Session, Chapter 8, Section 21, appropriated \$8.5 million to the Department of Child Safety for the Intensive Family Services Special Line Item with the provision that the Department report on how it plans to expend the funds in FY 2016. The Department requests that the committee review the expenditure plan as contained in Attachment A.

Expenditure plan for Internet Crimes Against Children

Laws 2015, First Regular Session, Chapter 8, Section 21, appropriated \$350,000 to the Department of Child Safety for the Internet Crimes Against Children Special Line Item. The Department requests that the committee review the expenditure plan as outlined in the ISA between the Department of Child Safety and the Phoenix Police Department.

If you have any questions, please contact our office at (602) 255-2500.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory McKay", written over a large, stylized circular flourish.

Gregory McKay
Director

Enclosure

cc: Richard Stavneak, JLBC Director

Senator Shooter
September 4, 2015
Page 2

Ben Beutler, JLBC
Lorenzo Romero, OSPB Director
Laura Johnson, OSPB

Intensive Family Services Expenditure Plan

The FY 2016 General Appropriation Act continued the Intensive Family Services SLI for a third year for \$8.5 million. The budget also continued the requirement for a prior review of expenditures, but added a new provision that the department provide an estimate of any comparable funding in the in-home preventive services support funding. The legislation maintained both the funding level and the provisions included in the original budget.

Expenditure Plan

DCS is seeking a Title IV-E waiver concerning Federal Funds to allow IV-E monies to be expended for in-home services as the state's federal IV-E funds are currently limited to out-of-home placements. DCS is currently in process of preparing a report for the modified Title IV-E Child Welfare Waiver Demonstration due September 8, 2015 to the Children's Bureau for approval. Upon anticipated approval, DCS will be able to move forward and start redesigning implementation of services. As DCS moves towards process redesign, DCS plans to continue to expend the FY 2016 funds in the same fashion as in FY 2015. These monies will essentially supplement existing in-home services.

Comparable Funding

Under the current In-Home contract, the focus is to improve the safety and well-being of families, enhance family functioning, increase competence in parenting abilities, foster a sense of self-reliance, reduce risk factors, increase protective factors and stabilize families. Specifically, Intensive Family Preservation is to provide crisis-oriented activities where conditions represent a threat to child safety and whose children are at significant risk of out-of home placement due to abuse and/or neglect in order to allow those children to safely remain in their home.



STATE OF ARIZONA

Joint Legislative Budget Committee

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DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Micaela Larkin, Senior Fiscal Analyst *ML*

SUBJECT: Arizona Department of Corrections - Review of FY 2015 Bed Capacity Report

Request

Pursuant to a FY 2016 General Appropriation Act footnote, the Arizona Department of Corrections (ADC) has submitted for review a report detailing the bed capacity changes in FY 2015, and the proposed changes in FY 2016.

Recommendation

The Committee has at least the following 2 options:

1. A favorable review of the department's bed capacity report.
2. An unfavorable review of the department's submission.

When accounting for all beds, ADC has an operating capacity surplus. In terms of just permanent beds, however, ADC has a shortfall.

At the end of FY 2014, the operating bed surplus systemwide was 642 beds. During FY 2015, the department increased its total operating capacity by 1,274 beds to 43,689. As a result, the FY 2015 operating bed surplus increased to 1,078.

While the population grew at a steady rate, that growth was offset by the opening of 500 new private beds in January 2015, 500 new public beds in late December 2014, and other changes executed by the department in FY 2015.

(Continued)

ADC currently uses over 5,604 temporary beds. After accounting for that factor, the total bed surplus becomes a permanent bed shortfall of (4,526).

For FY 2016, the department plans to open 150 temporary beds, and possibly activate beds to accommodate projected growth. Pursuant to Laws 2015, Chapter 17, ADC has issued a request for proposals for up to 2,000 private male medium custody beds with 1,000 to open on July 1, 2017. The Legislature has only authorized 1,000 of the 2,000 to be opened.

Analysis

Apart from any legislative changes, ADC may alter its bed capacity during the year. The department can establish or decommission beds and also has flexibility to shift beds between inmate classifications. These changes affect its bed capacity during the year, thus impacting calculation of the bed surplus and shortfall. To better track the impact of the department's revisions, the FY 2016 General Appropriation Act requires the ADC to submit bed capacity data for FY 2015, explain any adjustments since FY 2014, and provide projections for FY 2016.

Operating Capacity

The department's operating capacity is the sum of permanent and temporary beds at both state operated and private prisons. Permanent (rated) beds are, by physical design or as defined by law, a permanent part of a unit. Temporary beds are added to areas that were not originally intended to house inmates or double-bunked beds in areas that were intended for single beds. In addition to permanent and temporary beds, special use beds are used for investigative detention, disciplinary isolation, maximum behavior control, mental health observation, or medical inpatient care. Due to their short-term usage, these special use beds are not counted as part of ADC's operating capacity. In FY 2015, ADC reported a net increase of 80 special use beds.

For FY 2015, ADC reported an operating capacity increase of 1,274 male beds, with no change to the operating capacity of female beds. As described in *Table 1*, the net increase benefited from the opening of the second set of 500 medium custody private beds, the opening of 500 new public maximum custody beds, the activation of 370 temporary beds, and the loss of (96) beds with their return to use as special use beds.

Table 1				
FY 2015 - Male Bed Capacity Changes				
Custody Level	<u>Rated</u>	<u>Temporary</u>	<u>Operating Capacity</u>	<u>Description</u>
Minimum	0	6	6	<ul style="list-style-type: none"> Activated 6 temporary beds at ASPC - Phoenix.
Medium	500	364	864	<ul style="list-style-type: none"> Opened 500 permanent private beds at ASP - Red Rock. Reactivated 324 temporary beds at Cheyenne upon completion of construction, and activated 40 temporary beds at ASPC - Eyman.
Close	626	80	706	<ul style="list-style-type: none"> Converted 578 permanent maximum custody beds at ASPC - Eyman to close custody per new departmental policy, and returned 48 maximum custody permanent beds at ASPC - Lewis to original use as close custody beds. Reallocated 80 temporary maximum beds at APSC - Eyman to meet close custody population needs.
Maximum	(222)	(80)	(302)	<ul style="list-style-type: none"> Opened 500 permanent public beds at ASPC - Lewis. Converted (626) permanent beds and (80) temporary beds to close custody to meet population and policy needs.
Total	904	370	1,274	<ul style="list-style-type: none"> Lost (96) permanent beds with their return to use as special use beds.

(Continued)

By the end of FY 2016, ADC anticipates the number of operating capacity beds will increase by 37 from June 30, 2015. The projected changes include the addition of 150 male temporary medium custody beds at ASPC - Lewis and ASPC - Safford, and a loss of (113) beds due to the July 2015 disturbance at ASP - Kingman.

Table 2	
Emergency Bed Capacity - Fall 2015	
Facility	Emergency Beds
Corrections Corporation of America- Red Rock Facility, Eloy, Arizona	562
Pinal County Jail	380
Management and Training Corp., New Mexico	113
Navajo County Jail	50
Apache County Jail	30
Santa Cruz County Jail	24
Total	1,159

The July disturbance resulted in the temporary closure of the Hualapai Unit at ASP - Kingman, and the temporary deactivation of (1,272) male medium custody beds. ADC temporarily opened 1,159 emergency beds as outlined in *Table 2*, and the extra costs associated with these beds are the responsibility of the vendor. This report was submitted prior to the August 26, 2015 agreement by ADC and the ASP- Kingman vendor to cancel the contract with the vendor. ADC is currently seeking to reassign the contract to a new vendor.

ADC indicated that the department may activate additional temporary beds for males and females in FY 2016 if needed for growth.

Appendix A provides a summary of the adjustments for FY 2015 and the proposed adjustments for FY 2016.

FY 2015 Bed Surplus/Shortfall

Table 3 illustrates 2 different ways to evaluate whether the department is experiencing a bed surplus or shortfall. When counting only permanent beds in relation to the inmate population, ADC has a shortfall of (4,526) beds. The second method of evaluating bed status is to determine ADC's overall bed capacity, including both permanent and temporary beds. After adjusting for 4,526 temporary beds in the overall ADC system, the (4,526) permanent bed shortfall becomes a 1,078 total bed surplus.

Table 3						
End of FY 2015 Bed Surplus/Shortfall – ADC Systemwide						
	Permanent Beds (rated)	Operating Capacity (rated + temporary beds)	Total Beds (operating capacity + special use beds)	Inmate Population June 30, 2015	Rated Beds Surplus (Shortfall)	Operating Capacity Surplus (Shortfall)
ADC System						
Minimum	14,045	15,423	15,554	14,982	(937)	441
Medium	15,127	18,702	18,871	18,578	(3,451)	124
Close	5,859	5,969	6,097	5,694	165	275
Maximum	3,054	3,595	3,650	3,357	(303)	238
Other ^{1/}	0	0	1,206	0	0	0
Total – ADC System	38,085	43,689	45,378	42,611	(4,526)	1,078

^{1/} Other: This category consists of special use beds not assigned a specific classification level.

(Continued)

At the end of FY 2015, male inmate beds represented the majority of the bed surplus as shown in *Table 4*. As described earlier, ADC exercised its authority to activate and close beds to deal with the continued growth in the male medium and close custody populations, and changes to the maximum custody policy.

ADC made no changes to the female operating capacity, and the capacity continued to tighten in FY 2015.

Table 4

End of FY 2015 Bed Surplus (+) / Shortfall (-)

	<u>Male</u>	<u>Female</u>	<u>Systemwide</u>
Minimum	440	1	441
Medium	119	5	124
Close	14	261	275
Maximum	<u>209</u>	<u>29</u>	<u>238</u>
Total	782	296	1,078

Appendix B details the capacity and population by custody level and gender.

FY 2015 Bed Surplus/Shortfall

From FY 2014 to FY 2015, the department's operating capacity changed as follows:

Minimum Security: At the end of FY 2014, there was an operating capacity surplus of 290 minimum security beds. With the addition of 6 minimum beds and the custody level population decreasing by (145) inmates, the FY 2015 operating capacity surplus increased to 441. Of this amount, the male surplus was 440.

Medium Security: At the end of FY 2014, there was an operating shortfall of (129) medium beds. The shortfall became a surplus of 124 in FY 2015 with population increasing by 611 and the addition of 864 beds. The total shortfall includes a surplus of 119 in male medium beds.

Close Custody: At the end of FY 2014, ADC had a close custody surplus of 214 beds. For FY 2015, ADC reported a 706 increase of close custody beds. The close custody inmate population increased by 645, and with the additional beds the custody surplus grew to 275 beds. This surplus benefited from a surplus in the female units of 261. For the male units, the new 706 new beds offset growth and the shortfall of (73) in FY 2014 became a surplus.

Maximum Security: At the end of FY 2014, ADC had an operating surplus of 267 maximum beds. The number of maximum custody inmates decreased by (273) during the fiscal year. While maximum custody gained 500 new beds, they reorganized and lost 802 beds. With these changes, the surplus decreased to 238 in FY 2015. The majority of the surplus is in the male units.

RS/ML:kp
Attachment

Appendix A

FY 2014 and FY 2015 Operating Capacity Adjustments

	Rated			Temporary			Operating Capacity		
	June 2014	Change in Beds	June 2015	Change in Beds	June 2015	June 2016	Change in Beds	June 2015	June 2016
State Prisons									
Minimum	10,545	-	10,545	6	1,128	1,128	6	11,673	11,673
Medium	11,727	-	11,727	364	3,187	3,337	364	14,914	15,064
Close	5,233	626	5,859	80	110	110	706	5,969	5,969
Maximum	3,276	(222)	3,054	(80)	541	541	(302)	3,595	3,595
Total - State Prisons	30,781	404	31,185	370	4,966	5,116	774	36,151	36,301
Private Prisons									
Minimum	3,500	-	3,500	-	250	250	-	3,750	3,750
Medium	2,900	500	3,400	-	388	388	500	3,788	2,516
Total - Private Prisons	6,400	500	6,900	-	638	638	500	7,538	6,266
Emergency Beds									
Medium - Private Facilities	-	-	-	-	-	484	-	-	484
Medium - Arizona Counties	-	-	-	-	-	675	-	-	675
Total - Emergency Beds	-	-	-	-	-	1,159	-	1,159	1,159
Total									
Minimum	14,045	-	14,045	6	1,378	1,378	6	15,423	15,423
Medium	14,627	500	15,127	364	3,575	4,884	864	18,702	18,739
Close	5,233	626	5,859	80	110	110	706	5,969	5,969
Maximum	3,276	(222)	3,054	(80)	541	541	(302)	3,595	3,595
Total - ADC System	37,181	904	38,085	370	5,604	6,913	1,274	43,689	43,726

	Rated Beds	Operating Capacity (rated + temporary beds)	Total Beds (operating capacity + special use beds)	Inmate Population June 30, 2015	Rated Beds Surplus (Shortfall)	Operating Capacity Surplus (Shortfall)
State Prisons						
Minimum	8,213	9,341	9,341	9,009	(796)	332
Medium	10,575	13,762	13,762	13,668	(3093)	94
Close	5,325	5,435	5,558	5,421	(96)	14
Maximum	2,850	3,319	3,374	3,110	(260)	209
Other ^{1/}	<u>0</u>	<u>0</u>	<u>1,157</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total - State Prisons	26,963	31,857	33,192	31,208	(4,245)	649
Private Prisons						
Minimum	3,500	3,750	3,881	3,642	(142)	108
Medium	<u>3,400</u>	<u>3,788</u>	<u>3,957</u>	<u>3,763</u>	<u>(363)</u>	<u>25</u>
Total - Private Prisons	6,900	7,538	7,838	7,405	(505)	133
ADC System						
Minimum	11,713	13,091	13,222	12,651	(938)	440
Medium	13,975	17,550	17,719	17,431	(3,456)	119
Close	5,325	5,435	5,558	5,421	(96)	14
Maximum	2,850	3,319	3,374	3,110	(260)	209
Other ^{1/}	<u>0</u>	<u>0</u>	<u>1,087</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total - Male ADC System	33,863	39,395	40,960	38,613	(5,003)	782

^{1/} Other: This category consists of special use beds not assigned a specific classification level.



DOUGLAS A. DUCEY
GOVERNOR

Arizona Department of Corrections

1601 WEST JEFFERSON
PHOENIX, ARIZONA 85007
(602) 542-5497
www.azcorrections.gov



CHARLES L. RYAN
DIRECTOR

July 31, 2015

The Honorable Justin Olson, Chairman
Joint Legislative Budget Committee
1716 West Adams
Phoenix, AZ 85007



Dear Representative Olson:

Enclosed you will find the Arizona Department of Corrections Bed Capacity Report which is being submitted pursuant to Laws 2015, Fifty-second Legislature, 1st Regular Session, Chapter 8 (SB 1469).

As required by statute the report reflects the bed capacity of each custody level by gender at each state-run and private institution, divided by rated and total beds. The reporting period is for June 30, 2014 to June 30, 2015 and includes an explanation for each change that occurred within this time period. In addition to the actual bed capacity, the enclosed report also includes the projected bed capacity through June 30, 2016 and provides an explanation for the anticipated changes.

Within the ADC beds are defined, categorized, tracked and used in several different ways. For the purposes of this report and by policy the ADC defines beds as outlined below:

- Rated Beds (R): Rated beds are by physical design or as defined by law or court order, or as determined in relation to staffing level, food service, water and sewage capabilities, and a permanent part of a unit.
- Temporary Beds (T): Temporary beds are added to a unit in addition to rated beds assigned to that unit such as tents, or beds in day rooms. Temporary beds are not part of the physical design of a unit and can result in overcrowding, impact staff and inmate safety and create a strain on the physical plant such as water and sewage capabilities.
- Operating Capacity (R+T=OC): Operating capacity is the sum of rated beds and temporary beds only.
- Special Use Beds (SU): Special use beds are used for maximum behavior control, mental health observation or medical inpatient care, and investigative detention. Special use beds are short-term and not part of the operating capacity.

During FY 2015 the ADC operating capacity (rated beds + temporary beds = operating capacity) was increased by 1,274 beds from 42,415 on June 30, 2014 to 43,689 on June 30, 2015. In addition, special use beds were increased by 80 from 1,609 on June 30, 2014 to 1,689 on June 30, 2015. Additional detail on changes that occurred during FY 2015 can be found in Section I of the enclosed report.

The changes to operating capacity are summarized as follows:

Explanation of change		Min.	Med.	Close	Max.	Total
1.	Activation of 500 maximum custody beds at ASPC Lewis, Rast Unit	0	0	0	500	500
2.	Activation of 500 medium custody beds at ASP-Red Rock Correctional Center	0	500	0	0	500
3.	Addition/reallocation of beds between custody levels	6	364	706	-802	274
Total Change to Operating Capacity		6	864	706	-302	1,274

1. Activation of 500 maximum custody beds at ASPC Lewis, Rast Unit

In January 2015, ADC activated 500 maximum custody beds at ASPC-Lewis Rast. Laws 2012, 2nd Regular Session, Chapter 295 (SB 1524), Section 6 authorized the construction of these 500 male state-operated maximum custody prison beds.

2. Activation of 500 medium custody beds at ASP-Red Rock Correctional Center

ADC activated the second 500 medium custody beds at ASP-Red Rock in January 2015. The beds were authorized by Laws 2012, 2nd Regular Session, Chapter 302 (SB 1531), Section 27. Including 500 beds loaded in January 2014 and the 500 beds loaded in January 2015, a total of 1,000 beds have been added at ASP-Red Rock. The beds, operated by Corrections Corporation of America, include 640 sex offender beds and 360 protective custody beds.

3. Addition/reallocation of beds between custody levels

During FY 2015 370 temporary beds were added to the operating capacity. The additional beds include 324 medium custody, temporary beds available due to the completion of construction at the ASPC-Yuma Cheyenne unit. In addition, 40 medium custody sex offender temporary beds at the ASPC-Eyman Cook Unit and 6 minimum custody temporary beds for inmate workers at ASPC-Phoenix .

In addition to temporary bed increases, the ADC converted a number of beds from maximum custody to close custody in accordance with bed need. At ASPC-Florence 578 rated beds and at ASPC-Lewis 48 rated beds were converted from maximum custody to meet bed needs in

The Honorable Justin Olson
July 31, 2015
Page 3

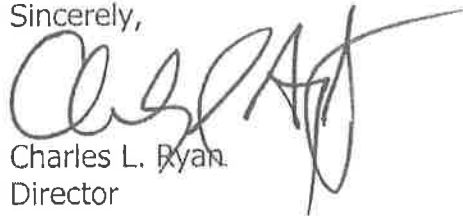
close custody and in accordance with inmate management policy changes consistent with Director's Instruction 326. Also in FY 2015, 96 rated beds at ASPC-Eyman SMU were returned from maximum custody to their originally designed purpose as a detention unit.

In July 2015, as the result of a riot at the Hualapai Unit at ASP-Kingman, ADC relocated 1,159 inmates into other correctional facilities. It is unknown how long the inmates will be housed in these facilities. ADC will provide an update once additional information is available.

In addition, ADC plans to activate a total of 150 temporary beds at ASPC-Lewis-Stiner Unit (100) and ASPC-Safford-Tonto Unit (50). Further temporary bed activation may be required to accommodate the continued growth of the inmate population and inmate management needs. Factors that impact bed management include custody level, gender, specialized inmate populations, programming needs, individual inmate housing compatibility and other factors.

As always, if I can provide any additional information, please do not hesitate to contact me.

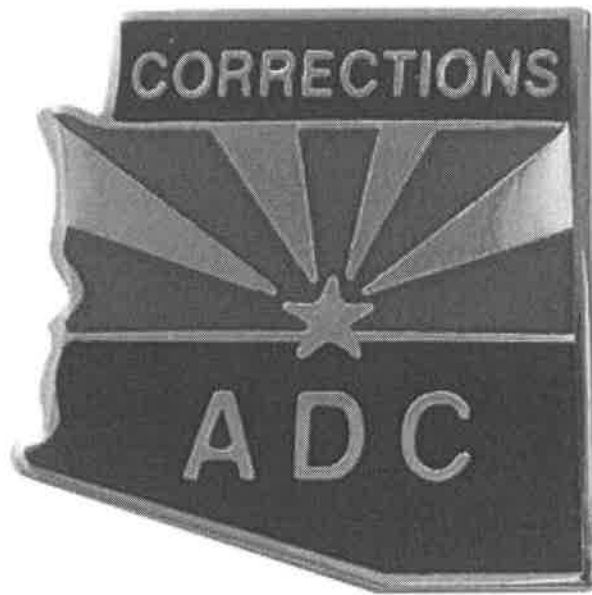
Sincerely,



Charles L. Ryan
Director

Enclosure

cc: The Honorable Don Shooter, Vice-Chairman, Joint Legislative Budget Committee
Lorenzo Romero, Director, Governor's Office of Strategic Planning and Budgeting
Richard Stavneak, Director, Joint Legislative Budget Committee
Scott Selin, Budget & Project Manager, Governor's Office of Strategic Planning and Budgeting
Micaela Larkin, Fiscal Analyst, Joint Legislative Budget Committee



ARIZONA DEPARTMENT OF CORRECTIONS

Charles L. Ryan, Director

Bed Capacity Report

June 2015

**ARIZONA DEPARTMENT OF CORRECTIONS
BED CAPACITY REPORT**

Pursuant to Laws 2015, Fifty-second Legislature, First Regular Session, Chapter 8 (SB 1469) the ADC is required to "provide a report on bed capacity to the joint legislative budget committee for its review on or before August 1, 2015. The report must reflect the bed capacity for each security classification by gender at each state-run and private institution, divided by rated and total beds. The report must include bed capacity data for June 30 of the previous fiscal year, June 30 of the current fiscal year and June 30 of the subsequent fiscal year, as well as the reasons for any change within that time period. Within the total bed count, the department shall provide the number of temporary and special use beds."

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Arizona Department of Corrections

Bed Capacity Report

Section I

Change from June 30, 2014 to June 30, 2015

Arizona Department of Corrections
Bed Capacity Report
ADC Summary - Change from June 30, 2014 to June 30, 2015

Change from June 30, 2014 to June 30, 2015					
Complex	Rated	Temporary	Operating Capacity	Special Use	Total Beds
State Operated					
Minimum	0	6	6	(2)	4
Medium	0	364	364	(4)	360
Close	626	80	706	16	722
Maximum	(222)	(80)	(302)	0	(302)
Other	0	0	0	70	70
Total State Operated	404	370	774	80	854
Private Prisons					
Minimum	0	0	0	0	0
Medium	500	0	500	0	500
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	0	0
Total Private Prisons	500	0	500	0	500
ADC Summary					
Minimum	0	6	6	(2)	4
Medium	500	364	864	(4)	860
Close	626	80	706	16	722
Maximum	(222)	(80)	(302)	0	(302)
Other	0	0	0	70	70
Total ADC Summary	904	370	1,274	80	1,354

Arizona Department of Corrections
Bed Capacity Report
State & Privately Operated Prisons - Detail of Bed Changes from June 30, 2014 to June 30, 2015

Complex	Custody	Gender	Comment	Change from June 30, 2014 to June 30, 2015				
				Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC-Eyman								
Cook	Medium	Male	Added temporary beds in Cook Unit	0	40	40	0	40
Rynning	Close	Male	Reallocate detention unit from maximum to close custody due to bed shortage.	0	80	80	0	80
Rynning	Maximum	Male	Reallocate detention unit from maximum to close custody due to bed shortage.	0	(80)	(80)	0	(80)
SMU	Maximum	Male	Return beds from maximum custody to intended purpose as a detention unit.	(96)	0	(96)	96	0
Total ASPC-Eyman				(96)	40	(56)	96	40
ASPC-Florence								
Central Unit	Close	Male	Convert Maximum to Close in accordance with inmate mgmt. policy change	578	0	578	0	578
Central Unit	Maximum	Male	Convert Maximum to Close in accordance with inmate mgmt. policy change	(578)	0	(578)	0	(578)
Tempe St. Lukes	Maximum	Male	Special Use Beds no longer contracted for at hospital	0	0	0	(26)	(26)
Total ASPC-Florence				0	0	0	(26)	(26)
ASPC-Lewis								
Rast Unit	Close	Male	Return Close beds to original use from Maximum custody	48	0	48	0	48
Rast Unit	Maximum	Male	Return Close beds to original use from Maximum custody	(48)	0	(48)	0	(48)
Rast Unit	Maximum	Male	Addition of 500 Maximum custody beds	500	0	500	0	500
Total ASPC-Lewis				500	0	500	0	500
ASPC-Perryville								
San Pedro Unit	Minimum	Female	Eliminate special use beds	0	0	0	(2)	(2)
Santa Maria Unit	Medium	Female	Eliminate special use beds	0	0	0	(2)	(2)
Santa Cruz Unit	Medium	Female	Eliminate special use beds	0	0	0	(2)	(2)
Total ASPC-Perryville				0	0	0	(6)	(6)
ASPC-Phoenix								
Inmate Worker	Minimum	Male	Need for additional inmate worker cells	0	6	6	0	6
Total ASPC-Phoenix				0	6	6	0	6
ASPC-Tucson								
Rincon Unit	Close	Male	Activation of additional IPC beds	0	0	0	16	16
Total ASPC-Tucson				0	0	0	16	16
ASPC-Yuma								
Cheyenne Unit	Medium	Male	Reactivate temporary beds upon completion of construction	0	324	324	0	324
Total ASPC-Tucson				0	324	324	0	324
State Operated								
Minimum				0	6	6	(2)	4
Medium				0	364	364	(4)	360
Close				626	80	706	16	722
Maximum				(222)	(80)	(302)	70	(232)
Other				0	0	0	0	0
Total State Operated				404	370	774	80	854
Private Prisons								
CCA - Rod Rock	Medium	Male	Add medium custody beds authorized pursuant to Laws 2012, Ch. 302	500	0	500	0	500
Total Private Prisons				500	0	500	0	500
All Bed Changes								
Minimum				0	6	6	(2)	4
Medium				500	364	864	(4)	860
Close				626	80	706	16	722
Maximum				(222)	(80)	(302)	70	(232)
Other				0	0	0	0	0
Total Bed Changes				904	370	1,274	80	1,354

Arizona Department of Corrections

Bed Capacity Report

Section II

Projected Change from June 30, 2015 to June 30, 2016

Arizona Department of Corrections
Bed Capacity Report
ADC Summary - Projected Change from June 30, 2015 to June 30, 2016

Complex	Projected Change from June 30, 2015 to June 30, 2016				
	Rated	Temporary	Operating Capacity	Special Use	Total Beds
State Operated					
Minimum	0	0	0	0	0
Medium	0	150	150	0	150
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	0	0
Total State Operated	0	150	150	0	150
Private Prisons					
Minimum	0	0	0	0	0
Medium	(1,272)	1,159	(113)	0	(113)
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	0	0
Total Private Prisons	(1,272)	1,159	(113)	0	(113)
ADC Summary					
Minimum	0	0	0	0	0
Medium	(1,272)	1,309	37	0	37
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	0	0
Total ADC Summary	(1,272)	1,309	37	0	37

Arizona Department of Corrections
Bed Capacity Report

State & Privately Operated Prisons - Detail of Projected Bed Changes from June 30, 2015 to June 30, 2016

Complex	Custody	Gender	Comment	Projected Change from June 30, 2015 to June 30, 2016				
				Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC								
Unit	Various	Male/ Female	Additional temporary beds may be required to accommodate the continued growth of the inmate population.	0	0	0	0	0
Total ASPC - Unit				0	0	0	0	0
ASPC-Lewis								
Stiner Unit	Medium	Male	Need for additional medium custody general population beds.	0	100	100	0	100
Total ASPC-Lewis				0	100	100	0	100
ASPC-Safford								
Tonto Unit	Medium	Male	Need for additional medium custody general population beds.	0	50	50	0	50
Total ASPC - Safford				0	50	50	0	50
State Operated								
Minimum				0	0	0	0	0
Medium				0	150	150	0	150
Close				0	0	0	0	0
Maximum				0	0	0	0	0
Other				0	0	0	0	0
Total State Operated				0	150	150	0	150
Private Prisons								
Otero	Medium	Male	Addition of beds via emergency declaration pursuant to A.R.S. 41-1609(E)2	0	113	113	0	113
Red Rock	Medium	Male	Addition of beds via emergency declaration pursuant to A.R.S. 41-1609(E)2	0	562	562	0	562
Pinal County Jail	Medium	Male	Addition of beds via emergency declaration pursuant to A.R.S. 41-1609(E)2	0	380	380	0	380
Santa Cruz County Jail	Medium	Male	Addition of beds via emergency declaration pursuant to A.R.S. 41-1609(E)2	0	24	24	0	24
Apache County Jail	Medium	Male	Addition of beds via emergency declaration pursuant to A.R.S. 41-1609(E)2	0	30	30	0	30
Navajo County Jail	Medium	Male	Addition of beds via emergency declaration pursuant to A.R.S. 41-1609(E)2	0	50	50	0	50
Kingman - Hualapai Unit	Medium	Male	Addition of beds via emergency declaration pursuant to A.R.S. 41-1609(E)2	0	(1,272)	(1,272)	0	(1,272)
Total Private Prisons			Closure of beds due to inmate riot and damage to housing units.	0	(113)	(113)	0	(113)
All Bed Changes								
Minimum				0	0	0	0	0
Medium				0	37	37	0	37
Close				0	0	0	0	0
Maximum				0	0	0	0	0
Other				0	0	0	0	0
Total Bed Changes				0	37	37	0	37

Arizona Department of Corrections

Bed Capacity Report

Section III

Status of ADC Prison Beds as of June 30, 2014

Arizona Department of Corrections
Bed Capacity Report
ADC Summary as of June 30, 2014

As of June 30, 2014					
Complex	Rated	Temporary	Operating Capacity	Special Use	Total Beds
State Operated					
Minimum	10,545	1,122	11,667	2	11,669
Medium	11,727	2,823	14,550	4	14,554
Close	5,233	30	5,263	112	5,375
Maximum	3,276	621	3,897	55	3,952
Other	0	0	0	1,136	1,136
Total State Operated	30,781	4,596	35,377	1,309	36,686
Private Prisons					
Minimum	3,500	250	3,750	131	3,881
Medium	2,900	388	3,288	169	3,457
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	0	0
Total Private Prisons	6,400	638	7,038	300	7,338
ADC Summary					
Minimum	14,045	1,372	15,417	133	15,550
Medium	14,627	3,211	17,838	173	18,011
Close	5,233	30	5,263	112	5,375
Maximum	3,276	621	3,897	55	3,952
Other	0	0	0	1,136	1,136
Total ADC Summary	37,181	5,234	42,415	1,609	44,024

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2014

		As of June 30, 2014				
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Douglas						
Minimum	Male	1,122	293	1,415	0	1,415
Medium	Male	803	124	927	0	927
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	89	89
Total ASPC - Douglas		1,925	417	2,342	89	2,431
ASPC - Eyman						
Minimum	Male	0	0	0	0	0
Medium	Male	1,992	927	2,919	0	2,919
Close	Male	400	0	400	0	400
Maximum	Male	1,632	392	2,024	16	2,040
Other	Male	0	0	0	168	168
Total ASPC - Eyman		4,024	1,319	5,343	184	5,527
ASPC - Florence						
Minimum	Male	1,222	176	1,398	0	1,398
Medium	Male	1,144	501	1,645	0	1,645
Close	Male	0	0	0	0	0
Maximum	Male	1,074	20	1,094	23	1,117
Other	Male	0	0	0	99	99
Total ASPC - Florence		3,440	697	4,137	122	4,259
ASPC - Perryville						
Minimum	Female	2,332	0	2,332	2	2,334
Medium	Female	1,152	0	1,152	4	1,156
Close	Female	514	0	514	3	517
Maximum	Female	204	72	276	0	276
Other	Female	0	0	0	49	49
Total ASPC - Perryville		4,202	72	4,274	58	4,332
ASPC - Phoenix						
Minimum	Male	30	25	55	0	55
Medium	Male	150	0	150	0	150
Close	Male	70	0	70	9	79
Close	Female	20	0	20	2	22
Maximum	Male	282	137	419	0	419
Other	Male	0	0	0	0	0
Total ASPC - Phoenix		552	162	714	11	725
ASPC - Lewis						
Minimum	Male	700	76	776	0	776
Medium	Male	1,900	676	2,576	0	2,576
Close	Male	1,956	0	1,956	32	1,988
Maximum	Male	48	0	48	0	48
Other	Male	0	0	0	243	243
Total ASPC - Lewis		4,604	752	5,356	275	5,631

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2014

As of June 30, 2014						
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Safford						
Minimum	Male	1,203	256	1,459	0	1,459
Medium	Male	250	60	310	0	310
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	55	55
Total ASPC - Safford		1,453	316	1,769	55	1,824
ASPC - Tucson						
Minimum	Male	1,610	0	1,610	0	1,610
Medium	Male	1,886	535	2,421	0	2,421
Close	Male	1,073	30	1,103	50	1,153
Maximum	Male	36	0	36	16	52
Other	Male	0	0	0	223	223
Total ASPC - Tucson		4,605	565	5,170	289	5,459
ASPC - Winslow						
Minimum	Male	826	216	1,042	0	1,042
Medium	Male	400	0	400	0	400
Close	Male	400	0	400	0	400
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	51	51
Total ASPC - Winslow		1,626	216	1,842	51	1,893
ASPC - Yuma						
Minimum	Male	1,500	80	1,580	0	1,580
Medium	Male	2,050	0	2,050	0	2,050
Close	Male	800	0	800	16	816
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	159	159
Total ASPC - Yuma		4,350	80	4,430	175	4,605

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2014

As of June 30, 2014						
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Male State Operated						
Minimum	Male	8,213	1,122	9,335	0	9,335
Medium	Male	10,575	2,823	13,398	0	13,398
Close	Male	4,699	30	4,729	107	4,836
Maximum	Male	3,072	549	3,621	55	3,676
Other	Male	0	0	0	1,087	1,087
Male State Operated		26,559	4,524	31,083	1,249	32,332
Female State Operated						
Minimum	Female	2,332	0	2,332	2	2,334
Medium	Female	1,152	0	1,152	4	1,156
Close	Female	534	0	534	5	539
Maximum	Female	204	72	276	0	276
Other	Female	0	0	0	49	49
Female State Operated		4,222	72	4,294	60	4,354
Total State Operated						
Minimum	Total	10,545	1,122	11,667	2	11,669
Medium	Total	11,727	2,823	14,550	4	14,554
Close	Total	5,233	30	5,263	112	5,375
Maximum	Total	3,276	621	3,897	55	3,952
Other	Total	0	0	0	1,136	1,136
Total State Operated		30,781	4,596	35,377	1,309	36,686

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2014

As of June 30, 2014						
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
CACF						
Minimum	Male	0	0	0	0	0
Medium	Male	1,000	280	1,280	40	1,320
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total CACF		1,000	280	1,280	40	1,320
Phoenix West						
Minimum	Male	400	100	500	19	519
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Phoenix West		400	100	500	19	519
Florence West - RTC						
Minimum	Male	200	50	250	8	258
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - RTC		200	50	250	8	258
Florence West - DWI						
Minimum	Male	400	100	500	17	517
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - DWI		400	100	500	17	517
Kingman - Hualapai						
Minimum	Male	0	0	0	0	0
Medium	Male	1,400	108	1,508	73	1,581
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Hualapai		1,400	108	1,508	73	1,581
Kingman - Cerbat						
Minimum	Male	2,000	0	2,000	80	2,080
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Cerbat		2,000	0	2,000	80	2,080

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2014

As of June 30, 2014						
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Marana						
Minimum	Male	500	0	500	7	507
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Marana		500	0	500	7	507
Red Rock						
Minimum	Male	0	0	0	0	0
Medium	Male	500	0	500	56	556
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Red Rock		500	0	500	56	556
Private Prisons						
Minimum		3,500	250	3,750	131	3,881
Medium		2,900	388	3,288	169	3,457
Close		0	0	0	0	0
Maximum		0	0	0	0	0
Other		0	0	0	0	0
Total Private Prisons		6,400	638	7,038	300	7,338

Arizona Department of Corrections

Bed Capacity Report

Section IV

Status of ADC Prison Beds as of June 30, 2015

Arizona Department of Corrections
Bed Capacity Report
ADC Summary as of June 30, 2015

As of June 30, 2015					
Complex	Rated	Temporary	Operating Capacity	Special Use	Total Beds
State Operated					
Minimum	10,545	1,128	11,673	0	11,673
Medium	11,727	3,187	14,914	0	14,914
Close	5,859	110	5,969	128	6,097
Maximum	3,054	541	3,595	55	3,650
Other	0	0	0	1,206	1,206
Total State Operated	31,185	4,966	36,151	1,389	37,540
Private Prisons					
Minimum	3,500	250	3,750	131	3,881
Medium	3,400	388	3,788	169	3,957
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	0	0
Total Private Prisons	6,900	638	7,538	300	7,838
ADC Summary					
Minimum	14,045	1,378	15,423	131	15,554
Medium	15,127	3,575	18,702	169	18,871
Close	5,859	110	5,969	128	6,097
Maximum	3,054	541	3,595	55	3,650
Other	0	0	0	1,206	1,206
Total ADC Summary	38,085	5,604	43,689	1,689	45,378

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2015

		As of June 30, 2015				
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Douglas						
Minimum	Male	1,122	293	1,415	0	1,415
Medium	Male	803	124	927	0	927
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	89	89
Total ASPC - Douglas		1,925	417	2,342	89	2,431
ASPC - Eyman						
Minimum	Male	0	0	0	0	0
Medium	Male	1,992	967	2,959	0	2,959
Close	Male	400	80	480	0	480
Maximum	Male	1,536	312	1,848	16	1,864
Other	Male	0	0	0	264	264
Total ASPC - Eyman		3,928	1,359	5,287	280	5,567
ASPC - Florence						
Minimum	Male	1,222	176	1,398	0	1,398
Medium	Male	1,144	501	1,645	0	1,645
Close	Male	578	0	578	0	578
Maximum	Male	496	20	516	23	539
Other	Male	0	0	0	73	73
Total ASPC - Florence		3,440	697	4,137	96	4,233
ASPC - Perryville						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	514	0	514	3	517
Maximum	Female	204	72	276	0	276
Other	Female	0	0	0	49	49
Total ASPC - Perryville		4,202	72	4,274	52	4,326
ASPC - Phoenix						
Minimum	Male	30	31	61	0	61
Medium	Male	150	0	150	0	150
Close	Male	70	0	70	9	79
Close	Female	20	0	20	2	22
Maximum	Male	282	137	419	0	419
Other	Male	0	0	0	0	0
Total ASPC - Phoenix		552	168	720	11	731
ASPC - Lewis						
Minimum	Male	700	76	776	0	776
Medium	Male	1,900	676	2,576	0	2,576
Close	Male	2,004	0	2,004	32	2,036
Maximum	Male	500	0	500	0	500
Other	Male	0	0	0	243	243
Total ASPC - Lewis		5,104	752	5,856	275	6,131

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2015

		As of June 30, 2015				
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Safford						
Minimum	Male	1,203	256	1,459	0	1,459
Medium	Male	250	60	310	0	310
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	55	55
Total ASPC - Safford		1,453	316	1,769	55	1,824
ASPC - Tucson						
Minimum	Male	1,610	0	1,610	0	1,610
Medium	Male	1,886	535	2,421	0	2,421
Close	Male	1,073	30	1,103	66	1,169
Maximum	Male	36	0	36	16	52
Other	Male	0	0	0	223	223
Total ASPC - Tucson		4,605	565	5,170	305	5,475
ASPC - Winslow						
Minimum	Male	826	216	1,042	0	1,042
Medium	Male	400	0	400	0	400
Close	Male	400	0	400	0	400
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	51	51
Total ASPC - Winslow		1,626	216	1,842	51	1,893
ASPC - Yuma						
Minimum	Male	1,500	80	1,580	0	1,580
Medium	Male	2,050	324	2,374	0	2,374
Close	Male	800	0	800	16	816
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	159	159
Total ASPC - Yuma		4,350	404	4,754	175	4,929

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2015

As of June 30, 2015						
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Male State Operated						
Minimum	Male	8,213	1,128	9,341	0	9,341
Medium	Male	10,575	3,187	13,762	0	13,762
Close	Male	5,325	110	5,435	123	5,558
Maximum	Male	2,850	469	3,319	55	3,374
Other	Male	0	0	0	1,157	1,157
Male State Operated		26,963	4,894	31,857	1,335	33,192
Female State Operated						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	534	0	534	5	539
Maximum	Female	204	72	276	0	276
Other	Female	0	0	0	49	49
Female State Operated		4,222	72	4,294	54	4,348
Total State Operated						
Minimum	Total	10,545	1,128	11,673	0	11,673
Medium	Total	11,727	3,187	14,914	0	14,914
Close	Total	5,859	110	5,969	128	6,097
Maximum	Total	3,054	541	3,595	55	3,650
Other	Total	0	0	0	1,206	1,206
Total State Operated		31,185	4,966	36,151	1,389	37,540

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2015

As of June 30, 2015						
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
CACF						
Minimum	Male	0	0	0	0	0
Medium	Male	1,000	280	1,280	40	1,320
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total CACF		1,000	280	1,280	40	1,320
Phoenix West						
Minimum	Male	400	100	500	19	519
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Phoenix West		400	100	500	19	519
Florence West - RTC						
Minimum	Male	200	50	250	8	258
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - RTC		200	50	250	8	258
Florence West - DWI						
Minimum	Male	400	100	500	17	517
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - DWI		400	100	500	17	517
Kingman - Hualapai						
Minimum	Male	0	0	0	0	0
Medium	Male	1,400	108	1,508	73	1,581
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Hualapai		1,400	108	1,508	73	1,581
Kingman - Cerbat						
Minimum	Male	2,000	0	2,000	80	2,080
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Cerbat		2,000	0	2,000	80	2,080

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2015

As of June 30, 2015						
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Marana						
Minimum	Male	500	0	500	7	507
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Marana		500	0	500	7	507
Red Rock						
Minimum	Male	0	0	0	0	0
Medium	Male	1,000	0	1,000	56	1,056
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Red Rock		1,000	0	1,000	56	1,056
Private Prisons						
Minimum	Male	3,500	250	3,750	131	3,881
Medium	Male	3,400	388	3,788	169	3,957
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Private Prisons		6,900	638	7,538	300	7,838

Arizona Department of Corrections

Bed Capacity Report

Section V

Projected Status of ADC Prison Beds as of June 30, 2016

Arizona Department of Corrections
Bed Capacity Report
ADC Summary as of June 30, 2016

Projected as of June 30, 2016					
Complex	Rated	Temporary	Operating Capacity	Special Use	Total Beds
State Operated					
Minimum	10,545	1,128	11,673	0	11,673
Medium	11,727	3,337	15,064	0	15,064
Close	5,859	110	5,969	128	6,097
Maximum	3,054	541	3,595	55	3,650
Other	0	0	0	1,206	1,206
Total State Operated	31,185	5,116	36,301	1,389	37,690
Private Prisons					
Minimum	3,500	250	3,750	131	3,881
Medium	2,128	1,547	3,675	169	3,844
Close	0	0	0	0	0
Maximum	0	0	0	0	0
Other	0	0	0	0	0
Total Private Prisons	5,628	1,797	7,425	300	7,725
ADC Summary					
Minimum	14,045	1,378	15,423	131	15,554
Medium	13,855	4,884	18,739	169	18,908
Close	5,859	110	5,969	128	6,097
Maximum	3,054	541	3,595	55	3,650
Other	0	0	0	1,206	1,206
Total ADC Summary	36,813	6,913	43,726	1,689	45,415

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2016

Projected as of June 30, 2016						
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Douglas						
Minimum	Male	1,122	293	1,415	0	1,415
Medium	Male	803	124	927	0	927
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	89	89
Total ASPC - Douglas		1,925	417	2,342	89	2,431
ASPC - Eyman						
Minimum	Male	0	0	0	0	0
Medium	Male	1,992	967	2,959	0	2,959
Close	Male	400	80	480	0	480
Maximum	Male	1,536	312	1,848	16	1,864
Other	Male	0	0	0	264	264
Total ASPC - Eyman		3,928	1,359	5,287	280	5,567
ASPC - Florence						
Minimum	Male	1,222	176	1,398	0	1,398
Medium	Male	1,144	501	1,645	0	1,645
Close	Male	578	0	578	0	578
Maximum	Male	496	20	516	23	539
Other	Male	0	0	0	73	73
Total ASPC - Florence		3,440	697	4,137	96	4,233
ASPC - Perryville						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	514	0	514	3	517
Maximum	Female	204	72	276	0	276
Other	Female	0	0	0	49	49
Total ASPC - Perryville		4,202	72	4,274	52	4,326
ASPC - Phoenix						
Minimum	Male	30	31	61	0	61
Medium	Male	150	0	150	0	150
Close	Male	70	0	70	9	79
Close	Female	20	0	20	2	22
Maximum	Male	282	137	419	0	419
Other	Male	0	0	0	0	0
Total ASPC - Phoenix		552	168	720	11	731

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2016

Projected as of June 30, 2016						
Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
ASPC - Lewis						
Minimum	Male	700	76	776	0	776
Medium	Male	1,900	776	2,676	0	2,676
Close	Male	2,004	0	2,004	32	2,036
Maximum	Male	500	0	500	0	500
Other	Male	0	0	0	243	243
Total ASPC - Lewis		5,104	852	5,956	275	6,231
ASPC - Safford						
Minimum	Male	1,203	256	1,459	0	1,459
Medium	Male	250	110	360	0	360
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	55	55
Total ASPC - Safford		1,453	366	1,819	55	1,874
ASPC - Tucson						
Minimum	Male	1,610	0	1,610	0	1,610
Medium	Male	1,886	535	2,421	0	2,421
Close	Male	1,073	30	1,103	66	1,169
Maximum	Male	36	0	36	16	52
Other	Male	0	0	0	223	223
Total ASPC - Tucson		4,605	565	5,170	305	5,475
ASPC - Winslow						
Minimum	Male	826	216	1,042	0	1,042
Medium	Male	400	0	400	0	400
Close	Male	400	0	400	0	400
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	51	51
Total ASPC - Winslow		1,626	216	1,842	51	1,893
ASPC - Yuma						
Minimum	Male	1,500	80	1,580	0	1,580
Medium	Male	2,050	324	2,374	0	2,374
Close	Male	800	0	800	16	816
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	159	159
Total ASPC - Yuma		4,350	404	4,754	175	4,929

Arizona Department of Corrections
Bed Capacity Report
State Operated Prisons as of June 30, 2016

Projected as of June 30, 2016

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Male State Operated						
Minimum	Male	8,213	1,128	9,341	0	9,341
Medium	Male	10,575	3,337	13,912	0	13,912
Close	Male	5,325	110	5,435	123	5,558
Maximum	Male	2,850	469	3,319	55	3,374
Other	Male	0	0	0	1,157	1,157
Male State Operated		26,963	5,044	32,007	1,335	33,342
Female State Operated						
Minimum	Female	2,332	0	2,332	0	2,332
Medium	Female	1,152	0	1,152	0	1,152
Close	Female	534	0	534	5	539
Maximum	Female	204	72	276	0	276
Other	Female	0	0	0	49	49
Female State Operated		4,222	72	4,294	54	4,348
Total State Operated						
Minimum	Total	10,545	1,128	11,673	0	11,673
Medium	Total	11,727	3,337	15,064	0	15,064
Close	Total	5,859	110	5,969	128	6,097
Maximum	Total	3,054	541	3,595	55	3,650
Other	Total	0	0	0	1,206	1,206
Total State Operated		31,185	5,116	36,301	1,389	37,690

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2016

Projected as of June 30, 2016

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
CACF						
Minimum	Male	0	0	0	0	0
Medium	Male	1,000	280	1,280	40	1,320
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total CACF		1,000	280	1,280	40	1,320
Phoenix West						
Minimum	Male	400	100	500	19	519
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Phoenix West		400	100	500	19	519
Florence West - RTC						
Minimum	Male	200	50	250	8	258
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - RTC		200	50	250	8	258
Florence West - DWI						
Minimum	Male	400	100	500	17	517
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Florence West - DWI		400	100	500	17	517
Kingman - Hualapai						
Minimum	Male	0	0	0	0	0
Medium	Male	128	108	236	73	309
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Hualapai		128	108	236	73	309
Kingman - Cerbat						
Minimum	Male	2,000	0	2,000	80	2,080
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Kingman - Cerbat		2,000	0	2,000	80	2,080

Arizona Department of Corrections
Bed Capacity Report
Private Prisons as of June 30, 2016

Projected as of June 30, 2016

Complex	Gender	Rated	Temporary	Operating Capacity	Special Use	Total Beds
Marana						
Minimum	Male	500	0	500	7	507
Medium	Male	0	0	0	0	0
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Marana		500	0	500	7	507
Red Rock						
Minimum	Male	0	0	0	0	0
Medium	Male	1,000	0	1,000	56	1,056
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Red Rock		1,000	0	1,000	56	1,056
Emergency Declaration Beds						
Minimum	Male	0	0	0	0	0
Medium	Male	0	1,159	1,159	0	1,159
Close	Male	0	0	0	0	0
Maximum	Male	0	0	0	0	0
Other	Male	0	0	0	0	0
Total Emergency Declaration Beds		0	1,159	1,159	0	1,159
Private Prisons						
Minimum		3,500	250	3,750	131	3,881
Medium		2,128	1,547	3,675	169	3,844
Close		0	0	0	0	0
Maximum		0	0	0	0	0
Other		0	0	0	0	0
Total Private Prisons		5,628	1,797	7,425	300	7,725



STATE OF ARIZONA

Joint Legislative Budget Committee

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HOUSE OF
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DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Rebecca Perrera, Fiscal Analyst *RP*

SUBJECT: Arizona Department of Administration - Consider Approval of Maximum Lodging and Per Diem Reimbursement Rates

Request

A.R.S. § 38-624C requires the Arizona Department of Administration (ADOA) to establish maximum reimbursement amounts for lodging and meal expenses taking into consideration the amounts established by the federal government. These reimbursements compensate state employees traveling on official state business. Statute requires Committee approval of any rate change.

ADOA proposes adjusting the maximum lodging rates to match the new federal government rates, which are effective on October 1, 2015. In addition, ADOA proposes adjusting the meals and incidental per diem rate to the new federal rate effective on October 1, 2015, less \$10.

At its June 2015 meeting, the Committee took the same action, except this was to conform to the federal rates for federal fiscal year (FFY) 2015.

Recommendation

The Committee has at least the following 2 options:

1. Approve the ADOA recommended maximum lodging and per diem rates.
2. Approve some other adjustment or maintain the current lodging and per diem reimbursement rates.

(Continued)

Under either option, the Committee may consider the following provisions:

- A. Committee approval does not constitute an endorsement of additional appropriations to cover higher reimbursement costs.
- B. ADOA may continue to grant waivers for reimbursements above the state's maximum rate but should not delegate any waiver authority to agencies.
- C. ADOA shall submit for Committee review its written guidelines for reviewing and approving lodging rate waivers by November 30, 2015.

Analysis

Lodging

The U.S. General Services Administration annually publishes a reimbursement schedule for room rentals based on lodging industry economic data at the beginning of the federal fiscal year (FFY) (October). The federal rate schedule establishes a standard rate but specifies additional rates for many cities, with seasonal distinctions in some cases. Lodging is more expensive in non-standard areas than in standard areas, depending on the season. For example, the current federal rate in the District of Columbia (DC) in March is \$229 while the rate in July is \$162.

In June 2015, the Committee approved adopting the FFY 2015 federal lodging rates by increasing the state standard rate from \$60 to \$83 and adjusting the state rates for non-standard locations. The Committee included a provision that ADOA report to the Committee in September 2015 on the number of lodging rate waivers submitted to ADOA and the number of waivers approved (*please see Lodging Waivers section below for more information*). Prior to June 2015, the last time the Committee approved changes to the lodging rates were in December 2004 for the standard rate and November 2006 for the non-standard rates.

ADOA currently recommends adopting the FFY 2016 federal lodging rate, effective October 1, 2015, as the state's maximum lodging reimbursement rate. ADOA's request would change the standard rate from \$83 to \$89, which is an increase of \$6, or 7%. In addition, the request would increase most of the non-standard rates and make a few decreases. For non-standard locations, the average change is \$8. Due to its length, the list of federal rates appears as an attachment only in the JLBC's online agenda materials.

ADOA does not anticipate any significant fiscal impact from their proposal.

Lodging Waivers

There are 2 mitigating factors in evaluating the state lodging rate:

1. The state rate does not apply to conference meetings. State agencies are allowed to pay the conference rate regardless of the specific city rate but are encouraged to ensure the conference rate is the lowest available rate or adequate housing is located within walking distance of the event.
2. General Accounting Office (GAO) can waive the state rate for non-conference meetings. Prior to June 2015, GAO often waived the rate up to the federal maximum. GAO also delegated this waiver authority to the agencies. In June 2015, the Committee included a provision that GAO rescind its

(Continued)

delegated waiver authority to agencies, which ADOA has already completed. Approving these waivers is not currently necessary because the state rate is equal to the federal rate. However, if the new federal rates are not adopted, ADOA may continue granting waivers up to the federal rate.

In addition, GAO may approve reimbursements above the federal rate. Since June 2015, the GAO has received 39 requests for lodging rate waivers, of which 32 were approved. Of the 32 approved waivers, 25 were approved for the requested amount and 7 were approved for an amount lower than the request but above the state rate. The remaining 7 requests were denied.

While ADOA does not have a formal policy to review lodging rate waivers, the department reports that GAO staff will review rates posted on travel and hotel websites. If lower rates are available within a reasonable proximity, ADOA will require the agency to justify the selected hotel. For example, the traveler may have accessibility needs and all accessible rooms at a lower rate are booked. Without written guidelines, it is difficult to assess the appropriateness of ADOA waiver policy. Therefore, the Committee may consider adopting a provision requiring ADOA to submit its written guidelines for reviewing and approving lodging rate waivers.

Meals Per Diem

The federal government conducts a nationwide meals study every 3 to 5 years to determine the average prices charged by restaurants in areas frequented by federal travelers. For FFY 2015, the standard meals and incidental per diem was set at \$46 per day. Depending on the geographic area this federal schedule has 5 other tiers that increase in \$5 increments to \$71 per day. The FFY 2016 standard per diem rate is \$51.

ADOA currently recommends increasing the state per diem rates, to be \$10 less than the FFY 2016 federal reimbursement rates in every tier. ADOA recommends increasing the standard per diem rate from \$36 to \$41 per day. While most rates would increase between \$3 and \$8, 2 locations decrease by \$(2) and the rate for Phoenix decreases by \$(12). For FFY 2016, the federal government made changes to its per diem methodology by adding a fast/casual restaurant category and removing fine dining restaurants from its review. These changes account for the large decrease to the Phoenix per diem rate. Per diem rates are used to reimburse meal expenses for in-state and out-of-state travel. For Arizona, *Table 1* shows the federal and ADOA recommended per diem rates. ADOA is recommending the lower rates due to its belief that the amounts provide for reasonable reimbursements.

Table 1 Comparison of Federal and State Per Diem Rates				
<u>Location</u> ^{1/}	<u>FY 2015 Federal Rate</u>	<u>FY 2016 Federal Rate</u>	<u>Current State Rate</u>	<u>Proposed State Rate</u>
Yuma	\$46.00	\$51.00	\$36.00	\$41.00
Sierra Vista	\$46.00	\$51.00	\$36.00	\$41.00
Flagstaff/Grand Canyon	\$66.00	\$64.00	\$56.00	\$54.00
Tucson	\$56.00	\$59.00	\$46.00	\$49.00
Kayenta	\$61.00	\$59.00	\$51.00	\$49.00
Phoenix/Scottsdale	\$71.00	\$59.00	\$61.00	\$49.00
Sedona	\$66.00	\$74.00	\$56.00	\$64.00
All Other Areas in Arizona	\$46.00	\$51.00	\$36.00	\$41.00

^{1/} Rates for locations outside Arizona vary.



Douglas A. Ducey
Governor

Kevin Donnellan
Acting Director

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Phone: (602) 542-5601 • Fax: (602) 542-5749

September 3, 2015

The Honorable Justin Olson, Chairman 2015
Joint Legislative Budget Committee
Arizona House of Representatives
1700 West Washington
Phoenix, AZ 85007



Dear Representative Olson:

We request placement on the next Joint Legislative Budget Committee (JLBC) meeting agenda to address State travel increases for lodging and meal reimbursement. The Federal government has announced changes in lodging and meals for the upcoming Federal fiscal year, effective October 1. Consistent with our approach which was approved by JLBC in June, we are recommending adopting the Federal lodging rate as the State's maximum lodging reimbursement rate, and indexing the State maximum meal reimbursement rate to an amount \$10 less than the Federal meal per diem.

As you are aware, the government lodging rate generally offered by establishments is essentially driven by the Federal lodging rates. The Federal Government annually adjusts their lodging allowances for several locations. The Federal adjustments incorporate some seasonal adjustments as well as some overall price adjustments. Although most of the Federal adjustments are increases (which is reflective of the overall industry), there are some decreases. We have reviewed these changes and are recommending adoption of the Federal lodging rates (see enclosures for comparisons of State lodging and meal rates to the new Federal rates).

Thank you for your attention to this request. If you have any questions or need any additional information, please call me at 602-542-5405.

Sincerely,

D. Clark Partridge
State Comptroller

Enclosures

cc: Richard Stavneak
Rebecca Perrera ✓
Kevin Donnellan
Paul Shannon

Lorenzo Romero
Bill Greeney
Christopher Olvey
Carly Fleege



Douglas A. Ducey
Governor

Kevin Donnellan
Acting Director

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September 8, 2015

The Honorable Justin Olson, Chairman 2015
Joint Legislative Budget Committee
Arizona House of Representatives
1700 West Washington
Phoenix, AZ 85007



Dear Representative Olson:

At the June 18, 2015 meeting, the Joint Legislative Budget Committee (JLBC) approved State travel rate changes for lodging and meal reimbursement. Along with this approval, the JLBC requested that Arizona Department of Administration (ADOA) rescind the delegated waiver to the agencies. We rescinded the delegation to the agencies of approving lodging rates up to the Federal rates on June 19, 2015.

Further, the JLBC requested that ADOA report to the committee on the number of waivers submitted to the department as well as the number approved. Since the new lodging rates became effective on June 19, 2015, we received 39 exception requests from State agencies. Of these, 32 were approved, including 7 which were approved at a lower rate than requested. Seven requests were not approved for a lodging rate exception. For reference, 143 lodging exception requests were received during the same timeframe in 2014. We believe the significant reduction in the number of lodging exception requests (about 73%) is primarily attributable to the recent rate changes, which helps to ensure that we are focusing efforts on value-added activities.

We appreciate your actions in providing an effective and efficient travel framework for the State. If you have any questions, please call me at 602-542-5405.

Sincerely,

D. Clark Partridge
State Comptroller

cc: Richard Stavneak
Rebecca Perrera
Kevin Donnellan
Paul Shannon

Lorenzo Romero
Bill Greeney
Christopher Olvey
Carly Fleege

FY 2016 Meal Rates - Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	New Fed Meal Rate	Current State Meal Rate	Difference	Proposed New State Rate	Proposed State Rate Adjustment
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
AL	Birmingham	Jefferson / Shelby	\$ 59	\$46	\$13	\$49	\$3
AL	Gulf Shores	Baldwin	\$ 64	\$41	\$23	\$54	\$13
AL	Huntsville	Madison and Limestone	\$ 51	\$41	\$10	\$41	\$0
AL	Mobile	Mobile	\$ 59	\$41	\$18	\$49	\$8
AL	Montgomery	Montgomery	\$ 51	\$36	\$15	\$41	\$5
AR	Hot Springs	Garland	\$ 59	\$36	\$23	\$49	\$13
AR	Little Rock	Pulaski	\$ 59	\$51	\$8	\$49	-\$2
AZ	Grand Canyon / Flagstaff	Coconino / Yavapai less the city of Sedona	\$ 64	\$56	\$8	\$54	-\$2
AZ	Kayenta	Navajo	\$ 59	\$51	\$8	\$49	-\$2
AZ	Phoenix / Scottsdale	Maricopa	\$ 59	\$61	(\$2)	\$49	-\$12
AZ	Sedona	City Limits of Sedona	\$ 74	\$56	\$18	\$64	\$8
AZ	Tucson	Pima	\$ 59	\$46	\$13	\$49	\$3
CA	Antioch / Brentwood / Concord	Contra Costa	\$ 64	\$56	\$8	\$54	-\$2
CA	Bakersfield / Ridgecrest	Kern	\$ 59	\$41	\$18	\$49	\$8
CA	Barstow / Ontario / Victorville	San Bernardino	\$ 54	\$46	\$8	\$44	-\$2
CA	Death Valley	Inyo	\$ 64	\$36	\$28	\$54	\$18
CA	Eureka / Arcata / McKinleyville	Humboldt	\$ 74	\$51	\$23	\$64	\$13
CA	Fresno	Fresno	\$ 64	\$51	\$13	\$54	\$3
CA	Los Angeles	Los Angeles / Orange / Ventura / Edwards AFB less the city of Santa Monica	\$ 64	\$61	\$3	\$54	-\$7
CA	Mammoth Lakes	Mono	\$ 74	\$51	\$23	\$64	\$13
CA	Mill Valley / San Rafael / Novato	Marin	\$ 74	\$46	\$28	\$64	\$18
CA	Modesto	Stanislaus	\$ 51	\$41	\$10	\$41	\$0
CA	Monterey	Monterey	\$ 74	\$61	\$13	\$64	\$3
CA	Napa	Napa	\$ 69	\$56	\$13	\$59	\$3
CA	Oakhurst	Madera	\$ 64	\$46	\$18	\$54	\$8
CA	Oakland	Alameda	\$ 69	\$51	\$18	\$59	\$8
CA	Palm Springs	Riverside	\$ 64	\$61	\$3	\$54	-\$7

FY 2016 Meal Rates - Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	New Fed Meal Rate	Current State Meal Rate	Difference	Proposed New State Rate	Proposed State Rate Adjustment
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
CA	Point Arena / Gualala	Mendocino	\$ 69	\$56	\$13	\$59	\$3
CA	Redding	Shasta	\$ 64	\$51	\$13	\$54	\$3
CA	Sacramento	Sacramento	\$ 64	\$51	\$13	\$54	\$3
CA	San Diego	San Diego	\$ 64	\$61	\$3	\$54	-\$7
CA	San Francisco	San Francisco	\$ 74	\$61	\$13	\$64	\$3
CA	San Luis Obispo	San Luis Obispo	\$ 64	\$56	\$8	\$54	-\$2
CA	San Mateo / Foster City / Belmont	San Mateo	\$ 69	\$51	\$18	\$59	\$8
CA	Santa Barbara	Santa Barbara	\$ 74	\$56	\$18	\$64	\$8
CA	Santa Cruz	Santa Cruz	\$ 59	\$56	\$3	\$49	-\$7
CA	Santa Monica	City limits of Santa Monica	\$ 64	\$61	\$3	\$54	-\$7
CA	Santa Rosa	Sonoma	\$ 64	\$51	\$13	\$54	\$3
CA	South Lake Tahoe	El Dorado	\$ 64	\$61	\$3	\$54	-\$7
CA	Stockton	San Joaquin	\$ 64	\$46	\$18	\$54	\$8
CA	Sunnyvale / Palo Alto / San Jose	Santa Clara	\$ 64	\$46	\$18	\$54	\$8
CA	Tahoe City	Placer	\$ 64	\$51	\$13	\$54	\$3
CA	Truckee	Nevada	\$ 74	\$61	\$13	\$64	\$3
CA	Visalia / Lemoore	Tulare / Kings	\$ 59	\$51	\$8	\$49	-\$2
CA	West Sacramento / Davis	Yolo	\$ 64	\$41	\$23	\$54	\$13
CA	Yosemite National Park	Mariposa	\$ 69	\$61	\$8	\$59	-\$2
CO	Aspen	Pitkin	\$ 74	\$61	\$13	\$64	\$3
CO	Boulder / Broomfield	Boulder / Broomfield	\$ 59	\$51	\$8	\$49	-\$2
CO	Colorado Springs	El Paso	\$ 59	\$56	\$3	\$49	-\$7
CO	Cortez	Montezuma	\$ 59	\$41	\$18	\$49	\$8
CO	Crested Butte / Gunnison	Gunnison	\$ 64	\$41	\$23	\$54	\$13
CO	Denver / Aurora	Denver / Adams / Arapahoe / Jefferson	\$ 69	\$56	\$13	\$59	\$3
CO	Douglas	Douglas	\$ 59	\$51	\$8	\$49	-\$2
CO	Durango	La Plata	\$ 64	\$51	\$13	\$54	\$3
CO	Fort Collins / Loveland	Larimer	\$ 59	\$46	\$13	\$49	\$3

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	New Fed Meal Rate	Current State Meal Rate	Difference	Proposed New State Rate	Proposed State Rate Adjustment
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
CO	Grand Lake	Grand	\$ 64	\$36	\$28	\$54	\$18
CO	Montrose	Montrose	\$ 64	\$46	\$18	\$54	\$8
CO	Silverthorne / Breckenridge	Summit	\$ 64	\$46	\$18	\$54	\$8
CO	Steamboat Springs	Routt	\$ 74	\$46	\$28	\$64	\$18
CO	Telluride	San Miguel	\$ 74	\$61	\$13	\$64	\$3
CO	Vail	Eagle	\$ 74	\$61	\$13	\$64	\$3
CT	Bridgeport / Danbury	Fairfield	\$ 64	\$61	\$3	\$54	-\$7
CT	Cromwell / Old Saybrook	Middlesex	\$ 64	\$51	\$13	\$54	\$3
CT	Hartford	Hartford	\$ 59	\$46	\$13	\$49	\$3
CT	New Haven	New Haven	\$ 64	\$51	\$13	\$54	\$3
CT	New London / Groton	New London	\$ 64	\$51	\$13	\$54	\$3
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	\$ 69	\$61	\$8	\$59	-\$2
DE	Dover	Kent	\$ 54	\$36	\$18	\$44	\$8
DE	Lewes	Sussex	\$ 59	\$36	\$23	\$49	\$13
DE	Wilmington	New Castle	\$ 54	\$46	\$8	\$44	-\$2
FL	Boca Raton / Delray Beach / Jupiter	Palm Beach / Hendry	\$ 59	\$61	(\$2)	\$49	-\$12
FL	Bradenton	Manatee	\$ 54	\$46	\$8	\$44	-\$2
FL	Cocoa Beach	Brevard	\$ 64	\$41	\$23	\$54	\$13
FL	Daytona Beach	Volusia	\$ 59	\$41	\$18	\$49	\$8
FL	Fort Lauderdale	Broward	\$ 64	\$61	\$3	\$54	-\$7
FL	Fort Myers	Lee	\$ 59	\$46	\$13	\$49	\$3
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	\$ 64	\$41	\$23	\$54	\$13
FL	Gainesville	Alachua	\$ 59	\$41	\$18	\$49	\$8
FL	Gulf Breeze	Santa Rosa	\$ 64	\$41	\$23	\$54	\$13

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	New Fed Meal Rate	Current State Meal Rate	Difference	Proposed New State Rate	Proposed State Rate Adjustment
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
FL	Key West	Monroe	\$ 69	\$61	\$8	\$59	-\$2
FL	Miami	Miami-Dade	\$ 64	\$56	\$8	\$54	-\$2
FL	Naples	Collier	\$ 64	\$51	\$13	\$54	\$3
FL	Orlando	Orange	\$ 59	\$46	\$13	\$49	\$3
FL	Panama City	Bay	\$ 59	\$41	\$18	\$49	\$8
FL	Pensacola	Escambia	\$ 59	\$36	\$23	\$49	\$13
FL	Punta Gorda	Charlotte	\$ 59	\$41	\$18	\$49	\$8
FL	Sarasota	Sarasota	\$ 59	\$46	\$13	\$49	\$3
FL	Sebring	Highlands	\$ 54	\$36	\$18	\$44	\$8
FL	St. Augustine	St. Johns	\$ 59	\$46	\$13	\$49	\$3
FL	Stuart	Martin	\$ 59	\$41	\$18	\$49	\$8
FL	Tallahassee	Leon	\$ 54	\$36	\$18	\$44	\$8
FL	Tampa / St. Petersburg	Pinellas / Hillsborough	\$ 54	\$41	\$13	\$44	\$3
FL	Vero Beach	Indian River	\$ 59	\$41	\$18	\$49	\$8
GA	Athens	Clarke	\$ 59	\$36	\$23	\$49	\$13
GA	Atlanta	Fulton / Dekalb / Cobb	\$ 69	\$46	\$23	\$59	\$13
GA	Augusta	Richmond	\$ 59	\$41	\$18	\$49	\$8
GA	Jekyll Island / Brunswick	Glynn	\$ 64	\$46	\$18	\$54	\$8
GA	Savannah	Chatham	\$ 59	\$46	\$13	\$49	\$3
IA	Cedar Rapids	Linn	\$ 54	\$41	\$13	\$44	\$3
IA	Dallas	Dallas	\$ 54	\$41	\$13	\$44	\$3
IA	Des Moines	Polk	\$ 59	\$41	\$18	\$49	\$8
ID	Bonner's Ferry / Sandpoint	Bonner / Boundary / Shoshone	\$ 64	\$51	\$13	\$54	\$3
ID	Coeur d'Alene	Kootenai	\$ 59	\$51	\$8	\$49	-\$2
ID	Driggs / Idaho Falls	Bonneville / Fremont / Teton	\$ 51	\$36	\$15	\$41	\$5
ID	Sun Valley / Ketchum	Blaine / Elmore	\$ 54	\$61	(\$7)	\$44	-\$17
IL	Bolingbrook / Romeoville / Lemont	Will	\$ 54	\$41	\$13	\$44	\$3
IL	Chicago	Cook / Lake	\$ 74	\$61	\$13	\$64	\$3

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	New Fed Meal Rate	Current State Meal Rate	Difference	Proposed New State Rate	Proposed State Rate Adjustment
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
IL	O'Fallon / Fairview Heights / Collinsville	Bond / Calhoun / Clinton / Jersey / Macoupin / Madison / Monroe / St. Clair	\$ 54	\$46	\$8	\$44	-\$2
IL	Oak Brook Terrace	Dupage	\$ 59	\$51	\$8	\$49	-\$2
IL	Springfield	Sangamon	\$ 51	\$46	\$5	\$41	-\$5
IN	Bloomington	Monroe	\$ 69	\$46	\$23	\$59	\$13
IN	Ft. Wayne	Allen	\$ 54	\$46	\$8	\$44	-\$2
IN	Hammond / Munster /	Lake	\$ 59	\$36	\$23	\$49	\$13
IN	Indianapolis / Carmel	Marion / Hamilton	\$ 54	\$51	\$3	\$44	-\$7
IN	Lafayette / West Lafayette	Tippecanoe	\$ 54	\$41	\$13	\$44	\$3
IN	South Bend	St. Joseph	\$ 59	\$46	\$13	\$49	\$3
KS	Kansas City / Overland Park	Wyandotte / Johnson	\$ 64	\$51	\$13	\$54	\$3
KS	Leavenworth	Leavenworth	\$ 64	\$46	\$18	\$54	\$8
KS	Wichita	Sedgwick	\$ 59	\$46	\$13	\$49	\$3
KY	Boone	Boone	\$ 54	\$41	\$13	\$44	\$3
KY	Kenton	Kenton	\$ 69	\$46	\$23	\$59	\$13
KY	Lexington	Fayette	\$ 54	\$51	\$3	\$44	-\$7
KY	Louisville	Jefferson	\$ 59	\$51	\$8	\$49	-\$2
LA	Alexandria / Leesville / Natchitoches	Allen / Jefferson Davis / Natchitoches / Rapides / Vernon Parishes	\$ 64	\$51	\$13	\$54	\$3
LA	Baton Rouge	East Baton Rouge Parish	\$ 59	\$46	\$13	\$49	\$3
LA	Covington / Sidell	St. Tammany Parish	\$ 51	\$46	\$5	\$41	-\$5
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	\$ 64	\$61	\$3	\$54	-\$7
MA	Andover	Essex	\$ 59	\$46	\$13	\$49	\$3
MA	Boston / Cambridge	Suffolk, city of Cambridge	\$ 69	\$61	\$8	\$59	-\$2
MA	Burlington / Woburn	Middlesex less the city of Cambridge	\$ 64	\$61	\$3	\$54	-\$7
MA	Falmouth	City limits of Falmouth	\$ 64	\$41	\$23	\$54	\$13
MA	Hyannis	Barnstable less the city of Falmouth	\$ 64	\$46	\$18	\$54	\$8
MA	Martha's Vineyard	Dukes	\$ 74	\$61	\$13	\$64	\$3
MA	Nantucket	Nantucket	\$ 74	\$51	\$23	\$64	\$13

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	New Fed Meal Rate	Current State Meal Rate	Difference	Proposed New State Rate	Proposed State Rate Adjustment
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
MA	Northampton	Hampshire	\$ 64	\$46	\$18	\$54	\$8
MA	Pittsfield	Berkshire	\$ 64	\$51	\$13	\$54	\$3
MA	Plymouth / Taunton / New Bedford	Plymouth / Bristol	\$ 59	\$46	\$13	\$49	\$3
MA	Quincy	Norfolk	\$ 59	\$41	\$18	\$49	\$8
MA	Springfield	Hampden	\$ 59	\$41	\$18	\$49	\$8
MA	Worcester	Worcester	\$ 59	\$51	\$8	\$49	-\$2
MD	Aberdeen / Bel Air / Belcamp	Harford	\$ 59	\$46	\$13	\$49	\$3
MD	Annapolis	Anne Arundel	\$ 69	\$51	\$18	\$59	\$8
MD	Baltimore City	Baltimore City	\$ 69	\$61	\$8	\$59	-\$2
MD	Baltimore County	Baltimore	\$ 59	\$51	\$8	\$49	-\$2
MD	Cambridge / St. Michaels	Dorchester / Talbot	\$ 64	\$51	\$13	\$54	\$3
MD	Centreville	Queen Anne	\$ 69	\$41	\$28	\$59	\$18
MD	Columbia	Howard	\$ 64	\$51	\$13	\$54	\$3
MD	Frederick	Frederick	\$ 59	\$46	\$13	\$49	\$3
MD	Lexington Park / Leonardtown / Lusby	St. Mary's / Calvert	\$ 59	\$51	\$8	\$49	-\$2
MD	Ocean City	Worcester	\$ 64	\$61	\$3	\$54	-\$7
ME	Bar Harbor	Hancock	\$ 74	\$51	\$23	\$64	\$13
ME	Kennebunk / Kittery / Sanford	York	\$ 59	\$46	\$13	\$49	\$3
ME	Portland	Cumberland / Sagadahoc	\$ 59	\$46	\$13	\$49	\$3
ME	Rockport	Knox	\$ 69	\$46	\$23	\$59	\$13
MI	Ann Arbor	Washtenaw	\$ 59	\$46	\$13	\$49	\$3
MI	Benton Harbor / St. Joseph / Stevensville	Berrien	\$ 54	\$41	\$13	\$44	\$3
MI	Charlevoix	Charlevoix	\$ 51	\$36	\$15	\$41	\$5
MI	Detroit	Wayne	\$ 54	\$46	\$8	\$44	-\$2
MI	East Lansing / Lansing	Ingham / Eaton	\$ 59	\$41	\$18	\$49	\$8
MI	Grand Rapids	Kent	\$ 59	\$41	\$18	\$49	\$8
MI	Holland	Ottawa	\$ 59	\$46	\$13	\$49	\$3

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	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
MI	Kalamazoo / Battle Creek	Kalamazoo / Calhoun	\$ 54	\$41	\$13	\$44	\$3
MI	Mackinac Island	Mackinac	\$ 59	\$56	\$3	\$49	-\$7
MI	Midland	Midland	\$ 54	\$36	\$18	\$44	\$8
MI	Muskegon	Muskegon	\$ 54	\$36	\$18	\$44	\$8
MI	Petoskey	Emmet	\$ 59	\$41	\$18	\$49	\$8
MI	Pontiac / Auburn Hills	Oakland	\$ 54	\$46	\$8	\$44	-\$2
MI	South Haven	Van Buren	\$ 59	\$46	\$13	\$49	\$3
MI	Traverse City / Leland	Grand Traverse / Leelanau	\$ 74	\$41	\$33	\$64	\$23
MN	Duluth	St. Louis	\$ 64	\$46	\$18	\$54	\$8
MN	Eagan / Burnsville / Mendota Heights	Dakota	\$ 59	\$46	\$13	\$49	\$3
MN	Minneapolis / St. Paul	Hennepin / Ramsey	\$ 64	\$61	\$3	\$54	-\$7
MN	Rochester	Olmsted	\$ 64	\$41	\$23	\$54	\$13
MO	Kansas City	Jackson / Clay / Cass / Platte	\$ 64	\$51	\$13	\$54	\$3
MO	St. Louis	St. Louis / St. Louis City / St. Charles / Crawford / Franklin / Jefferson / Lincoln / Warren / Washington	\$ 54	\$56	(\$2)	\$44	-\$12
MS	Hattiesburg	Forrest / Lamar	\$ 51	\$41	\$10	\$41	\$0
MS	Oxford	Lafayette	\$ 64	\$41	\$23	\$54	\$13
MS	Southaven	Desoto	\$ 59	\$36	\$23	\$49	\$13
MS	Starkville	Oktibbeha	\$ 54	\$36	\$18	\$44	\$8
MT	Big Sky / West Yellowstone	Gallatin	\$ 59	\$51	\$8	\$49	-\$2
MT	Butte	Silver Bow	\$ 64	\$41	\$23	\$54	\$13
MT	Glendive / Sidney	Dawson / Richland	\$ 69	\$46	\$23	\$59	\$13
MT	Helena	Lewis and Clark	\$ 64	\$46	\$18	\$54	\$8
MT	Missoula / Polson / Kalispell	Missoula / Lake / Flathead	\$ 59	\$41	\$18	\$49	\$8
NC	Asheville	Buncombe	\$ 59	\$41	\$18	\$49	\$8
NC	Atlantic Beach / Morehead City	Carteret	\$ 64	\$46	\$18	\$54	\$8
NC	Chapel Hill	Orange	\$ 69	\$46	\$23	\$59	\$13
NC	Charlotte	Mecklenburg	\$ 59	\$41	\$18	\$49	\$8

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	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
NC	Durham	Durham	\$ 59	\$41	\$18	\$49	\$8
NC	Fayetteville	Cumberland	\$ 54	\$41	\$13	\$44	\$3
NC	Greensboro	Guilford	\$ 54	\$46	\$8	\$44	-\$2
NC	Kill Devil	Dare	\$ 64	\$51	\$13	\$54	\$3
NC	New Bern / Havelock	Craven	\$ 54	\$36	\$18	\$44	\$8
NC	Raleigh	Wake	\$ 59	\$56	\$3	\$49	-\$7
NC	Wilmington	New Hanover	\$ 59	\$46	\$13	\$49	\$3
ND	Dickinson / Beulah	Stark / Mercer / Billings	\$ 69	\$46	\$23	\$59	\$13
ND	Minot	Ward	\$ 64	\$46	\$18	\$54	\$8
ND	Williston	Williams / Mountrail / McKenzie	\$ 69	\$46	\$23	\$59	\$13
NE	Omaha	Douglas	\$ 64	\$51	\$13	\$54	\$3
NH	Concord	Merrimack	\$ 59	\$41	\$18	\$49	\$8
NH	Conway	Caroll	\$ 54	\$51	\$3	\$44	-\$7
NH	Durham	Strafford	\$ 54	\$36	\$18	\$44	\$8
NH	Laconia	Belknap	\$ 69	\$41	\$28	\$59	\$18
NH	Lebanon / Lincoln / West Lebanon	Grafton / Sullivan	\$ 64	\$46	\$18	\$54	\$8
NH	Manchester	Hillsborough	\$ 64	\$46	\$18	\$54	\$8
NH	Portsmouth	Rockingham	\$ 59	\$51	\$8	\$49	-\$2
NJ	Atlantic City / Ocean City / Cape May	Atlantic / Cape May	\$ 64	\$56	\$8	\$54	-\$2
NJ	Cherry Hill / Moorestown	Camden / Burlington	\$ 59	\$51	\$8	\$49	-\$2
NJ	Eatontown / Freehold	Monmouth	\$ 59	\$46	\$13	\$49	\$3
NJ	Edison / Piscataway	Middlesex	\$ 59	\$41	\$18	\$49	\$8
NJ	Flemington	Hunterdon	\$ 64	\$51	\$13	\$54	\$3
NJ	Newark	Essex / Bergen / Hudson / Passaic	\$ 64	\$51	\$13	\$54	\$3
NJ	Parsippany	Morris	\$ 59	\$46	\$13	\$49	\$3
NJ	Princeton / Trenton	Mercer	\$ 59	\$51	\$8	\$49	-\$2
NJ	Belle Mede	Somerset	\$ 59	\$46	\$13	\$49	\$3

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	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
NJ	Springfield / Cranford / New Providence	Union	\$ 59	\$46	\$13	\$49	\$3
NJ	Toms River	Ocean	\$ 64	\$41	\$23	\$54	\$13
NM	Carlsbad	Eddy	\$ 54	\$41	\$13	\$44	\$3
NM	Las Cruces	Dona Ana	\$ 59	\$46	\$13	\$49	\$3
NM	Los Alamos	Los Alamos	\$ 51	\$41	\$10	\$41	\$0
NM	Santa Fe	Santa Fe	\$ 64	\$61	\$3	\$54	-\$7
NM	Taos	Taos	\$ 69	\$56	\$13	\$59	\$3
NV	Incline Village / Reno / Sparks	Washoe	\$ 64	\$41	\$23	\$54	\$13
NV	Las Vegas	Clark	\$ 64	\$61	\$3	\$54	-\$7
NV	Stateline / Carson City	Douglas / Carson City Counties	\$ 51	\$51	\$0	\$41	-\$10
NY	Albany	Albany	\$ 59	\$51	\$8	\$49	-\$2
NY	Binghamton / Owego	Broome / Tioga	\$ 59	\$36	\$23	\$49	\$13
NY	Buffalo	Erie	\$ 64	\$46	\$18	\$54	\$8
NY	Floral Park / Garden City / Great Neck	Nassau	\$ 69	\$56	\$13	\$59	\$3
NY	Glens Falls	Warren	\$ 64	\$56	\$8	\$54	-\$2
NY	Ithaca / Waterloo / Romulus	Tompkins / Seneca	\$ 59	\$36	\$23	\$49	\$13
NY	Kingston	Ulster	\$ 69	\$56	\$13	\$59	\$3
NY	Lake Placid	Essex	\$ 74	\$51	\$23	\$64	\$13
NY	New York City	Bronx / Kings / New York / Queens / Richmond	\$ 74	\$61	\$13	\$64	\$3
NY	Niagara Falls	Niagara	\$ 59	\$41	\$18	\$49	\$8
NY	Nyack / Palisades	Rockland	\$ 64	\$51	\$13	\$54	\$3
NY	Poughkeepsie	Dutchess	\$ 64	\$56	\$8	\$54	-\$2
NY	Riverhead / Ronkonkoma / Melville	Suffolk	\$ 64	\$61	\$3	\$54	-\$7
NY	Rochester	Monroe	\$ 59	\$41	\$18	\$49	\$8
NY	Saratoga Springs /	Saratoga / Schenectady	\$ 64	\$46	\$18	\$54	\$8
NY	Syracuse / Oswego	Onondaga / Oswego	\$ 59	\$46	\$13	\$49	\$3

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	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
NY	Tarrytown / White Plains / New Rochelle	Westchester	\$ 64	\$61	\$3	\$54	-\$7
NY	Troy	Rensselaer	\$ 64	\$41	\$23	\$54	\$13
NY	Watertown	Jefferson	\$ 54	\$46	\$8	\$44	-\$2
NY	West Point	Orange	\$ 59	\$41	\$18	\$49	\$8
OH	Akron	Summit	\$ 54	\$41	\$13	\$44	\$3
OH	Canton	Stark	\$ 59	\$41	\$18	\$49	\$8
OH	Cincinnati	Hamilton / Clermont	\$ 69	\$46	\$23	\$59	\$13
OH	Cleveland	Cuyahoga	\$ 69	\$46	\$23	\$59	\$13
OH	Columbus	Franklin	\$ 59	\$46	\$13	\$49	\$3
OH	Dayton / Fairborn	Greene / Darke / Montgomery	\$ 59	\$46	\$13	\$49	\$3
OH	Hamilton	Butler / Warren	\$ 54	\$41	\$13	\$44	\$3
OH	Medina / Wooster	Wayne / Medina	\$ 54	\$41	\$13	\$44	\$3
OH	Mentor	Lake	\$ 59	\$36	\$23	\$49	\$13
OH	Sandusky / Bellevue	Erie / Huron	\$ 54	\$36	\$18	\$44	\$8
OH	Youngstown	Mahoning / Trumbull	\$ 54	\$41	\$13	\$44	\$3
OK	Enid	Garfield	\$ 59	\$46	\$13	\$49	\$3
OK	Oklahoma City	Oklahoma	\$ 59	\$56	\$3	\$49	-\$7
OR	Beaverton	Washington	\$ 59	\$41	\$18	\$49	\$8
OR	Bend	Deschutes	\$ 59	\$51	\$8	\$49	-\$2
OR	Clackamas	Clackamas	\$ 59	\$51	\$8	\$49	-\$2
OR	Eugene / Florence	Lane	\$ 59	\$41	\$18	\$49	\$8
OR	Lincoln City	Lincoln	\$ 59	\$46	\$13	\$49	\$3
OR	Portland	Multnomah	\$ 64	\$56	\$8	\$54	-\$2
OR	Seaside	Clatsop	\$ 69	\$41	\$28	\$59	\$18
PA	Allentown / Easton / Bethlehem	Lehigh / Northampton	\$ 59	\$41	\$18	\$49	\$8
PA	Bucks	Bucks	\$ 59	\$61	(\$2)	\$49	-\$12
PA	Chester / Radnor / Essington	Delaware	\$ 64	\$41	\$23	\$54	\$13
PA	Erie	Erie	\$ 54	\$36	\$18	\$44	\$8

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	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
PA	Gettysburg	Adams	\$ 64	\$41	\$23	\$54	\$13
PA	Harrisburg	Dauphin County excluding Hershey	\$ 69	\$41	\$28	\$59	\$18
PA	Hershey	Hershey	\$ 69	\$41	\$28	\$59	\$18
PA	Lancaster	Lancaster	\$ 59	\$46	\$13	\$49	\$3
PA	Malvern / Frazer / Berwyn	Chester	\$ 59	\$41	\$18	\$49	\$8
PA	Mechanicsburg	Cumberland	\$ 54	\$46	\$8	\$44	-\$2
PA	Montgomery	Montgomery	\$ 64	\$56	\$8	\$54	-\$2
PA	Philadelphia	Philadelphia	\$ 64	\$56	\$8	\$54	-\$2
PA	Pittsburgh	Allegheny	\$ 54	\$61	(\$7)	\$44	-\$17
PA	Reading	Berks	\$ 54	\$46	\$8	\$44	-\$2
PA	Scranton	Lackawanna	\$ 59	\$46	\$13	\$49	\$3
PA	State College	Centre	\$ 59	\$46	\$13	\$49	\$3
RI	East Greenwich / Warwick / North Kingstown	Kent / Washington	\$ 59	\$46	\$13	\$49	\$3
RI	Jamestown / Middletown / Newport	Newport	\$ 59	\$61	(\$2)	\$49	-\$12
RI	Providence / Bristol	Providence / Bristol	\$ 59	\$61	(\$2)	\$49	-\$12
SC	Aiken	Aiken	\$ 59	\$36	\$23	\$49	\$13
SC	Charleston	Charleston / Berkeley / Dorchester	\$ 69	\$46	\$23	\$59	\$13
SC	Columbia	Richland / Lexington	\$ 59	\$41	\$18	\$49	\$8
SC	Hilton Head	Beaufort	\$ 64	\$51	\$13	\$54	\$3
SC	Myrtle Beach	Horry	\$ 59	\$41	\$18	\$49	\$8
SD	Hot Springs	Fall River / Custer	\$ 59	\$36	\$23	\$49	\$13
SD	Rapid City	Pennington	\$ 59	\$41	\$18	\$49	\$8
SD	Sturgis / Spearfish	Meade / Butte / Lawrence	\$ 59	\$41	\$18	\$49	\$8
TN	Brentwood / Franklin	Williamson	\$ 59	\$46	\$13	\$49	\$3
TN	Chattanooga	Hamilton	\$ 64	\$46	\$18	\$54	\$8
TN	Knoxville	Knox	\$ 59	\$46	\$13	\$49	\$3
TN	Memphis	Shelby	\$ 59	\$51	\$8	\$49	-\$2
TN	Nashville	Davidson	\$ 59	\$56	\$3	\$49	-\$7

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	New Fed Meal Rate	Current State Meal Rate	Difference	Proposed New State Rate	Proposed State Rate Adjustment
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
TN	Oak Ridge	Anderson	\$ 51	\$36	\$15	\$41	\$5
TX	Arlington / Fort Worth / Grapevine	Tarrant County / City of Grapevine	\$ 59	\$46	\$13	\$49	\$3
TX	Austin	Travis	\$ 59	\$61	(\$2)	\$49	-\$12
TX	Big Spring	Howard	\$ 54	\$36	\$18	\$44	\$8
TX	College Station	Brazos	\$ 59	\$46	\$13	\$49	\$3
TX	Corpus Christi	Nueces	\$ 59	\$41	\$18	\$49	\$8
TX	Dallas	Dallas	\$ 64	\$61	\$3	\$54	-\$7
TX	El Paso	El Paso	\$ 59	\$41	\$18	\$49	\$8
TX	Galveston	Galveston	\$ 64	\$46	\$18	\$54	\$8
TX	Greenville	Hunt County	\$ 51	\$41	\$10	\$41	\$0
TX	Houston (L.B. Johnson Space Center)	Montgomery / Fort Bend / Harris	\$ 59	\$61	(\$2)	\$49	-\$12
TX	Laredo	Webb	\$ 59	\$46	\$13	\$49	\$3
TX	McAllen	Hidalgo	\$ 59	\$46	\$13	\$49	\$3
TX	Midland	Midland	\$ 64	\$46	\$18	\$54	\$8
TX	Pearsall	Frio / Medina / La Salle	\$ 54	\$36	\$18	\$44	\$8
TX	Pecos	Reeves	\$ 54	\$36	\$18	\$44	\$8
TX	Plano	Collin	\$ 59	\$51	\$8	\$49	-\$2
TX	Round Rock	Williamson	\$ 59	\$41	\$18	\$49	\$8
TX	San Angelo	Tom Green	\$ 59	\$41	\$18	\$49	\$8
TX	San Antonio	Bexar	\$ 64	\$56	\$8	\$54	-\$2
TX	South Padre Island	Cameron	\$ 59	\$46	\$13	\$49	\$3
TX	Waco	McLennan	\$ 59	\$41	\$18	\$49	\$8
UT	Moab	Grand	\$ 64	\$46	\$18	\$54	\$8
UT	Park City	Summit	\$ 74	\$61	\$13	\$64	\$3
UT	Provo	Utah	\$ 59	\$41	\$18	\$49	\$8
UT	Salt Lake City	Salt Lake / Tooele	\$ 59	\$51	\$8	\$49	-\$2
VA	Abingdon	Washington	\$ 69	\$36	\$33	\$59	\$23
VA	Blacksburg	Montgomery	\$ 59	\$36	\$23	\$49	\$13

FY 2016 Meal Rates - Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	New Fed Meal Rate	Current State Meal Rate	Difference	Proposed New State Rate	Proposed State Rate Adjustment
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
VA	Charlottesville	City of Charlottesville / Albemarle / Greene	\$ 69	\$46	\$23	\$59	\$13
VA	Fredericksburg	City of Fredericksburg / Spotsylvania / Stafford	\$ 51	\$46	\$5	\$41	-\$5
VA	Loudoun	Loudoun	\$ 59	\$51	\$8	\$49	-\$2
VA	Lynchburg	Campbell / Lynchburg City	\$ 59	\$41	\$18	\$49	\$8
VA	Norfolk / Portsmouth	Cities of Norfolk / Portsmouth	\$ 51	\$51	\$0	\$41	-\$10
VA	Prince William / Manassas	Prince William / City of Manassas	\$ 51	\$46	\$5	\$41	-\$5
VA	Richmond	City of Richmond	\$ 64	\$56	\$8	\$54	-\$2
VA	Roanoke	City limits of Roanoke	\$ 59	\$41	\$18	\$49	\$8
VA	Virginia Beach	City of Virginia Beach	\$ 59	\$46	\$13	\$49	\$3
VA	Wallops Island	Accomack	\$ 64	\$46	\$18	\$54	\$8
VA	Warrenton	Fauquier	\$ 59	\$36	\$23	\$49	\$13
VA	Williamsburg / York	James City / York Counties / City of Williamsburg	\$ 64	\$41	\$23	\$54	\$13
VT	Burlington / St. Albans / Middlebury	Chittenden / Franklin / Addison	\$ 64	\$56	\$8	\$54	-\$2
VT	Manchester	Bennington	\$ 69	\$61	\$8	\$59	-\$2
VT	Montpelier	Washington	\$ 74	\$51	\$23	\$64	\$13
VT	Stowe	Lamoille	\$ 74	\$61	\$13	\$64	\$3
VT	White River Junction	Windsor	\$ 69	\$46	\$23	\$59	\$13
WA	Anacortes / Coupeville / Oak	Skagit / Island / San Juan	\$ 51	\$51	\$0	\$41	-\$10
WA	Everett / Lynnwood	Snohomish	\$ 64	\$51	\$13	\$54	\$3
WA	Ocean Shores	Grays Harbor	\$ 69	\$41	\$28	\$59	\$18
WA	Olympia / Tumwater	Thurston	\$ 69	\$51	\$18	\$59	\$8
WA	Port Angeles / Port Townsend	Clallam / Jefferson	\$ 74	\$51	\$23	\$64	\$13
WA	Richland / Pasco	Benton / Franklin	\$ 59	\$36	\$23	\$49	\$13
WA	Seattle	King	\$ 74	\$61	\$13	\$64	\$3
WA	Spokane	Spokane	\$ 64	\$51	\$13	\$54	\$3
WA	Tacoma	Pierce	\$ 64	\$51	\$13	\$54	\$3
WA	Vancouver	Clark / Cowlitz / Skamania	\$ 64	\$46	\$18	\$54	\$8

FY 2016 Meal Rates - Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	New Fed Meal Rate	Current State Meal Rate	Difference	Proposed New State Rate	Proposed State Rate Adjustment
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.		\$51	\$36	\$15	\$41	\$5
WI	Appleton	Outagamie	\$ 64	\$36	\$28	\$54	\$18
WI	Brookfield / Racine	Waukesha / Racine	\$ 59	\$46	\$13	\$49	\$3
WI	Madison	Dane	\$ 59	\$46	\$13	\$49	\$3
WI	Milwaukee	Milwaukee	\$ 64	\$51	\$13	\$54	\$3
WI	Sheboygan	Sheboygan	\$ 59	\$41	\$18	\$49	\$8
WI	Sturgeon Bay	Door	\$ 54	\$46	\$8	\$44	-\$2
WI	Wisconsin Dells	Columbia	\$ 59	\$51	\$8	\$49	-\$2
WV	Charleston	Kanawha	\$ 54	\$41	\$13	\$44	\$3
WV	Morgantown	Monongalia	\$ 54	\$36	\$18	\$44	\$8
WV	Shepherdstown	Jefferson	\$ 51	\$46	\$5	\$41	-\$5
WV	Wheeling	Ohio	\$ 54	\$36	\$18	\$44	\$8
WY	Cody	Park	\$ 64	\$41	\$23	\$54	\$13
WY	Evanston / Rock Springs	Sweetwater / Uinta	\$ 59	\$41	\$18	\$49	\$8
WY	Gillette	Campbell	\$ 59	\$41	\$18	\$49	\$8
WY	Jackson / Pinedale	Teton / Sublette	\$ 74	\$46	\$28	\$64	\$18

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
	Standard CONUS rate applies to all counties not specifically listed. Cities not listed may be located in a listed county.				\$ 89	\$ 83	\$ 6	7%
AL	Birmingham	Jefferson / Shelby			\$ 94	\$ 92	\$ 2	2%
AL	Gulf Shores	Baldwin	October 1	February 29	\$ 101	\$ 100	\$ 1	1%
AL	Gulf Shores	Baldwin	March 1	July 31	\$ 130	\$ 128	\$ 2	2%
AL	Gulf Shores	Baldwin	August 1	September 30	\$ 101	\$ 100	\$ 1	1%
AL	Huntsville	Madison and Limestone			\$ 89	\$ 86	\$ 3	3%
AL	Mobile	Mobile	October 1	December 31	\$ 89	\$ 86	\$ 3	3%
AL	Mobile	Mobile	January 1	February 29	\$ 99	\$ 95	\$ 4	4%
AL	Mobile	Mobile	March 1	September 30	\$ 89	\$ 86	\$ 3	3%
AL	Montgomery	Montgomery			\$ 89	\$ 83	\$ 6	7%
AR	Hot Springs	Garland			\$ 101	\$ 100	\$ 1	1%
AR	Little Rock	Pulaski			\$ 91	\$ 89	\$ 2	2%
AZ	Grand Canyon / Flagstaff	Coconino / Yavapai less the city of Sedona	October 1	October 31	\$ 124	\$ 83	\$ 41	33%
AZ	Grand Canyon / Flagstaff	Coconino / Yavapai less the city of Sedona	November 1	February 29	\$ 89	\$ 83	\$ 6	7%
AZ	Grand Canyon / Flagstaff	Coconino / Yavapai less the city of Sedona	March 1	September 30	\$ 124	\$ 112	\$ 12	10%
AZ	Kayenta	Navajo			\$ 112	\$ 109	\$ 3	3%
AZ	Phoenix / Scottsdale	Maricopa	October 1	December 31	\$ 113	\$ 106	\$ 7	6%
AZ	Phoenix / Scottsdale	Maricopa	January 1	March 31	\$ 161	\$ 141	\$ 20	12%
AZ	Phoenix / Scottsdale	Maricopa	April 1	May 31	\$ 120	\$ 113	\$ 7	6%
AZ	Phoenix / Scottsdale	Maricopa	June 1	August 31	\$ 89	\$ 83	\$ 6	7%
AZ	Phoenix / Scottsdale	Maricopa	September 1	September 30	\$ 113	\$ 106	\$ 7	6%
AZ	Sedona	City Limits of Sedona	October 1	February 29	\$ 134	\$ 131	\$ 3	2%
AZ	Sedona	City Limits of Sedona	March 1	May 31	\$ 141	\$ 150	\$ (9)	-6%
AZ	Sedona	City Limits of Sedona	June 1	August 31	\$ 141	\$ 131	\$ 10	7%
AZ	Sedona	City Limits of Sedona	September 1	September 30	\$ 134	\$ 131	\$ 3	2%
AZ	Tucson	Pima	October 1	December 31	\$ 89	\$ 86	\$ 3	3%
AZ	Tucson	Pima	January 1	January 31	\$ 106	\$ 86	\$ 20	19%
AZ	Tucson	Pima	February 1	February 29	\$ 106	\$ 100	\$ 6	6%
AZ	Tucson	Pima	March 1	May 31	\$ 89	\$ 100	\$ (11)	-12%
AZ	Tucson	Pima	June 1	August 31	\$ 89	\$ 83	\$ 6	7%
AZ	Tucson	Pima	September 1	September 30	\$ 89	\$ 86	\$ 3	3%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
CA	Antioch / Brentwood / Concord	Contra Costa			\$ 132	\$ 122	\$ 10	8%
CA	Bakersfield / Ridgecrest	Kern			\$ 95	\$ 92	\$ 3	3%
CA	Barstow / Ontario / Victorville	San Bernardino			\$ 96	\$ 98	\$ (2)	-2%
CA	Death Valley	Inyo			\$ 102	\$ 100	\$ 2	2%
CA	Eureka / Arcata / McKinleyville	Humboldt	October 1	May 31	\$ 94	\$ 91	\$ 3	3%
CA	Eureka / Arcata / McKinleyville	Humboldt	June 1	June 30	\$ 112	\$ 91	\$ 21	19%
CA	Eureka / Arcata / McKinleyville	Humboldt	July 1	August 31	\$ 112	\$ 109	\$ 3	3%
CA	Eureka / Arcata / McKinleyville	Humboldt	September 1	September 30	\$ 94	\$ 91	\$ 3	3%
CA	Fresno	Fresno			\$ 92	\$ 89	\$ 3	3%
CA	Los Angeles	Los Angeles / Orange / Ventura / Edwards AFB less the city of Santa Monica	October 1	December 31	\$ 150	\$ 138	\$ 12	8%
CA	Los Angeles	Los Angeles / Orange / Ventura / Edwards AFB less the city of Santa Monica	January 1	March 31	\$ 157	\$ 138	\$ 19	12%
CA	Los Angeles	Los Angeles / Orange / Ventura / Edwards AFB less the city of Santa Monica	April 1	September 30	\$ 150	\$ 138	\$ 12	8%
CA	Mammoth Lakes	Mono	October 1	November 30	\$ 116	\$ 102	\$ 14	12%
CA	Mammoth Lakes	Mono	December 1	February 29	\$ 159	\$ 128	\$ 31	19%
CA	Mammoth Lakes	Mono	March 1	March 31	\$ 116	\$ 128	\$ (12)	-10%
CA	Mammoth Lakes	Mono	April 1	September 30	\$ 116	\$ 102	\$ 14	12%
CA	Mill Valley / San Rafael / Novato	Marin	October 1	October 31	\$ 146	\$ 133	\$ 13	9%
CA	Mill Valley / San Rafael / Novato	Marin	November 1	December 31	\$ 130	\$ 133	\$ (3)	-2%
CA	Mill Valley / San Rafael / Novato	Marin	January 1	September 30	\$ 146	\$ 133	\$ 13	9%
CA	Modesto	Stanilaus			\$ 89	\$ 85	\$ 4	4%
CA	Monterey	Monterey	October 1	June 30	\$ 134	\$ 131	\$ 3	2%
CA	Monterey	Monterey	July 1	August 31	\$ 175	\$ 166	\$ 9	5%
CA	Monterey	Monterey	September 1	September 30	\$ 134	\$ 131	\$ 3	2%
CA	Napa	Napa	October 1	October 31	\$ 191	\$ 171	\$ 20	10%
CA	Napa	Napa	November 1	November 30	\$ 149	\$ 171	\$ (22)	-15%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
CA	Napa	Napa	December 1	January 31	\$ 149	\$ 131	\$ 18	12%
CA	Napa	Napa	February 1	April 30	\$ 149	\$ 171	\$ (22)	-15%
CA	Napa	Napa	May 1	September 30	\$ 191	\$ 171	\$ 20	10%
CA	Oakhurst	Madera	October 1	May 31	\$ 91	\$ 87	\$ 4	4%
CA	Oakhurst	Madera	June 1	August 31	\$ 115	\$ 111	\$ 4	3%
CA	Oakhurst	Madera	September 1	September 30	\$ 91	\$ 87	\$ 4	4%
CA	Oakland	Alameda			\$ 140	\$ 124	\$ 16	11%
CA	Palm Springs	Riverside	October 1	December 31	\$ 123	\$ 110	\$ 13	11%
CA	Palm Springs	Riverside	January 1	May 31	\$ 123	\$ 128	\$ (5)	-4%
CA	Palm Springs	Riverside	June 1	August 31	\$ 92	\$ 90	\$ 2	2%
CA	Palm Springs	Riverside	September 1	September 30	\$ 123	\$ 90	\$ 33	27%
CA	Point Arena / Gualala	Mendocino			\$ 106	\$ 96	\$ 10	9%
CA	Redding	Shasta			\$ 90	\$ 89	\$ 1	1%
CA	Sacramento	Sacramento			\$ 112	\$ 107	\$ 5	4%
CA	San Diego	San Diego	October 1	December 31	\$ 140	\$ 142	\$ (2)	-1%
CA	San Diego	San Diego	January 1	July 31	\$ 153	\$ 142	\$ 11	7%
CA	San Diego	San Diego	August 1	September 30	\$ 140	\$ 142	\$ (2)	-1%
CA	San Francisco	San Francisco	October 1	October 31	\$ 250	\$ 251	\$ (1)	0%
CA	San Francisco	San Francisco	November 1	December 31	\$ 250	\$ 209	\$ 41	16%
CA	San Francisco	San Francisco	January 1	August 31	\$ 250	\$ 219	\$ 31	12%
CA	San Francisco	San Francisco	September 1	September 30	\$ 250	\$ 251	\$ (1)	0%
CA	San Luis Obispo	San Luis Obispo	October 1	May 31	\$ 112	\$ 111	\$ 1	1%
CA	San Luis Obispo	San Luis Obispo	June 1	August 31	\$ 133	\$ 111	\$ 22	17%
CA	San Luis Obispo	San Luis Obispo	September 1	September 30	\$ 112	\$ 111	\$ 1	1%
CA	San Mateo / Foster City / Belmont	San Mateo	October 1	December 31	\$ 178	\$ 155	\$ 23	13%
CA	San Mateo / Foster City / Belmont	San Mateo	January 1	March 31	\$ 184	\$ 155	\$ 29	16%
CA	San Mateo / Foster City / Belmont	San Mateo	April 1	September 30	\$ 178	\$ 155	\$ 23	13%
CA	Santa Barbara	Santa Barbara	October 1	June 30	\$ 161	\$ 151	\$ 10	6%
CA	Santa Barbara	Santa Barbara	July 1	August 31	\$ 211	\$ 200	\$ 11	5%
CA	Santa Barbara	Santa Barbara	September 1	September 30	\$ 161	\$ 151	\$ 10	6%
CA	Santa Cruz	Santa Cruz	October 1	May 31	\$ 129	\$ 128	\$ 1	1%
CA	Santa Cruz	Santa Cruz	June 1	August 31	\$ 164	\$ 168	\$ (4)	-2%
CA	Santa Cruz	Santa Cruz	September 1	September 30	\$ 129	\$ 128	\$ 1	1%
CA	Santa Monica	City limits of Santa Monica	October 1	December 31	\$ 217	\$ 190	\$ 27	12%
CA	Santa Monica	City limits of Santa Monica	January 1	May 31	\$ 217	\$ 202	\$ 15	7%
CA	Santa Monica	City limits of Santa Monica	June 1	August 31	\$ 252	\$ 230	\$ 22	9%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
CA	Santa Monica	City limits of Santa Monica	September 1	September 30	\$ 217	\$ 190	\$ 27	12%
CA	Santa Rosa	Sonoma	October 1	October 31	\$ 134	\$ 121	\$ 13	10%
CA	Santa Rosa	Sonoma	November 1	February 29	\$ 118	\$ 121	\$ (3)	-3%
CA	Santa Rosa	Sonoma	March 1	September 30	\$ 134	\$ 121	\$ 13	10%
CA	South Lake Tahoe	El Dorado	October 1	November 30	\$ 111	\$ 114	\$ (3)	-3%
CA	South Lake Tahoe	El Dorado	December 1	June 30	\$ 136	\$ 114	\$ 22	16%
CA	South Lake Tahoe	El Dorado	July 1	August 31	\$ 162	\$ 114	\$ 48	30%
CA	South Lake Tahoe	El Dorado	September 1	September 30	\$ 111	\$ 114	\$ (3)	-3%
CA	Stockton	San Joaquin			\$ 97	\$ 93	\$ 4	4%
CA	Sunnyvale / Palo Alto / San Jose	Santa Clara	October 1	March 31	\$ 187	\$ 162	\$ 25	13%
CA	Sunnyvale / Palo Alto / San Jose	Santa Clara	April 1	May 31	\$ 175	\$ 162	\$ 13	7%
CA	Sunnyvale / Palo Alto / San Jose	Santa Clara	June 1	September 30	\$ 187	\$ 162	\$ 25	13%
CA	Tahoe City	Placer			\$ 93	\$ 87	\$ 6	6%
CA	Truckee	Nevada			\$ 120	\$ 106	\$ 14	12%
CA	Visalia / Lemoore	Tulare / Kings			\$ 90	\$ 88	\$ 2	2%
CA	West Sacramento / Davis	Yolo			\$ 113	\$ 108	\$ 5	4%
CA	Yosemite National Park	Mariposa	October 1	November 30	\$ 118	\$ 90	\$ 28	24%
CA	Yosemite National Park	Mariposa	December 1	December 31	\$ 118	\$ 113	\$ 5	4%
CA	Yosemite National Park	Mariposa	January 1	May 31	\$ 107	\$ 113	\$ (6)	-6%
CA	Yosemite National Park	Mariposa	June 1	August 31	\$ 132	\$ 124	\$ 8	6%
CA	Yosemite National Park	Mariposa	September 1	September 30	\$ 118	\$ 90	\$ 28	24%
CO	Aspen	Pitkin	October 1	November 30	\$ 115	\$ 116	\$ (1)	-1%
CO	Aspen	Pitkin	December 1	March 31	\$ 266	\$ 270	\$ (4)	-2%
CO	Aspen	Pitkin	April 1	May 31	\$ 114	\$ 117	\$ (3)	-3%
CO	Aspen	Pitkin	June 1	August 31	\$ 193	\$ 201	\$ (8)	-4%
CO	Aspen	Pitkin	September 1	September 30	\$ 115	\$ 116	\$ (1)	-1%
CO	Boulder / Broomfield	Boulder / Broomfield			\$ 125	\$ 114	\$ 11	9%
CO	Colorado Springs	El Paso			\$ 91	\$ 89	\$ 2	2%
CO	Cortez	Montezuma	October 1	May 31	\$ 91	\$ 88	\$ 3	3%
CO	Cortez	Montezuma	June 1	September 30	\$ 114	\$ 111	\$ 3	3%
CO	Crested Butte / Gunnison	Gunnison	October 1	November 30	\$ 108	\$ 95	\$ 13	12%
CO	Crested Butte / Gunnison	Gunnison	December 1	March 31	\$ 154	\$ 95	\$ 59	38%
CO	Crested Butte / Gunnison	Gunnison	April 1	September 30	\$ 108	\$ 95	\$ 13	12%
CO	Denver / Aurora	Denver / Adams / Arapahoe / Jefferson			\$ 172	\$ 163	\$ 9	5%
CO	Douglas	Douglas			\$ 116	\$ 108	\$ 8	7%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
CO	Durango	La Plata	October 1	May 31	\$ 100	\$ 97	\$ 3	3%
CO	Durango	La Plata	June 1	September 30	\$ 146	\$ 141	\$ 5	3%
CO	Fort Collins / Loveland	Larimer			\$ 109	\$ 98	\$ 11	10%
CO	Grand Lake	Grand	October 1	November 30	\$ 120	\$ 83	\$ 37	31%
CO	Grand Lake	Grand	December 1	March 31	\$ 196	\$ 83	\$ 113	58%
CO	Grand Lake	Grand	April 1	May 31	\$ 104	\$ 83	\$ 21	20%
CO	Grand Lake	Grand	June 1	September 30	\$ 120	\$ 83	\$ 37	31%
CO	Montrose	Montrose	October 1	May 31	\$ 89	\$ 87	\$ 2	2%
CO	Montrose	Montrose	June 1	August 31	\$ 94	\$ 87	\$ 7	7%
CO	Montrose	Montrose	September 1	September 30	\$ 89	\$ 87	\$ 2	2%
CO	Silverthorne / Breckenridge	Summit	October 1	November 30	\$ 106	\$ 94	\$ 12	11%
CO	Silverthorne / Breckenridge	Summit	December 1	March 31	\$ 167	\$ 138	\$ 29	17%
CO	Silverthorne / Breckenridge	Summit	April 1	May 31	\$ 97	\$ 83	\$ 14	14%
CO	Silverthorne / Breckenridge	Summit	June 1	September 30	\$ 106	\$ 94	\$ 12	11%
CO	Steamboat Springs	Routt	October 1	November 30	\$ 104	\$ 99	\$ 5	5%
CO	Steamboat Springs	Routt	December 1	March 31	\$ 178	\$ 172	\$ 6	3%
CO	Steamboat Springs	Routt	April 1	May 31	\$ 89	\$ 99	\$ (10)	-11%
CO	Steamboat Springs	Routt	June 1	September 30	\$ 104	\$ 99	\$ 5	5%
CO	Telluride	San Miguel	October 1	November 30	\$ 134	\$ 127	\$ 7	5%
CO	Telluride	San Miguel	December 1	March 31	\$ 354	\$ 334	\$ 20	6%
CO	Telluride	San Miguel	April 1	May 31	\$ 142	\$ 136	\$ 6	4%
CO	Telluride	San Miguel	June 1	August 31	\$ 187	\$ 174	\$ 13	7%
CO	Telluride	San Miguel	September 1	September 30	\$ 134	\$ 174	\$ (40)	-30%
CO	Vail	Eagle	October 1	November 30	\$ 130	\$ 116	\$ 14	11%
CO	Vail	Eagle	December 1	March 31	\$ 350	\$ 312	\$ 38	11%
CO	Vail	Eagle	April 1	June 30	\$ 144	\$ 126	\$ 18	13%
CO	Vail	Eagle	July 1	August 31	\$ 176	\$ 151	\$ 25	14%
CO	Vail	Eagle	September 1	September 30	\$ 130	\$ 116	\$ 14	11%
CT	Bridgeport / Danbury	Fairfield			\$ 129	\$ 125	\$ 4	3%
CT	Cromwell / Old Saybrook	Middlesex			\$ 93	\$ 93	\$ -	0%
CT	Hartford	Hartford			\$ 117	\$ 116	\$ 1	1%
CT	New Haven	New Haven			\$ 96	\$ 94	\$ 2	2%
CT	New London / Groton	New London			\$ 98	\$ 98	\$ -	0%
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	October 1	October 31	\$ 222	\$ 222	\$ -	0%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	November 1	February 29	\$ 179	\$ 177	\$ 2	1%
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	March 1	June 30	\$ 226	\$ 229	\$ (3)	-1%
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	July 1	August 31	\$ 174	\$ 162	\$ 12	7%
DC	District of Columbia	Washington DC (also the cities of Alexandria, Falls Church and Fairfax, and the counties of Arlington and Fairfax, in Virginia; and the counties of Montgomery and Prince George's in Maryland)	September 1	September 30	\$ 222	\$ 222	\$ -	0%
DE	Dover	Kent	October 1	April 30	\$ 89	\$ 83	\$ 6	7%
DE	Dover	Kent	May 1	September 30	\$ 104	\$ 101	\$ 3	3%
DE	Lewes	Sussex	October 1	June 30	\$ 92	\$ 88	\$ 4	4%
DE	Lewes	Sussex	July 1	August 31	\$ 148	\$ 137	\$ 11	7%
DE	Lewes	Sussex	September 1	September 30	\$ 92	\$ 88	\$ 4	4%
DE	Wilmington	New Castle			\$ 122	\$ 120	\$ 2	2%
FL	Boca Raton / Delray Beach / Jupiter	Palm Beach / Hendry	October 1	December 31	\$ 101	\$ 97	\$ 4	4%
FL	Boca Raton / Delray Beach / Jupiter	Palm Beach / Hendry	January 1	April 30	\$ 175	\$ 157	\$ 18	10%
FL	Boca Raton / Delray Beach / Jupiter	Palm Beach / Hendry	May 1	September 30	\$ 101	\$ 97	\$ 4	4%
FL	Bradenton	Manatee	October 1	January 31	\$ 89	\$ 83	\$ 6	7%
FL	Bradenton	Manatee	February 1	March 31	\$ 142	\$ 119	\$ 23	16%
FL	Bradenton	Manatee	April 1	September 30	\$ 89	\$ 83	\$ 6	7%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
FL	Cocoa Beach	Brevard	October 1	January 31	\$ 107	\$ 105	\$ 2	2%
FL	Cocoa Beach	Brevard	February 1	March 31	\$ 130	\$ 105	\$ 25	19%
FL	Cocoa Beach	Brevard	April 1	September 30	\$ 107	\$ 105	\$ 2	2%
FL	Daytona Beach	Volusia	October 1	January 31	\$ 89	\$ 83	\$ 6	7%
FL	Daytona Beach	Volusia	February 1	March 31	\$ 118	\$ 110	\$ 8	7%
FL	Daytona Beach	Volusia	April 1	July 31	\$ 97	\$ 90	\$ 7	7%
FL	Daytona Beach	Volusia	August 1	September 30	\$ 89	\$ 83	\$ 6	7%
FL	Fort Lauderdale	Broward	October 1	December 31	\$ 141	\$ 134	\$ 7	5%
FL	Fort Lauderdale	Broward	January 1	March 31	\$ 199	\$ 188	\$ 11	6%
FL	Fort Lauderdale	Broward	April 1	May 31	\$ 144	\$ 140	\$ 4	3%
FL	Fort Lauderdale	Broward	June 1	September 30	\$ 110	\$ 109	\$ 1	1%
FL	Fort Myers	Lee	October 1	December 31	\$ 101	\$ 93	\$ 8	8%
FL	Fort Myers	Lee	January 1	April 30	\$ 165	\$ 142	\$ 23	14%
FL	Fort Myers	Lee	May 1	September 30	\$ 101	\$ 93	\$ 8	8%
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	October 1	October 31	\$ 132	\$ 129	\$ 3	2%
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	November 1	February 29	\$ 91	\$ 86	\$ 5	5%
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	March 1	May 31	\$ 148	\$ 145	\$ 3	2%
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	June 1	July 31	\$ 203	\$ 196	\$ 7	3%
FL	Fort Walton Beach / De Funiak Springs	Okaloosa / Walton	August 1	September 30	\$ 132	\$ 129	\$ 3	2%
FL	Gainesville	Alachua			\$ 98	\$ 94	\$ 4	4%
FL	Gulf Breeze	Santa Rosa	October 1	February 29	\$ 89	\$ 83	\$ 6	7%
FL	Gulf Breeze	Santa Rosa	March 1	May 31	\$ 105	\$ 83	\$ 22	21%
FL	Gulf Breeze	Santa Rosa	June 1	July 31	\$ 105	\$ 108	\$ (3)	-3%
FL	Gulf Breeze	Santa Rosa	August 1	September 30	\$ 89	\$ 83	\$ 6	7%
FL	Key West	Monroe	October 1	November 30	\$ 200	\$ 183	\$ 17	9%
FL	Key West	Monroe	December 1	January 31	\$ 265	\$ 230	\$ 35	13%
FL	Key West	Monroe	February 1	March 31	\$ 307	\$ 279	\$ 28	9%
FL	Key West	Monroe	April 1	April 30	\$ 307	\$ 183	\$ 124	40%
FL	Key West	Monroe	May 1	September 30	\$ 194	\$ 183	\$ 11	6%
FL	Miami	Miami-Dade	October 1	November 30	\$ 148	\$ 152	\$ (4)	-3%
FL	Miami	Miami-Dade	December 1	December 31	\$ 212	\$ 152	\$ 60	28%
FL	Miami	Miami-Dade	January 1	March 31	\$ 212	\$ 203	\$ 9	4%
FL	Miami	Miami-Dade	April 1	May 31	\$ 160	\$ 146	\$ 14	9%
FL	Miami	Miami-Dade	June 1	September 30	\$ 124	\$ 119	\$ 5	4%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
FL	Naples	Collier	October 1	December 31	\$ 145	\$ 136	\$ 9	6%
FL	Naples	Collier	January 1	April 30	\$ 236	\$ 203	\$ 33	14%
FL	Naples	Collier	May 1	September 30	\$ 125	\$ 116	\$ 9	7%
FL	Orlando	Orange	October 1	March 31	\$ 127	\$ 115	\$ 12	9%
FL	Orlando	Orange	April 1	September 30	\$ 110	\$ 115	\$ (5)	-5%
FL	Panama City	Bay	October 1	February 29	\$ 89	\$ 83	\$ 6	7%
FL	Panama City	Bay	March 1	May 31	\$ 120	\$ 119	\$ 1	1%
FL	Panama City	Bay	June 1	July 31	\$ 131	\$ 119	\$ 12	9%
FL	Panama City	Bay	August 1	September 30	\$ 89	\$ 83	\$ 6	7%
FL	Pensacola	Escambia	October 1	February 29	\$ 100	\$ 94	\$ 6	6%
FL	Pensacola	Escambia	March 1	May 31	\$ 114	\$ 121	\$ (7)	-6%
FL	Pensacola	Escambia	June 1	July 31	\$ 140	\$ 121	\$ 19	14%
FL	Pensacola	Escambia	August 1	August 31	\$ 100	\$ 121	\$ (21)	-21%
FL	Pensacola	Escambia	September 1	September 30	\$ 100	\$ 94	\$ 6	6%
FL	Punta Gorda	Charlotte	October 1	January 31	\$ 89	\$ 83	\$ 6	7%
FL	Punta Gorda	Charlotte	February 1	March 31	\$ 137	\$ 123	\$ 14	10%
FL	Punta Gorda	Charlotte	April 1	September 30	\$ 89	\$ 83	\$ 6	7%
FL	Sarasota	Sarasota	October 1	November 30	\$ 98	\$ 92	\$ 6	6%
FL	Sarasota	Sarasota	December 1	December 31	\$ 141	\$ 92	\$ 49	35%
FL	Sarasota	Sarasota	January 1	April 30	\$ 141	\$ 126	\$ 15	11%
FL	Sarasota	Sarasota	May 1	September 30	\$ 98	\$ 92	\$ 6	6%
FL	Sebring	Highlands			\$ 92	\$ 99	\$ (7)	-8%
FL	St. Augustine	St. Johns			\$ 118	\$ 107	\$ 11	9%
FL	Stuart	Martin	October 1	January 31	\$ 91	\$ 91	\$ -	0%
FL	Stuart	Martin	February 1	March 31	\$ 135	\$ 91	\$ 44	33%
FL	Stuart	Martin	April 1	September 30	\$ 91	\$ 91	\$ -	0%
FL	Tallahassee	Leon	October 1	December 31	\$ 98	\$ 88	\$ 10	10%
FL	Tallahassee	Leon	January 1	April 30	\$ 98	\$ 104	\$ (6)	-6%
FL	Tallahassee	Leon	May 1	September 30	\$ 98	\$ 88	\$ 10	10%
FL	Tampa / St. Petersburg	Pinellas / Hillsborough	October 1	December 31	\$ 106	\$ 104	\$ 2	2%
FL	Tampa / St. Petersburg	Pinellas / Hillsborough	January 1	February 29	\$ 133	\$ 115	\$ 18	14%
FL	Tampa / St. Petersburg	Pinellas / Hillsborough	March 1	March 31	\$ 133	\$ 104	\$ 29	22%
FL	Tampa / St. Petersburg	Pinellas / Hillsborough	April 1	September 30	\$ 106	\$ 104	\$ 2	2%
FL	Vero Beach	Indian River	October 1	November 30	\$ 125	\$ 109	\$ 16	13%
FL	Vero Beach	Indian River	December 1	January 31	\$ 169	\$ 109	\$ 60	36%
FL	Vero Beach	Indian River	February 1	April 30	\$ 169	\$ 155	\$ 14	8%
FL	Vero Beach	Indian River	May 1	September 30	\$ 125	\$ 109	\$ 16	13%
GA	Athens	Clarke			\$ 93	\$ 91	\$ 2	2%
GA	Atlanta	Fulton / Dekalb / Cobb			\$ 138	\$ 135	\$ 3	2%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
GA	Augusta	Richmond			\$ 97	\$ 91	\$ 6	6%
GA	Jekyll Island / Brunswick	Glynn	October 1	October 31	\$ 118	\$ 148	\$ (30)	-25%
GA	Jekyll Island / Brunswick	Glynn	November 1	February 29	\$ 118	\$ 110	\$ 8	7%
GA	Jekyll Island / Brunswick	Glynn	March 1	March 31	\$ 118	\$ 148	\$ (30)	-25%
GA	Jekyll Island / Brunswick	Glynn	April 1	July 31	\$ 157	\$ 148	\$ 9	6%
GA	Jekyll Island / Brunswick	Glynn	August 1	September 30	\$ 118	\$ 148	\$ (30)	-25%
GA	Savannah	Chatham	October 1	February 29	\$ 108	\$ 101	\$ 7	6%
GA	Savannah	Chatham	March 1	April 30	\$ 123	\$ 101	\$ 22	18%
GA	Savannah	Chatham	May 1	September 30	\$ 108	\$ 101	\$ 7	6%
IA	Cedar Rapids	Linn			\$ 91	\$ 88	\$ 3	3%
IA	Dallas	Dallas			\$ 117	\$ 114	\$ 3	3%
IA	Des Moines	Polk			\$ 101	\$ 97	\$ 4	4%
ID	Bonner's Ferry / Sandpoint	Bonner / Boundary / Shoshone	October 1	May 31	\$ 89	\$ 83	\$ 6	7%
ID	Bonner's Ferry / Sandpoint	Bonner / Boundary / Shoshone	June 1	June 30	\$ 111	\$ 83	\$ 28	25%
ID	Bonner's Ferry / Sandpoint	Bonner / Boundary / Shoshone	July 1	August 31	\$ 111	\$ 101	\$ 10	9%
ID	Bonner's Ferry / Sandpoint	Bonner / Boundary / Shoshone	September 1	September 30	\$ 111	\$ 83	\$ 28	25%
ID	Coeur d'Alene	Kootenai	October 1	May 31	\$ 89	\$ 85	\$ 4	4%
ID	Coeur d'Alene	Kootenai	June 1	August 31	\$ 131	\$ 124	\$ 7	5%
ID	Coeur d'Alene	Kootenai	September 1	September 30	\$ 89	\$ 85	\$ 4	4%
ID	Driggs/Idaho Falls	Bonneville/Fremont/ Teton			\$ 89	\$ 86	\$ 3	3%
ID	Sun Valley / Ketchum	Blaine / Elmore			\$ 104	\$ 99	\$ 5	5%
IL	Bolingbrook / Romeoville / Lemont	Will			\$ 94	\$ 90	\$ 4	4%
IL	Chicago	Cook / Lake	October 1	November 30	\$ 212	\$ 194	\$ 18	8%
IL	Chicago	Cook / Lake	December 1	February 29	\$ 141	\$ 132	\$ 9	6%
IL	Chicago	Cook / Lake	March 1	April 30	\$ 160	\$ 159	\$ 1	1%
IL	Chicago	Cook / Lake	May 1	August 31	\$ 200	\$ 192	\$ 8	4%
IL	Chicago	Cook / Lake	September 1	September 30	\$ 212	\$ 194	\$ 18	8%
IL	O'Fallon / Fairview Heights / Collinsville	Bond / Calhoun / Clinton / Jersey / Macoupin / Madison / Monroe / St. Clair			\$ 125	\$ 115	\$ 10	8%
IL	Oak Brook Terrace	Dupage			\$ 108	\$ 103	\$ 5	5%
IL	Springfield	Sangamon			\$ 89	\$ 89	\$ -	0%
IN	Bloomington	Monroe			\$ 104	\$ 104	\$ -	0%
IN	Ft. Wayne	Allen			\$ 90	\$ 88	\$ 2	2%
IN	Hammond / Munster / Merrillville	Lake			\$ 94	\$ 96	\$ (2)	-2%
IN	Indianapolis / Carmel	Marion / Hamilton			\$ 107	\$ 98	\$ 9	8%
IN	Lafayette / West Lafayette	Tippecanoe			\$ 93	\$ 88	\$ 5	5%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
IN	South Bend	St. Joseph			\$ 92	\$ 90	\$ 2	2%
KS	Kansas City / Overland Park	Wyandotte / Johnson			\$ 112	\$ 106	\$ 6	5%
KS	Leavenworth	Leavenworth			\$ 112	\$ 93	\$ 19	17%
KS	Wichita	Sedgwick			\$ 95	\$ 93	\$ 2	2%
KY	Boone	Boone			\$ 92	\$ 92	\$ -	0%
KY	Kenton	Kenton			\$ 135	\$ 132	\$ 3	2%
KY	Lexington	Fayette			\$ 102	\$ 97	\$ 5	5%
KY	Louisville	Jefferson	October 1	January 31	\$ 111	\$ 106	\$ 5	5%
KY	Louisville	Jefferson	February 1	May 31	\$ 127	\$ 121	\$ 6	5%
KY	Louisville	Jefferson	June 1	September 30	\$ 111	\$ 106	\$ 5	5%
LA	Alexandria / Leesville / Natchitoches	Allen / Jefferson Davis / Natchitoches / Rapides / Vernon Parishes			\$ 97	\$ 86	\$ 11	11%
LA	Baton Rouge	East Baton Rouge Parish			\$ 98	\$ 94	\$ 4	4%
LA	Covington/Slidell	St. Tammany Parish			\$ 89	\$ 90	\$ (1)	-1%
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	October 1	December 31	\$ 153	\$ 154	\$ (1)	-1%
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	January 1	April 30	\$ 160	\$ 151	\$ 9	6%
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	May 1	June 30	\$ 122	\$ 151	\$ (29)	-24%
LA	New Orleans	Orleans / St. Bernard / Jefferson / Plaquemine Parishes	July 1	September 30	\$ 122	\$ 107	\$ 15	12%
MA	Andover	Essex			\$ 107	\$ 101	\$ 6	6%
MA	Boston / Cambridge	Suffolk, city of Cambridge	October 1	October 31	\$ 275	\$ 258	\$ 17	6%
MA	Boston / Cambridge	Suffolk, city of Cambridge	November 1	March 31	\$ 198	\$ 179	\$ 19	10%
MA	Boston / Cambridge	Suffolk, city of Cambridge	April 1	June 30	\$ 247	\$ 231	\$ 16	6%
MA	Boston / Cambridge	Suffolk, city of Cambridge	July 1	August 31	\$ 233	\$ 210	\$ 23	10%
MA	Boston / Cambridge	Suffolk, city of Cambridge	September 1	September 30	\$ 275	\$ 258	\$ 17	6%
MA	Burlington / Woburn	Middlesex less the city of Cambridge			\$ 136	\$ 127	\$ 9	7%
MA	Falmouth	City limits of Falmouth	October 1	June 30	\$ 116	\$ 110	\$ 6	5%
MA	Falmouth	City limits of Falmouth	July 1	August 31	\$ 199	\$ 184	\$ 15	8%
MA	Falmouth	City limits of Falmouth	September 1	September 30	\$ 116	\$ 110	\$ 6	5%
MA	Hyannis	Barnstable less the city of Falmouth	October 1	June 30	\$ 102	\$ 97	\$ 5	5%
MA	Hyannis	Barnstable less the city of Falmouth	July 1	August 31	\$ 161	\$ 157	\$ 4	2%
MA	Hyannis	Barnstable less the city of Falmouth	September 1	September 30	\$ 102	\$ 97	\$ 5	5%
MA	Martha's Vineyard	Dukes	October 1	May 31	\$ 126	\$ 124	\$ 2	2%
MA	Martha's Vineyard	Dukes	June 1	June 30	\$ 276	\$ 124	\$ 152	55%
MA	Martha's Vineyard	Dukes	July 1	August 31	\$ 276	\$ 265	\$ 11	4%
MA	Martha's Vineyard	Dukes	September 1	September 30	\$ 276	\$ 124	\$ 152	55%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
MA	Nantucket	Nantucket	October 1	December 31	\$ 163	\$ 137	\$ 26	16%
MA	Nantucket	Nantucket	January 1	May 31	\$ 128	\$ 137	\$ (9)	-7%
MA	Nantucket	Nantucket	June 1	August 31	\$ 275	\$ 289	\$ (14)	-5%
MA	Nantucket	Nantucket	September 1	September 30	\$ 163	\$ 289	\$ (126)	-77%
MA	Northampton	Hampshire			\$ 106	\$ 106	\$ -	0%
MA	Pittsfield	Berkshire			\$ 120	\$ 122	\$ (2)	-2%
MA	Plymouth / Taunton / New Bedford	Plymouth / Bristol			\$ 103	\$ 99	\$ 4	4%
MA	Quincy	Norfolk			\$ 139	\$ 133	\$ 6	4%
MA	Springfield	Hampden			\$ 105	\$ 104	\$ 1	1%
MA	Worcester	Worcester			\$ 111	\$ 106	\$ 5	5%
MD	Aberdeen / Bel Air / Belcamp	Harford			\$ 99	\$ 94	\$ 5	5%
MD	Annapolis	Anne Arundel	October 1	October 31	\$ 121	\$ 121	\$ -	0%
MD	Annapolis	Anne Arundel	November 1	April 30	\$ 101	\$ 100	\$ 1	1%
MD	Annapolis	Anne Arundel	May 1	September 30	\$ 121	\$ 121	\$ -	0%
MD	Baltimore City	Baltimore City	October 1	November 30	\$ 158	\$ 153	\$ 5	3%
MD	Baltimore City	Baltimore City	December 1	February 29	\$ 123	\$ 118	\$ 5	4%
MD	Baltimore City	Baltimore City	March 1	August 31	\$ 151	\$ 150	\$ 1	1%
MD	Baltimore City	Baltimore City	September 1	September 30	\$ 158	\$ 124	\$ 34	22%
MD	Baltimore County	Baltimore			\$ 98	\$ 98	\$ -	0%
MD	Cambridge / St. Michaels	Dorchester / Talbot	October 1	March 31	\$ 111	\$ 124	\$ (13)	-12%
MD	Cambridge / St. Michaels	Dorchester / Talbot	April 1	May 31	\$ 148	\$ 124	\$ 24	16%
MD	Cambridge / St. Michaels	Dorchester / Talbot	June 1	August 31	\$ 148	\$ 170	\$ (22)	-15%
MD	Cambridge / St. Michaels	Dorchester / Talbot	September 1	September 30	\$ 111	\$ 124	\$ (13)	-12%
MD	Centreville	Queen Anne	October 1	October 31	\$ 125	\$ 121	\$ 4	3%
MD	Centreville	Queen Anne	November 1	November 30	\$ 125	\$ 105	\$ 20	16%
MD	Centreville	Queen Anne	December 1	January 31	\$ 102	\$ 105	\$ (3)	-3%
MD	Centreville	Queen Anne	February 1	September 30	\$ 125	\$ 121	\$ 4	3%
MD	Columbia	Howard			\$ 106	\$ 102	\$ 4	4%
MD	Frederick	Frederick			\$ 98	\$ 99	\$ (1)	-1%
MD	Lexington Park / Leonardtown / Lusby	St. Mary's / Calvert			\$ 91	\$ 94	\$ (3)	-3%
MD	Ocean City	Worcester	October 1	May 31	\$ 89	\$ 85	\$ 4	4%
MD	Ocean City	Worcester	June 1	August 31	\$ 212	\$ 193	\$ 19	9%
MD	Ocean City	Worcester	September 1	September 30	\$ 89	\$ 85	\$ 4	4%
ME	Bar Harbor	Hancock	October 1	October 31	\$ 132	\$ 124	\$ 8	6%
ME	Bar Harbor	Hancock	November 1	March 31	\$ 106	\$ 83	\$ 23	22%
ME	Bar Harbor	Hancock	April 1	June 30	\$ 106	\$ 107	\$ (1)	-1%
ME	Bar Harbor	Hancock	July 1	August 31	\$ 168	\$ 168	\$ -	0%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
ME	Bar Harbor	Hancock	September 1	September 30	\$ 132	\$ 124	\$ 8	6%
ME	Kennebunk / Kittery / Sanford	York	October 1	November 30	\$ 106	\$ 96	\$ 10	9%
ME	Kennebunk / Kittery / Sanford	York	December 1	March 31	\$ 89	\$ 83	\$ 6	7%
ME	Kennebunk / Kittery / Sanford	York	April 1	June 30	\$ 96	\$ 89	\$ 7	7%
ME	Kennebunk / Kittery / Sanford	York	July 1	August 31	\$ 142	\$ 129	\$ 13	9%
ME	Kennebunk / Kittery / Sanford	York	September 1	September 30	\$ 106	\$ 96	\$ 10	9%
ME	Portland	Cumberland / Sagadahoc	October 1	October 31	\$ 131	\$ 124	\$ 7	5%
ME	Portland	Cumberland / Sagadahoc	November 1	June 30	\$ 103	\$ 99	\$ 4	4%
ME	Portland	Cumberland / Sagadahoc	July 1	August 31	\$ 151	\$ 142	\$ 9	6%
ME	Portland	Cumberland / Sagadahoc	September 1	September 30	\$ 131	\$ 124	\$ 7	5%
ME	Rockport	Knox	October 1	June 30	\$ 89	\$ 85	\$ 4	4%
ME	Rockport	Knox	July 1	August 31	\$ 113	\$ 108	\$ 5	4%
ME	Rockport	Knox	September 1	September 30	\$ 89	\$ 85	\$ 4	4%
MI	Ann Arbor	Washtenaw			\$ 111	\$ 105	\$ 6	5%
MI	Benton Harbor / St. Joseph / Stevensville	Berrien			\$ 93	\$ 91	\$ 2	2%
MI	Charlevoix	Charlevoix			\$ 89	\$ 83	\$ 6	7%
MI	Detroit	Wayne			\$ 115	\$ 109	\$ 6	5%
MI	East Lansing / Lansing	Ingham / Eaton			\$ 96	\$ 91	\$ 5	5%
MI	Grand Rapids	Kent			\$ 103	\$ 96	\$ 7	7%
MI	Holland	Ottawa			\$ 98	\$ 98	\$ -	0%
MI	Kalamazoo / Battle Creek	Kalamazoo / Calhoun			\$ 96	\$ 89	\$ 7	7%
MI	Mackinac Island	Mackinac	October 1	June 30	\$ 89	\$ 83	\$ 6	7%
MI	Mackinac Island	Mackinac	July 1	August 31	\$ 103	\$ 99	\$ 4	4%
MI	Mackinac Island	Mackinac	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
MI	Midland	Midland			\$ 102	\$ 97	\$ 5	5%
MI	Muskegon	Muskegon	October 1	May 31	\$ 89	\$ 83	\$ 6	7%
MI	Muskegon	Muskegon	June 1	August 31	\$ 111	\$ 106	\$ 5	5%
MI	Muskegon	Muskegon	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
MI	Petoskey	Emmet	October 1	November 30	\$ 94	\$ 85	\$ 9	10%
MI	Petoskey	Emmet	December 1	June 30	\$ 101	\$ 85	\$ 16	16%
MI	Petoskey	Emmet	July 1	August 31	\$ 101	\$ 116	\$ (15)	-15%
MI	Petoskey	Emmet	September 1	September 30	\$ 94	\$ 85	\$ 9	10%
MI	Pontiac / Auburn Hills	Oakland			\$ 103	\$ 96	\$ 7	7%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
MI	South Haven	Van Buren	October 1	May 31	\$ 89	\$ 83	\$ 6	7%
MI	South Haven	Van Buren	June 1	August 31	\$ 106	\$ 104	\$ 2	2%
MI	South Haven	Van Buren	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
MI	Traverse City / Leland	Grand Traverse / Leelanau	October 1	October 31	\$ 100	\$ 88	\$ 12	12%
MI	Traverse City / Leland	Grand Traverse / Leelanau	November 1	June 30	\$ 89	\$ 88	\$ 1	1%
MI	Traverse City / Leland	Grand Traverse / Leelanau	July 1	August 31	\$ 168	\$ 151	\$ 17	10%
MI	Traverse City / Leland	Grand Traverse / Leelanau	September 1	September 30	\$ 100	\$ 88	\$ 12	12%
MN	Duluth	St. Louis	October 1	October 31	\$ 142	\$ 97	\$ 45	32%
MN	Duluth	St. Louis	November 1	May 31	\$ 109	\$ 97	\$ 12	11%
MN	Duluth	St. Louis	June 1	June 30	\$ 142	\$ 97	\$ 45	32%
MN	Duluth	St. Louis	July 1	August 31	\$ 142	\$ 125	\$ 17	12%
MN	Duluth	St. Louis	September 1	September 30	\$ 142	\$ 97	\$ 45	32%
MN	Eagan / Burnsville / Mendota Heights	Dakota			\$ 96	\$ 89	\$ 7	7%
MN	Minneapolis / St. Paul	Hennepin / Ramsey			\$ 140	\$ 135	\$ 5	4%
MN	Rochester	Olmsted			\$ 115	\$ 112	\$ 3	3%
MO	Kansas City	Jackson / Clay / Cass / Platte			\$ 112	\$ 106	\$ 6	5%
MO	St. Louis	St. Louis / St. Louis City / St. Charles / Crawford / Franklin / Jefferson / Lincoln / Warren / Washington			\$ 125	\$ 115	\$ 10	8%
MS	Hattiesburg	Forrest/Lamar			\$ 89	\$ 87	\$ 2	2%
MS	Oxford	Lafayette			\$ 105	\$ 102	\$ 3	3%
MS	Southaven	Desoto			\$ 100	\$ 96	\$ 4	4%
MS	Starkville	Oktibbeha			\$ 98	\$ 98	\$ -	0%
MT	Big Sky / West Yellowstone	Gallatin	October 1	May 31	\$ 89	\$ 86	\$ 3	3%
MT	Big Sky / West Yellowstone	Gallatin	June 1	September 30	\$ 138	\$ 125	\$ 13	9%
MT	Butte	Silver Bow			\$ 93	\$ 88	\$ 5	5%
MT	Glendive / Sidney	Dawson / Richland			\$ 146	\$ 161	\$ (15)	-10%
MT	Helena	Lewis and Clark			\$ 92	\$ 89	\$ 3	3%
MT	Missoula / Polson / Kalispell	Missoula / Lake / Flathead	October 1	June 30	\$ 95	\$ 92	\$ 3	3%
MT	Missoula / Polson / Kalispell	Missoula / Lake / Flathead	July 1	August 31	\$ 136	\$ 128	\$ 8	6%
MT	Missoula / Polson / Kalispell	Missoula / Lake / Flathead	September 1	September 30	\$ 95	\$ 92	\$ 3	3%
NC	Asheville	Buncombe			\$ 107	\$ 102	\$ 5	5%
NC	Atlantic Beach / Morehead City	Carteret	October 1	May 31	\$ 89	\$ 83	\$ 6	7%
NC	Atlantic Beach / Morehead City	Carteret	June 1	August 31	\$ 114	\$ 112	\$ 2	2%
NC	Atlantic Beach / Morehead City	Carteret	September 1	September 30	\$ 89	\$ 83	\$ 6	7%

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
NC	Chapel Hill	Orange			\$ 119	\$ 97	\$ 22	18%
NC	Charlotte	Mecklenburg			\$ 117	\$ 110	\$ 7	6%
NC	Durham	Durham			\$ 99	\$ 92	\$ 7	7%
NC	Fayetteville	Cumberland			\$ 102	\$ 99	\$ 3	3%
NC	Greensboro	Guilford	October 1	October 31	\$ 100	\$ 97	\$ 3	3%
NC	Greensboro	Guilford	November 1	January 31	\$ 100	\$ 89	\$ 11	11%
NC	Greensboro	Guilford	February 1	April 30	\$ 100	\$ 97	\$ 3	3%
NC	Greensboro	Guilford	May 1	September 30	\$ 91	\$ 97	\$ (6)	-7%
NC	Kill Devil	Dare	October 1	March 31	\$ 91	\$ 93	\$ (2)	-2%
NC	Kill Devil	Dare	April 1	May 31	\$ 104	\$ 107	\$ (3)	-3%
NC	Kill Devil	Dare	June 1	August 31	\$ 163	\$ 162	\$ 1	1%
NC	Kill Devil	Dare	September 1	September 30	\$ 91	\$ 93	\$ (2)	-2%
NC	New Bern / Havelock	Craven			\$ 91	\$ 90	\$ 1	1%
NC	Raleigh	Wake			\$ 104	\$ 98	\$ 6	6%
NC	Wilmington	New Hanover			\$ 98	\$ 94	\$ 4	4%
ND	Dickinson / Beulah	Stark / Mercer / Billings			\$ 120	\$ 118	\$ 2	2%
ND	Minot	Ward			\$ 91	\$ 102	\$ (11)	-12%
ND	Williston	Williams / Mountrail / McKenzie			\$ 146	\$ 161	\$ (15)	-10%
NE	Omaha	Douglas			\$ 104	\$ 102	\$ 2	2%
NH	Concord	Merrimack			\$ 94	\$ 88	\$ 6	6%
NH	Conway	Carroll	October 1	February 29	\$ 125	\$ 119	\$ 6	5%
NH	Conway	Carroll	March 1	June 30	\$ 102	\$ 99	\$ 3	3%
NH	Conway	Carroll	July 1	August 31	\$ 170	\$ 158	\$ 12	7%
NH	Conway	Carroll	September 1	September 30	\$ 125	\$ 119	\$ 6	5%
NH	Durham	Strafford			\$ 99	\$ 97	\$ 2	2%
NH	Laconia	Belknap	October 1	October 31	\$ 92	\$ 112	\$ (20)	-22%
NH	Laconia	Belknap	November 1	May 31	\$ 92	\$ 84	\$ 8	9%
NH	Laconia	Belknap	June 1	September 30	\$ 116	\$ 112	\$ 4	3%
NH	Lebanon / Lincoln / West Lebanon	Grafton / Sullivan			\$ 118	\$ 115	\$ 3	3%
NH	Manchester	Hillsborough			\$ 95	\$ 92	\$ 3	3%
NH	Portsmouth	Rockingham	October 1	June 30	\$ 107	\$ 106	\$ 1	1%
NH	Portsmouth	Rockingham	July 1	August 31	\$ 142	\$ 140	\$ 2	1%
NH	Portsmouth	Rockingham	September 1	September 30	\$ 107	\$ 106	\$ 1	1%
NJ	Atlantic City / Ocean City / Cape May	Atlantic / Cape May			\$ 97	\$ 94	\$ 3	3%
NJ	Belle Mead	Somerset			\$ 140	\$ 135	\$ 5	4%
NJ	Cherry Hill / Moorestown	Camden / Burlington			\$ 98	\$ 97	\$ 1	1%
NJ	Eatontown / Freehold	Monmouth			\$ 101	\$ 103	\$ (2)	-2%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
NJ	Edison / Piscataway	Middlesex			\$ 110	\$ 109	\$ 1	1%
NJ	Flemington	Hunterdon			\$ 115	\$ 114	\$ 1	1%
NJ	Newark	Essex / Bergen / Hudson / Passaic			\$ 136	\$ 134	\$ 2	1%
NJ	Parsippany	Morris			\$ 142	\$ 136	\$ 6	4%
NJ	Princeton / Trenton	Mercer			\$ 128	\$ 127	\$ 1	1%
NJ	Springfield / Cranford / New Providence	Union			\$ 117	\$ 115	\$ 2	2%
NJ	Toms River	Ocean	October 1	May 31	\$ 89	\$ 83	\$ 6	7%
NJ	Toms River	Ocean	June 1	August 31	\$ 102	\$ 93	\$ 9	9%
NJ	Toms River	Ocean	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
NM	Carlsbad	Eddy	October 1	March 31	\$ 148	\$ 127	\$ 21	14%
NM	Carlsbad	Eddy	April 1	June 30	\$ 148	\$ 120	\$ 28	19%
NM	Carlsbad	Eddy	July 1	September 30	\$ 148	\$ 127	\$ 21	14%
NM	Las Cruces	Dona Ana			\$ 94	\$ 91	\$ 3	3%
NM	Los Alamos	Los Alamos			\$ 89	\$ 86	\$ 3	3%
NM	Santa Fe	Santa Fe			\$ 99	\$ 94	\$ 5	5%
NM	Taos	Taos			\$ 93	\$ 92	\$ 1	1%
NV	Incline Village / Reno / Sparks	Washoe	October 1	June 30	\$ 97	\$ 95	\$ 2	2%
NV	Incline Village / Reno / Sparks	Washoe	July 1	August 31	\$ 136	\$ 130	\$ 6	4%
NV	Incline Village / Reno / Sparks	Washoe	September 1	September 30	\$ 97	\$ 95	\$ 2	2%
NV	Las Vegas	Clark	October 1	January 31	\$ 108	\$ 96	\$ 12	11%
NV	Las Vegas	Clark	February 1	August 31	\$ 93	\$ 96	\$ (3)	-3%
NV	Las Vegas	Clark	September 1	September 30	\$ 108	\$ 96	\$ 12	11%
NV	Stateline/Carson City	Douglas/Carson City Counties			\$ 89	\$ 87	\$ 2	2%
NY	Albany	Albany			\$ 115	\$ 111	\$ 4	3%
NY	Binghamton / Owego	Broome / Tioga			\$ 99	\$ 97	\$ 2	2%
NY	Buffalo	Erie			\$ 112	\$ 108	\$ 4	4%
NY	Floral Park / Garden City / Great Neck	Nassau			\$ 150	\$ 149	\$ 1	1%
NY	Glens Falls	Warren	October 1	June 30	\$ 99	\$ 101	\$ (2)	-2%
NY	Glens Falls	Warren	July 1	August 31	\$ 160	\$ 159	\$ 1	1%
NY	Glens Falls	Warren	September 1	September 30	\$ 99	\$ 101	\$ (2)	-2%
NY	Ithaca / Waterloo / Romulus	Tompkins / Seneca			\$ 121	\$ 115	\$ 6	5%
NY	Kingston	Ulster			\$ 115	\$ 112	\$ 3	3%
NY	Lake Placid	Essex	October 1	November 30	\$ 115	\$ 117	\$ (2)	-2%
NY	Lake Placid	Essex	December 1	February 29	\$ 140	\$ 129	\$ 11	8%

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
NY	Lake Placid	Essex	March 1	June 30	\$ 107	\$ 105	\$ 2	2%
NY	Lake Placid	Essex	July 1	August 31	\$ 172	\$ 166	\$ 6	3%
NY	Lake Placid	Essex	September 1	September 30	\$ 115	\$ 117	\$ (2)	-2%
NY	New York City	Bronx / Kings / New York / Queens / Richmond	October 1	December 31	\$ 306	\$ 304	\$ 2	1%
NY	New York City	Bronx / Kings / New York / Queens / Richmond	January 1	February 29	\$ 181	\$ 197	\$ (16)	-9%
NY	New York City	Bronx / Kings / New York / Queens / Richmond	March 1	June 30	\$ 270	\$ 268	\$ 2	1%
NY	New York City	Bronx / Kings / New York / Queens / Richmond	July 1	August 31	\$ 242	\$ 235	\$ 7	3%
NY	New York City	Bronx / Kings / New York / Queens / Richmond	September 1	September 30	\$ 306	\$ 304	\$ 2	1%
NY	Niagara Falls	Niagara	October 1	June 30	\$ 89	\$ 83	\$ 6	7%
NY	Niagara Falls	Niagara	July 1	August 31	\$ 114	\$ 108	\$ 6	5%
NY	Niagara Falls	Niagara	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
NY	Nyack / Palisades	Rockland			\$ 112	\$ 110	\$ 2	2%
NY	Poughkeepsie	Dutchess			\$ 104	\$ 105	\$ (1)	-1%
NY	Riverhead / Ronkonkoma / Melville	Suffolk			\$ 126	\$ 121	\$ 5	4%
NY	Rochester	Monroe			\$ 101	\$ 105	\$ (4)	-4%
NY	Saratoga Springs / Schenectady	Saratoga / Schenectady	October 1	June 30	\$ 120	\$ 116	\$ 4	3%
NY	Saratoga Springs / Schenectady	Saratoga / Schenectady	July 1	August 31	\$ 186	\$ 178	\$ 8	4%
NY	Saratoga Springs / Schenectady	Saratoga / Schenectady	September 1	September 30	\$ 120	\$ 116	\$ 4	3%
NY	Syracuse / Oswego	Onondaga / Oswego			\$ 100	\$ 96	\$ 4	4%
NY	Tarrytown / White Plains / New Rochelle	Westchester			\$ 151	\$ 145	\$ 6	4%
NY	Troy	Rensselaer			\$ 107	\$ 102	\$ 5	5%
NY	Watertown	Jefferson			\$ 94	\$ 96	\$ (2)	-2%
NY	West Point	Orange			\$ 106	\$ 106	\$ -	0%
OH	Akron	Summit			\$ 103	\$ 104	\$ (1)	-1%
OH	Canton	Stark			\$ 106	\$ 109	\$ (3)	-3%
OH	Cincinnati	Hamilton / Clermont			\$ 135	\$ 132	\$ 3	2%
OH	Cleveland	Cuyahoga			\$ 125	\$ 119	\$ 6	5%
OH	Columbus	Franklin			\$ 109	\$ 106	\$ 3	3%
OH	Dayton / Fairborn	Greene / Darke / Montgomery			\$ 90	\$ 89	\$ 1	1%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
OH	Hamilton	Butler / Warren			\$ 101	\$ 98	\$ 3	3%
OH	Medina / Wooster	Wayne / Medina			\$ 100	\$ 95	\$ 5	5%
OH	Mentor	Lake			\$ 97	\$ 94	\$ 3	3%
OH	Sandusky / Bellevue	Erie / Huron			\$ 96	\$ 94	\$ 2	2%
OH	Youngstown	Mahoning / Trumbull			\$ 95	\$ 95	\$ -	0%
OK	Enid	Garfield			\$ 111	\$ 109	\$ 2	2%
OK	Oklahoma City	Oklahoma			\$ 98	\$ 94	\$ 4	4%
OR	Beaverton	Washington			\$ 119	\$ 114	\$ 5	4%
OR	Bend	Deschutes	October 1	June 30	\$ 102	\$ 104	\$ (2)	-2%
OR	Bend	Deschutes	July 1	August 31	\$ 130	\$ 144	\$ (14)	-11%
OR	Bend	Deschutes	September 1	September 30	\$ 102	\$ 104	\$ (2)	-2%
OR	Clackamas	Clackamas			\$ 102	\$ 97	\$ 5	5%
OR	Eugene / Florence	Lane			\$ 106	\$ 99	\$ 7	7%
OR	Lincoln City	Lincoln	October 1	June 30	\$ 98	\$ 95	\$ 3	3%
OR	Lincoln City	Lincoln	July 1	August 31	\$ 125	\$ 123	\$ 2	2%
OR	Lincoln City	Lincoln	September 1	September 30	\$ 98	\$ 95	\$ 3	3%
OR	Portland	Multnomah			\$ 151	\$ 137	\$ 14	9%
OR	Seaside	Clatsop	October 1	June 30	\$ 105	\$ 100	\$ 5	5%
OR	Seaside	Clatsop	July 1	August 31	\$ 156	\$ 148	\$ 8	5%
OR	Seaside	Clatsop	September 1	September 30	\$ 105	\$ 100	\$ 5	5%
PA	Allentown / Easton / Bethlehem	Lehigh / Northampton			\$ 91	\$ 88	\$ 3	3%
PA	Bucks	Bucks			\$ 100	\$ 99	\$ 1	1%
PA	Chester / Radnor / Essington	Delaware			\$ 101	\$ 95	\$ 6	6%
PA	Erie	Erie			\$ 95	\$ 91	\$ 4	4%
PA	Gettysburg	Adams	October 1	October 31	\$ 98	\$ 105	\$ (7)	-7%
PA	Gettysburg	Adams	November 1	March 31	\$ 89	\$ 83	\$ 6	7%
PA	Gettysburg	Adams	April 1	September 30	\$ 98	\$ 105	\$ (7)	-7%
PA	Harrisburg	Dauphin County excluding Hershey			\$ 106	\$ 108	\$ (2)	-2%
PA	Hershey	Hershey	October 1	October 31	\$ 120	\$ 103	\$ 17	14%
PA	Hershey	Hershey	November 1	May 31	\$ 108	\$ 103	\$ 5	5%
PA	Hershey	Hershey	June 1	August 31	\$ 176	\$ 154	\$ 22	13%
PA	Hershey	Hershey	September 1	September 30	\$ 120	\$ 103	\$ 17	14%
PA	Lancaster	Lancaster			\$ 109	\$ 100	\$ 9	8%
PA	Malvern / Frazer / Berwyn	Chester			\$ 124	\$ 122	\$ 2	2%
PA	Mechanicsburg	Cumberland			\$ 90	\$ 91	\$ (1)	-1%
PA	Montgomery	Montgomery			\$ 124	\$ 125	\$ (1)	-1%
PA	Philadelphia	Philadelphia	October 1	November 30	\$ 174	\$ 166	\$ 8	5%
PA	Philadelphia	Philadelphia	December 1	February 29	\$ 144	\$ 139	\$ 5	3%

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
PA	Philadelphia	Philadelphia	March 1	June 30	\$ 168	\$ 171	\$ (3)	-2%
PA	Philadelphia	Philadelphia	July 1	August 31	\$ 155	\$ 142	\$ 13	8%
PA	Philadelphia	Philadelphia	September 1	September 30	\$ 174	\$ 166	\$ 8	5%
PA	Pittsburgh	Allegheny			\$ 130	\$ 128	\$ 2	2%
PA	Reading	Berks			\$ 99	\$ 94	\$ 5	5%
PA	Scranton	Lackawanna			\$ 92	\$ 89	\$ 3	3%
PA	State College	Centre			\$ 95	\$ 87	\$ 8	8%
RI	East Greenwich / Warwick / North Kingstown	Kent / Washington			\$ 95	\$ 91	\$ 4	4%
RI	Jamestown / Middletown / Newport	Newport	October 1	October 31	\$ 166	\$ 165	\$ 1	1%
RI	Jamestown / Middletown / Newport	Newport	November 1	April 30	\$ 107	\$ 96	\$ 11	10%
RI	Jamestown / Middletown / Newport	Newport	May 1	May 31	\$ 107	\$ 165	\$ (58)	-54%
RI	Jamestown / Middletown / Newport	Newport	June 1	August 31	\$ 192	\$ 165	\$ 27	14%
RI	Jamestown / Middletown / Newport	Newport	September 1	September 30	\$ 166	\$ 165	\$ 1	1%
RI	Providence / Bristol	Providence / Bristol			\$ 138	\$ 131	\$ 7	5%
SC	Aiken	Aiken			\$ 93	\$ 88	\$ 5	5%
SC	Charleston	Charleston / Berkeley / Dorchester	October 1	October 31	\$ 171	\$ 157	\$ 14	8%
SC	Charleston	Charleston / Berkeley / Dorchester	November 1	November 30	\$ 171	\$ 142	\$ 29	17%
SC	Charleston	Charleston / Berkeley / Dorchester	December 1	February 29	\$ 145	\$ 142	\$ 3	2%
SC	Charleston	Charleston / Berkeley / Dorchester	March 1	May 31	\$ 203	\$ 186	\$ 17	8%
SC	Charleston	Charleston / Berkeley / Dorchester	June 1	September 30	\$ 171	\$ 157	\$ 14	8%
SC	Columbia	Richland / Lexington			\$ 99	\$ 94	\$ 5	5%
SC	Hilton Head	Beaufort	October 1	March 31	\$ 103	\$ 104	\$ (1)	-1%
SC	Hilton Head	Beaufort	April 1	July 31	\$ 144	\$ 133	\$ 11	8%
SC	Hilton Head	Beaufort	August 1	August 31	\$ 144	\$ 104	\$ 40	28%
SC	Hilton Head	Beaufort	September 1	September 30	\$ 103	\$ 104	\$ (1)	-1%
SC	Myrtle Beach	Horry	October 1	March 31	\$ 89	\$ 83	\$ 6	7%
SC	Myrtle Beach	Horry	April 1	May 31	\$ 105	\$ 101	\$ 4	4%
SC	Myrtle Beach	Horry	June 1	August 31	\$ 151	\$ 143	\$ 8	5%
SC	Myrtle Beach	Horry	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
SD	Hot Springs	Fall River / Custer	October 1	October 31	\$ 93	\$ 89	\$ 4	4%
SD	Hot Springs	Fall River / Custer	November 1	May 31	\$ 89	\$ 83	\$ 6	7%
SD	Hot Springs	Fall River / Custer	June 1	August 31	\$ 126	\$ 128	\$ (2)	-2%
SD	Hot Springs	Fall River / Custer	September 1	September 30	\$ 93	\$ 89	\$ 4	4%

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
SD	Rapid City	Pennington	October 1	May 31	\$ 89	\$ 83	\$ 6	7%
SD	Rapid City	Pennington	June 1	August 31	\$ 137	\$ 133	\$ 4	3%
SD	Rapid City	Pennington	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
SD	Sturgis / Spearfish	Meade / Butte / Lawrence	October 1	May 31	\$ 89	\$ 83	\$ 6	7%
SD	Sturgis / Spearfish	Meade / Butte / Lawrence	June 1	August 31	\$ 126	\$ 113	\$ 13	10%
SD	Sturgis / Spearfish	Meade / Butte / Lawrence	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
TN	Brentwood / Franklin	Williamson			\$ 114	\$ 107	\$ 7	6%
TN	Chattanooga	Hamilton			\$ 95	\$ 94	\$ 1	1%
TN	Knoxville	Knox			\$ 92	\$ 88	\$ 4	4%
TN	Memphis	Shelby			\$ 106	\$ 102	\$ 4	4%
TN	Nashville	Davidson	October 1	June 30	\$ 145	\$ 132	\$ 13	9%
TN	Nashville	Davidson	July 1	August 31	\$ 145	\$ 123	\$ 22	15%
TN	Nashville	Davidson	September 1	September 30	\$ 145	\$ 132	\$ 13	9%
TN	Oak Ridge	Anderson			\$ 89	\$ 84	\$ 5	6%
TX	Arlington / Fort Worth / Grapevine	Tarrant County / City of Grapevine			\$ 149	\$ 144	\$ 5	3%
TX	Austin	Travis	October 1	November 30	\$ 135	\$ 126	\$ 9	7%
TX	Austin	Travis	December 1	December 31	\$ 135	\$ 139	\$ (4)	-3%
TX	Austin	Travis	January 1	March 31	\$ 159	\$ 139	\$ 20	13%
TX	Austin	Travis	April 1	September 30	\$ 135	\$ 126	\$ 9	7%
TX	Big Spring	Howard			\$ 171	\$ 148	\$ 23	13%
TX	College Station	Brazos			\$ 114	\$ 102	\$ 12	11%
TX	Corpus Christi	Nueces			\$ 105	\$ 103	\$ 2	2%
TX	Dallas	Dallas	October 1	December 31	\$ 125	\$ 125	\$ -	0%
TX	Dallas	Dallas	January 1	March 31	\$ 138	\$ 135	\$ 3	2%
TX	Dallas	Dallas	April 1	May 31	\$ 138	\$ 125	\$ 13	9%
TX	Dallas	Dallas	June 1	September 30	\$ 125	\$ 125	\$ -	0%
TX	El Paso	El Paso			\$ 95	\$ 92	\$ 3	3%
TX	Galveston	Galveston	October 1	May 31	\$ 99	\$ 95	\$ 4	4%
TX	Galveston	Galveston	June 1	August 31	\$ 129	\$ 124	\$ 5	4%
TX	Galveston	Galveston	September 1	September 30	\$ 99	\$ 95	\$ 4	4%
TX	Greenville	Hunt County			\$ 89	\$ 84	\$ 5	6%
TX	Houston (L.B. Johnson Space Center)	Montgomery / Fort Bend / Harris	October 1	January 31	\$ 131	\$ 132	\$ (1)	-1%
TX	Houston (L.B. Johnson Space Center)	Montgomery / Fort Bend / Harris	February 1	May 31	\$ 147	\$ 132	\$ 15	10%
TX	Houston (L.B. Johnson Space Center)	Montgomery / Fort Bend / Harris	June 1	September 30	\$ 131	\$ 121	\$ 10	8%
TX	Laredo	Webb			\$ 99	\$ 98	\$ 1	1%

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
TX	McAllen	Hidalgo			\$ 93	\$ 88	\$ 5	5%
TX	Midland	Midland	October 1	October 31	\$ 185	\$ 162	\$ 23	12%
TX	Midland	Midland	November 1	January 31	\$ 174	\$ 162	\$ 12	7%
TX	Midland	Midland	February 1	March 31	\$ 185	\$ 162	\$ 23	12%
TX	Midland	Midland	April 1	May 31	\$ 185	\$ 172	\$ 13	7%
TX	Midland	Midland	June 1	September 30	\$ 185	\$ 162	\$ 23	12%
TX	Pearsall	Frio / Medina / La Salle	October 1	March 31	\$ 119	\$ 137	\$ (18)	-15%
TX	Pearsall	Frio / Medina / La Salle	April 1	May 31	\$ 142	\$ 137	\$ 5	4%
TX	Pearsall	Frio / Medina / La Salle	June 1	September 30	\$ 119	\$ 137	\$ (18)	-15%
TX	Pecos	Reeves			\$ 152	\$ 83	\$ 69	45%
TX	Plano	Collin			\$ 114	\$ 108	\$ 6	5%
TX	Round Rock	Williamson			\$ 96	\$ 93	\$ 3	3%
TX	San Angelo	Tom Green	October 1	March 31	\$ 136	\$ 147	\$ (11)	-8%
TX	San Angelo	Tom Green	April 1	May 31	\$ 136	\$ 126	\$ 10	7%
TX	San Angelo	Tom Green	June 1	September 30	\$ 136	\$ 147	\$ (11)	-8%
TX	San Antonio	Bexar			\$ 120	\$ 115	\$ 5	4%
TX	South Padre Island	Cameron	October 1	May 31	\$ 89	\$ 88	\$ 1	1%
TX	South Padre Island	Cameron	June 1	July 30	\$ 117	\$ 112	\$ 5	4%
TX	South Padre Island	Cameron	August 1	August 31	\$ 117	\$ 88	\$ 29	25%
TX	South Padre Island	Cameron	September 1	September 30	\$ 89	\$ 88	\$ 1	1%
TX	Waco	McLennan			\$ 93	\$ 89	\$ 4	4%
UT	Moab	Grand	October 1	October 31	\$ 143	\$ 130	\$ 13	9%
UT	Moab	Grand	November 1	February 29	\$ 89	\$ 83	\$ 6	7%
UT	Moab	Grand	March 1	September 30	\$ 143	\$ 130	\$ 13	9%
UT	Park City	Summit	October 1	November 30	\$ 118	\$ 115	\$ 3	3%
UT	Park City	Summit	December 1	March 31	\$ 232	\$ 87	\$ 145	63%
UT	Park City	Summit	April 1	September 30	\$ 118	\$ 115	\$ 3	3%
UT	Provo	Utah			\$ 91	\$ 87	\$ 4	4%
UT	Salt Lake City	Salt Lake / Tooele	October 1	December 31	\$ 108	\$ 106	\$ 2	2%
UT	Salt Lake City	Salt Lake / Tooele	January 1	March 31	\$ 123	\$ 117	\$ 6	5%
UT	Salt Lake City	Salt Lake / Tooele	April 1	September 30	\$ 108	\$ 106	\$ 2	2%
VA	Abingdon	Washington			\$ 98	\$ 96	\$ 2	2%
VA	Blacksburg	Montgomery			\$ 100	\$ 96	\$ 4	4%
VA	Charlottesville	City of Charlottesville / Albemarle / Greene			\$ 128	\$ 125	\$ 3	2%
VA	Fredericksburg	City of Fredericksburg / Spotsylvania / Stafford / Caroline			\$ 89	\$ 84	\$ 5	6%
VA	Loudoun	Loudoun			\$ 97	\$ 96	\$ 1	1%
VA	Lynchburg	Campbell / Lynchburg City			\$ 94	\$ 90	\$ 4	4%

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
VA	Norfolk / Portsmouth	Cities of Norfolk / Portsmouth			\$ 89	\$ 87	\$ 2	2%
VA	Prince William / Manassas	Prince William / City of Manassas			\$ 89	\$ 85	\$ 4	4%
VA	Richmond	City of Richmond			\$ 121	\$ 113	\$ 8	7%
VA	Roanoke	City limits of Roanoke			\$ 104	\$ 102	\$ 2	2%
VA	Virginia Beach	City of Virginia Beach	October 1	May 31	\$ 96	\$ 94	\$ 2	2%
VA	Virginia Beach	City of Virginia Beach	June 1	August 31	\$ 176	\$ 172	\$ 4	2%
VA	Virginia Beach	City of Virginia Beach	September 1	September 30	\$ 96	\$ 94	\$ 2	2%
VA	Wallops Island	Accomack	October 1	June 30	\$ 99	\$ 92	\$ 7	7%
VA	Wallops Island	Accomack	July 1	August 31	\$ 180	\$ 172	\$ 8	4%
VA	Wallops Island	Accomack	September 1	September 30	\$ 99	\$ 92	\$ 7	7%
VA	Warrenton	Fauquier			\$ 98	\$ 108	\$ (10)	-10%
VA	Williamsburg / York	James City / York Counties / City of Williamsburg	October 1	February 29	\$ 89	\$ 83	\$ 6	7%
VA	Williamsburg / York	James City / York Counties / City of Williamsburg	March 1	March 31	\$ 96	\$ 83	\$ 13	14%
VA	Williamsburg / York	James City / York Counties / City of Williamsburg	April 1	August 31	\$ 96	\$ 96	\$ -	0%
VA	Williamsburg / York	James City / York Counties / City of Williamsburg	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
VT	Burlington / St. Albans / Middlebury	Chittenden / Franklin / Addison	October 1	October 31	\$ 128	\$ 125	\$ 3	2%
VT	Burlington / St. Albans / Middlebury	Chittenden / Franklin / Addison	November 1	April 30	\$ 104	\$ 104	\$ -	0%
VT	Burlington / St. Albans / Middlebury	Chittenden / Franklin / Addison	May 1	September 30	\$ 128	\$ 125	\$ 3	2%
VT	Manchester	Bennington	October 1	October 31	\$ 119	\$ 107	\$ 12	10%
VT	Manchester	Bennington	November 1	June 30	\$ 98	\$ 90	\$ 8	8%
VT	Manchester	Bennington	July 1	September 30	\$ 119	\$ 107	\$ 12	10%
VT	Montpelier	Washington			\$ 115	\$ 110	\$ 5	4%
VT	Stowe	Lamoille	October 1	October 31	\$ 136	\$ 125	\$ 11	8%
VT	Stowe	Lamoille	November 1	June 30	\$ 119	\$ 125	\$ (6)	-5%
VT	Stowe	Lamoille	July 1	September 30	\$ 136	\$ 125	\$ 11	8%
VT	White River Junction	Windsor			\$ 100	\$ 97	\$ 3	3%
WA	Anacortes / Coupeville / Oak Harbor	Skagit / Island / San Juan			\$ 89	\$ 85	\$ 4	4%
WA	Everett / Lynnwood	Snohomish			\$ 113	\$ 107	\$ 6	5%
WA	Ocean Shores	Grays Harbor	October 1	June 30	\$ 89	\$ 83	\$ 6	7%
WA	Ocean Shores	Grays Harbor	July 1	August 31	\$ 110	\$ 104	\$ 6	5%
WA	Ocean Shores	Grays Harbor	September 1	September 30	\$ 89	\$ 83	\$ 6	7%

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STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
WA	Olympia / Tumwater	Thurston			\$ 99	\$ 98	\$ 1	1%
WA	Port Angeles / Port Townsend	Clallam / Jefferson	October 1	June 30	\$ 100	\$ 95	\$ 5	5%
WA	Port Angeles / Port Townsend	Clallam / Jefferson	July 1	August 31	\$ 137	\$ 128	\$ 9	7%
WA	Port Angeles / Port Townsend	Clallam / Jefferson	September 1	September 30	\$ 100	\$ 95	\$ 5	5%
WA	Richland / Pasco	Benton / Franklin			\$ 94	\$ 92	\$ 2	2%
WA	Seattle	King	October 1	October 31	\$ 202	\$ 156	\$ 46	23%
WA	Seattle	King	November 1	April 30	\$ 157	\$ 156	\$ 1	1%
WA	Seattle	King	May 1	May 31	\$ 202	\$ 156	\$ 46	23%
WA	Seattle	King	June 1	August 31	\$ 202	\$ 190	\$ 12	6%
WA	Seattle	King	September 1	September 30	\$ 202	\$ 156	\$ 46	23%
WA	Spokane	Spokane			\$ 96	\$ 88	\$ 8	8%
WA	Tacoma	Pierce			\$ 112	\$ 109	\$ 3	3%
WA	Vancouver	Clark / Cowlitz / Skamania			\$ 151	\$ 137	\$ 14	9%
WI	Appleton	Outagamie			\$ 92	\$ 88	\$ 4	4%
WI	Brookfield / Racine	Waukesha / Racine			\$ 97	\$ 95	\$ 2	2%
WI	Madison	Dane	October 1	October 31	\$ 127	\$ 116	\$ 11	9%
WI	Madison	Dane	November 1	August 31	\$ 105	\$ 97	\$ 8	8%
WI	Madison	Dane	September 1	September 30	\$ 127	\$ 116	\$ 11	9%
WI	Milwaukee	Milwaukee			\$ 115	\$ 107	\$ 8	7%
WI	Sheboygan	Sheboygan	October 1	May 31	\$ 89	\$ 83	\$ 6	7%
WI	Sheboygan	Sheboygan	June 1	August 31	\$ 94	\$ 93	\$ 1	1%
WI	Sheboygan	Sheboygan	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
WI	Sturgeon Bay	Door	October 1	June 30	\$ 89	\$ 83	\$ 6	7%
WI	Sturgeon Bay	Door	July 1	August 31	\$ 93	\$ 90	\$ 3	3%
WI	Sturgeon Bay	Door	September 1	September 30	\$ 89	\$ 83	\$ 6	7%
WI	Wisconsin Dells	Columbia	October 1	May 31	\$ 92	\$ 91	\$ 1	1%
WI	Wisconsin Dells	Columbia	June 1	August 31	\$ 116	\$ 110	\$ 6	5%
WI	Wisconsin Dells	Columbia	September 1	September 30	\$ 116	\$ 91	\$ 25	22%
WV	Charleston	Kanawha			\$ 107	\$ 105	\$ 2	2%
WV	Morgantown	Monongalia			\$ 102	\$ 98	\$ 4	4%
WI	Shepherdstown	Jefferson			\$ 89	\$ 86	\$ 3	3%
WV	Wheeling	Ohio			\$ 119	\$ 106	\$ 13	11%
WY	Cody	Park	October 1	November 30	\$ 102	\$ 93	\$ 9	9%
WY	Cody	Park	December 1	March 31	\$ 102	\$ 86	\$ 16	16%
WY	Cody	Park	April 1	May 31	\$ 102	\$ 96	\$ 6	6%
WY	Cody	Park	June 1	September 30	\$ 139	\$ 130	\$ 9	6%

Comparison of Current State Rates with Federal Lodging Rates Effective October 1, 2015

STATE	DESTINATION	COUNTY/LOCATION DEFINED	SEASON BEGIN	SEASON END	Fed Lodging Rate	State Lodging Rate	Difference	Percent Variance (based on Federal Rate)
WY	Evanston / Rock Springs	Sweetwater / Uinta			\$ 97	\$ 91	\$ 6	6%
WY	Gillette	Campbell			\$ 104	\$ 85	\$ 19	18%
WY	Jackson / Pinedale	Teton / Sublette	October 1	May 31	\$ 119	\$ 117	\$ 2	2%
WY	Jackson / Pinedale	Teton / Sublette	June 1	June 30	\$ 179	\$ 117	\$ 62	35%
WY	Jackson / Pinedale	Teton / Sublette	July 1	August 31	\$ 179	\$ 179	\$ -	0%
WY	Jackson / Pinedale	Teton / Sublette	September 1	September 30	\$ 179	\$ 117	\$ 62	35%



STATE OF ARIZONA

Joint Legislative Budget Committee

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MICHELLE UGENTI

DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Matt Beienburg, Fiscal Analyst *MB*

SUBJECT: Arizona Department of Administration/Department of Education - Review of Automation Projects Fund Expenditure Reallocation

Request

Pursuant to A.R.S. § 41-714 the Arizona Department of Administration (ADOA) and the Arizona Department of Education (ADE) have requested that the Committee review a reallocation of the FY 2016 Arizona Education Learning and Accountability System (AELAS) appropriation. ADE is proposing to shift \$400,000 from Program Support Office (PSO) to Centralized Educational Data Services. The reallocation utilizes previously appropriated amounts and involves no request for additional funds.

Recommendation

The Committee has at least the following 2 options:

1. A favorable review.
2. An unfavorable review.

The Committee may also consider the following provision adopted by the Arizona Strategic Enterprise Technology Office:

- A. Should there be any changes in the proposed costs, technology approach, scope of work, or implementation schedule, ADE must amend the Project Investment Justification to reflect the changes and submit it to ADOA-ASET and the Information Technology Authorization Committee (ITAC), if required for review and approval prior to further expenditure of funds.

(Continued)

Analysis

Background

On June 18, 2015, the Committee favorably reviewed the \$7 million AELAS FY 2016 budget, including \$1.9 million for PSO and Production Services. ADE now wants to shift \$400,000 to Centralized Educational Data Services for no new net change, as shown in Table 1.

Table 1		
FY 2016 AELAS Expenditure Plan		
<u>Project</u>	<u>FY 2016 Original</u>	<u>FY 2016 Revised</u>
PSO and Production Services	\$1,900,000	\$1,500,000
School Finance	1,700,000	1,700,000
Arizona Education Data Standards (AzEDS)	2,000,000	2,400,000
Opt In SSIS	1,400,000	1,400,000
Total	\$7,000,000	\$7,000,000

The PSO creates design standards for the AELAS project and provides overall management, including financial oversight, procurement, reporting, and vendor supervision.

Current Proposal

As part of the Arizona Education Data Standards (AzEDS), the Centralized Educational Data Services project is intended to provide a single source of business data. In the absence of this project's implementation, ADE indicates that data analysis and reporting may work off various non-synchronized data copies rather than a single version across software applications. In June, the Committee reviewed \$2.0 million for this project. Since the projected cost is now \$2.4 million, ADE is proposing the \$400,000 transfer.

The reallocated funds would provide for salaries for several outside service professionals who would receive guidance from an ADE Project Sponsor.

ADE has proposed a project schedule start date of October 1, 2015 and completion date of April 15, 2016.

RS/MB:kp

Douglas A. Ducey
Governor



Kevin Donnellan
Acting Director

ARIZONA DEPARTMENT OF ADMINISTRATION

OFFICE OF THE DIRECTOR

100 NORTH FIFTEENTH AVENUE • SUITE 401
PHOENIX, ARIZONA 85007
(602) 542-1500

September 3, 2015

The Honorable Justin Olson, Chairman
Joint Legislative Budget Committee
Arizona House of Representatives
1700 West Washington Street
Phoenix, Arizona 85007



The Honorable Don Shooter, Vice-Chairman
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington Street
Phoenix, Arizona 85007

Dear Representative Olson and Senator Shooter:

In accordance with Arizona Revised Statutes § 41-714, the Arizona Department of Administration (ADOA) is submitting this request for review of fiscal year 2015 and fiscal year 2016 Automation Projects Fund projects. Monies to support the expenditure plans have already been appropriated to the Automation Projects Fund.

The attached document contains a detailed explanation of each proposed project. We will be happy to meet with your staff to provide further explanation as appropriate.

Sincerely,

A handwritten signature in blue ink, appearing to be "K. Donnellan".

Kevin Donnellan
Acting Director

Enclosures

cc: Richard Stavneak, Director, JLBC
Lorenzo Romero, Director, OSPB
✓ Rebecca Perrera, JLBC Staff
Chris Olvey, OSPB Staff
Michael J. Lettman, Acting State CIO
Paul Shannon, Assistant Director Budget and Resource Planning ADOA



ADOA-ASET

Project Investment Justification

Version 03.31.15

A Statewide Standard Document for Information Technology Projects

Project Title:

Centralized Educational Data Services

Agency Name:	Arizona Department of Education
Date:	8/27/2015
Agency Contact Name:	Lisa Blyler
Agency Contact Phone:	602-542-3144
Agency Contact Email:	<u>Lisa.Blyler@azed.gov</u>

Hover for Instructions

I. **Project Investment Justification (PIJ) Type***

☐ Yes ☒ No Is this document being provided for a Pre-PIJ / Assessment phase?

If Yes,

Identify any cost to be incurred during the Assessment phase.	\$
Based on research done to date, provide a high-level estimate or range of development costs anticipated for the full PIJ.	\$

Explain:

[Click here to enter text.](#)

☐ Yes ☒ No Will a Request for Proposal (RFP) be issued as part of the Pre-PIJ or PIJ?

II. **Business Case**

A. **Business Problem***

The Department of Education has, under other development projects, been developing software for the collection of, and the managed storage of data from, of, and for Arizona's different educational program areas. Now that the initial data is being collected, cleansed, and stored, the need exists to make this data available in a consistent, performant, and auditable manner to the multiple software applications serving the Department of Education.

B. **Proposed Business Solution***

Create a system to support the initial consumption of the Central Agency Data Store using shared, Web Services, Data Views, SSIS packages, and Bulk data services exposed to and usable with approval from the Data governance team in the Agency. Software applications will need to confirm approval to access Data through the Data Governance processes in place.

C. **Quantified Benefits***

- | | |
|-------------------------------------|---------------------|
| <input checked="" type="checkbox"/> | Service enhancement |
| <input type="checkbox"/> | Increased revenue |
| <input type="checkbox"/> | Cost reduction |
| <input checked="" type="checkbox"/> | Problem avoidance |
| <input type="checkbox"/> | Risk avoidance |

Explain:

Access to a single source of business data will avoid analysis and reporting that is working off of non-synchronized data copies, and allow a single definition to hold across appropriate software applications. Services are enhanced with more consistent data access and quality.

III. **Technology Approach**

A. *Proposed Technology Solution**

Develop new shared, Web Services, Data Views, SSIS packages, and Bulk data services that will be deployed on existing Central Agency Data servers and databases. Develop guide and support materials and documentation for consumption by Software application teams for their development to access the data.

B. *Existing Technology Environment*

The Central Agency Data Services Ed-Fi SDS web services, software application process and database components will be deployed on various servers for performance and scale out reasons. The system will be deployed on the new hardware that has been provisioned as part of the ED14004 PIJ. The Deployment Model figure below shows the various servers involved and the roles of each server.

Web Server

Access by various Agency based software applications is anticipated to be via Web Services. The web servers will be load balanced in the production environment. These web services should be deployed to IIS on the server. IIS should be configured to use its own application pool. The application pool identity should be configured to use a service account provisioned through Active Directory.

ADE Connect

ADE Connect will be utilized to validate the authentication token submitted with the Service requests.

App Server

The Business Rules processor will be deployed to this App server. The rules processor may use the InRule rules engine to validate the rules.

InRule Business Rules Engine Server (Future option outside the scope of this PIJ)

The business rules that are collected through the Requirements gathering and Design phase will be validated for appropriate incorporation in the InRule Business rules engine. This business rules engine is deployed on its own server.

SQL Server Database

The Common Agency Data Store is hosted in a clustered database server in the production environment.

SSRS Server (Future option outside the scope of this PIJ)

A variety of reports are to be generated by the new system. The reports will be implemented using SQL Server Reporting Services (SSRS) and deployed to the SSRS Server.

SSIS Server

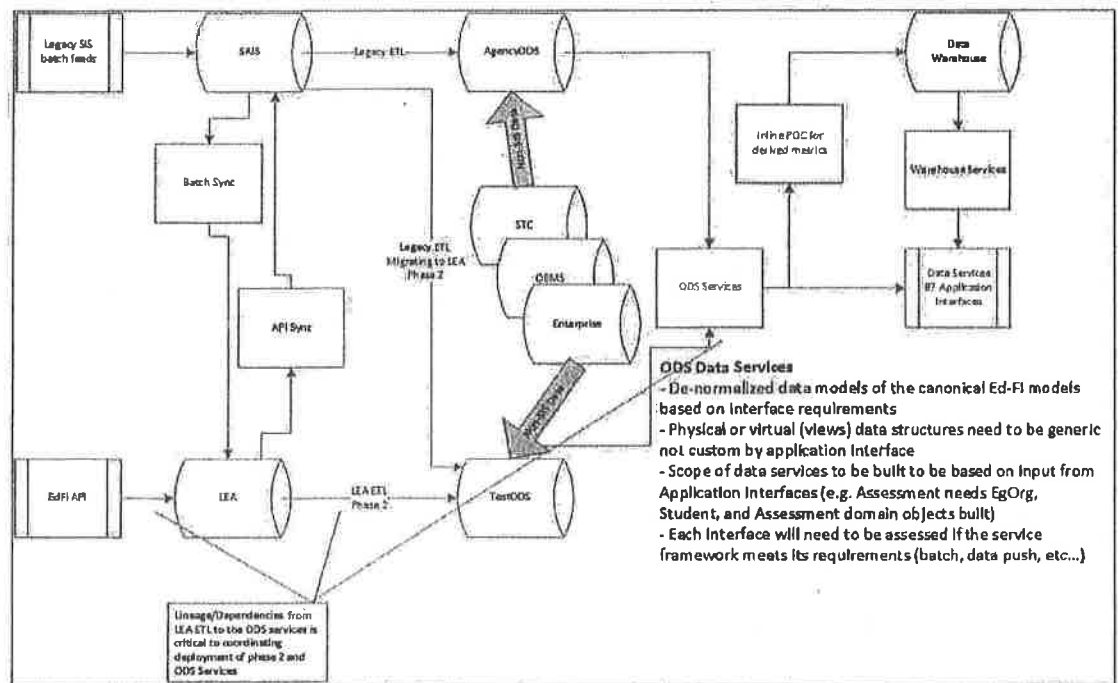
For some Agency applications, it will be the design to extract data from ADE's ODS and load it into the application database. This design will be minimized to maximize synchronicity of data, and only utilized where application use pattern requires performance of local data copy. ETL packages will be developed to extract shareable data from application databases and load it to ADE's ODS. These ETL packages will be

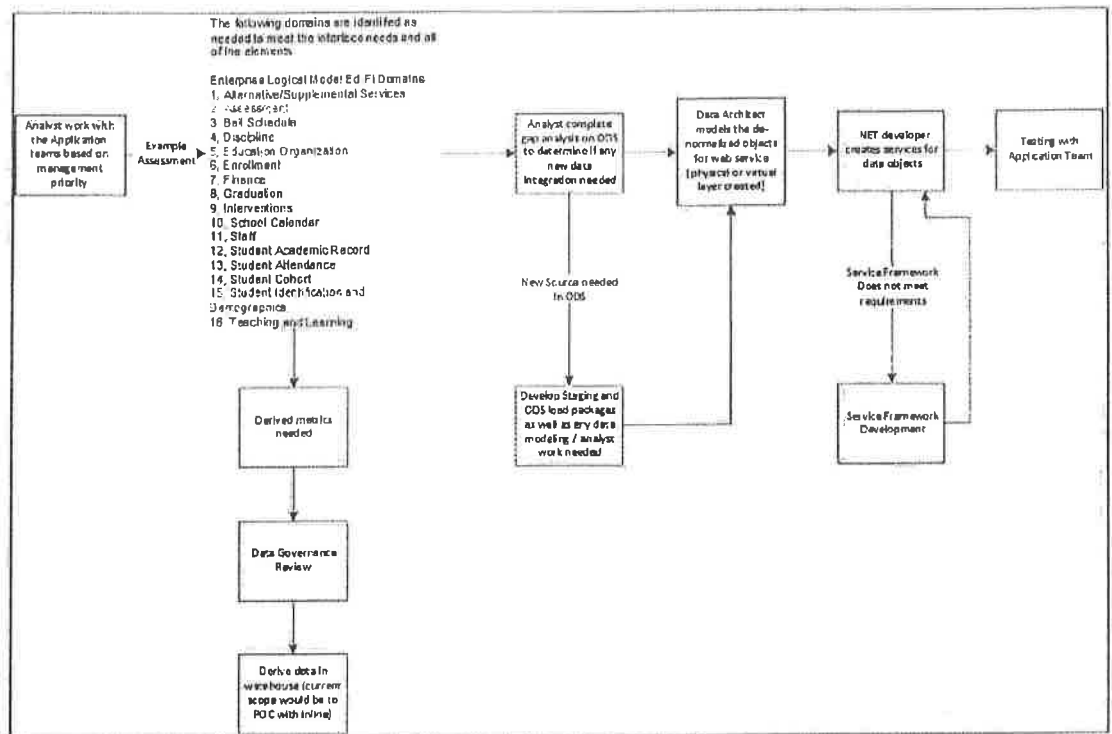
developed using SQL Server Integration Services (SSIS) and will be deployed to the SSIS Server.

The following technologies are selected to fulfill the requirements of the Centralized Educational Data Services project.

- Microsoft Windows 2008 R2 or 2012 Server for Operating system
- Microsoft .Net 4.5 framework with C# programming language
- Microsoft Windows Communication Services (WCF) 4.5 for Web services
- Microsoft Entity Framework 6.0 or Dapper for Data Access
- Microsoft SQL Server 2012 for database server
- Microsoft SQL Server Integration Service (SSIS) 2012 for ETL packages
- Add additional technologies as determined during the requirements and design phase

The Agency Centralized Educational Data Services will receive data both from other On-Premise application systems, as well as the AzEDS application hosted on Microsoft Azure Cloud. All Data transfers between On-Premise and Azure hosted systems will be through an encrypted Point to Point VPN tunnel.





C. Selection Process

In October 2012, the Data Governance Commission enforced the recommendation to implement Master Data Management policy using the Common Education Data Standards (CEDS) and Ed-Fi as the state adopted standard moving forward for any new development and procurement.

The Ed-Fi solution is a universal educational data standard and tool suite that enables vital academic information on K-12 students to be consolidated from the different data systems of school districts while leaving the management and governance of data within those districts and states. The standard and tool suite includes a unifying data model, data exchange framework, application framework, and sample dashboard source code. The Ed-Fi solution is open, XML-based, and CEDS-aligned to integrate information from a broad range of existing sources so it can be sifted, analyzed and put to use every day. Ed-Fi components act as a universal translator of academic data, integrating and organizing information.

ADE is aligning its data collection, data storage, and most business processes to Ed-Fi standards. This project is one of the many steps required to meet the Data Governance Commission's recommendation.

IV. Project Approach

A. Project Schedule*

Project Start Date: 10/1/2015

Project End Date: 4/15/2016

B. Project Milestones

Major Milestones	Start Date	Finish Date
Collect Requirements from critical Agency Applications	10/1/2015	11/1/2015
Define the Baseline Service Technical Architecture	10/1/2015	11/1/2015
Develop Baseline Service Technical Architecture	10/15/2015	11/1/2015
Analysis of Initial Services needed for Application(s) to consume	10/1/2015	10/30/2015
Database development on Initial Services	11/1/2015	3/28/2016
Develop Services	11/1/2015	4/15/2016

C. Project Roles and Responsibilities

- **Project Sponsor** – The project sponsor will represent ADE's business needs for the project. The Sponsor serves as providing the agency commitment to the project, and signs off on any changes or acceptance criteria for agreed-upon deliverables. The project sponsor also provides guidance to the Project Manager and implementation team regarding general policy or outcomes.
- **Project Manager** – The project manager serves as the lead for the project and ensures fulfillment of tasks and outcomes for the project. This manager is also the point person for interactions with the vendor and any other contractors brought on to implement the project. The project manager is expected to:
 - Plans and conducts meetings with Project sponsor
 - Develops overall Project Plan
 - Manages individual tasks and the resources assigned to accomplish tasks
 - Directs issue management process
 - Completes status reports for ADE audiences
 - Manages any changes in scope
 - Conducts weekly project meetings
 - Signs off on deliverables or change orders along with the Project Sponsor
- **Data Architect** - The data architect role for this project is critical for documenting and explaining the relationships between various data elements within the system and other integrated systems. The Data Architect will also develop the new database design and data warehousing schemas. The data architect will also support the technical lead and project manager during the testing and migration phase of the project to ensure that business data is being handled properly and is able to be used as required by ADE
- **Data Analyst / SSIS Developer** – Responsible for analysis and development of the details for all data Collected, Read, or otherwise utilized in and for the system. In conjunction with the Architect, provides technical guidance, documentation and defect resolution as needed for all related development and QA activities, and providing regular updates to the Project Manager.
- **Solutions Architect** – The solutions architect is a vital member of the project team and will assist the project team in developing the solution in accordance with ADE standards and

guidelines. The solutions architect will assist the project team in resolving issues surrounding the integration with various systems as they arise during implementation.

- **.NET Developer** – Responsible for development and unit testing the requirements/use cases and detail designs, with defect resolution as needed.
- **Business Analyst** – The business analyst serves as the lead for translating business requirements into a format understandable for the technical team. The ADE business analyst for this project will see most of his/her work during the requirements gathering and preparation phase of the project. The analyst will then remain part of the team and will handle ongoing issues and requirement changes as they arise.
- **QA Analyst** – The QA analyst will write test case scenarios and do a manual functional testing of the services developed

V. Risk Matrix, Areas of Impact, Itemized List, PIJ Financials



Project Investment
Justification.xlsx

VI. Project Approvals

A. Agency CIO/ISO Review and Initials Required*

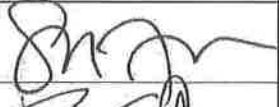


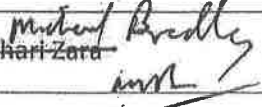
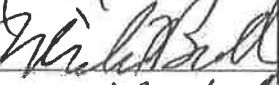
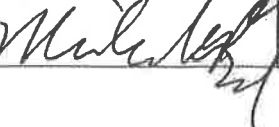
Key Management Information	Yes	No	Init's
1. Is this project for a mission-critical application system?	X		
2. Is this project referenced in your agency's Strategic IT Plan?	X		
3. Have you reviewed and is this project in compliance with all applicable Statewide policies and standards for network, security, platform, software/application, and/or data/information located at https://aset.az.gov/resources/psp ? If NO, explain in detail in section "VIII. Additional Information" below.	X		
4. Will any PII, PHI, or other Protected Information as defined in the 8110 Statewide Data Classification Policy located at https://aset.az.gov/resources/psp be transmitted, stored, or processed with this project? If YES, the Protected Data section under "VII. Security Controls" below will need to be completed.	X		
5. Will this project migrate, transmit, or store data outside of the agency's in-house environment or the State Data Center? If YES, the Hosted Data section under "VII. Security Controls" below will need to be completed.		X	
6. Is this project in compliance with the Arizona Revised Statutes and GRRC rules?	X		
7. Is this project in compliance with the Statewide policy regarding the accessibility to equipment and information technology for citizens with disabilities?	X		

B. Project Values*

The following table should be populated with summary information from other sections of the PIJ.

Description	Section	Number or Cost
Assessment Cost (if applicable for Pre-PIJ)	I. PIJ Type - Pre-PIJ Assessment Cost	\$0
Total Development Cost	V. PIJ Financials tab	\$399,988.00
Total Project Cost	V. PIJ Financials tab	\$399,988.00
FTE Hours	See Hover text for FTE Hours	0

C. Agency Approvals*

Approver	Printed Name	Signature	Email and Phone
Program Manager:	Sheri Fimbrez		Sheri.Fimbrez@azed.gov 602.542.5735
Agency Information Security Officer:	Robert Callahan		Robert.Callahan@azed.gov 602.542.9250
Agency CIO:	Mark Masterson		Mark.Masterson@azed.gov 602.542.3542
Project Sponsor:	Shari Zara 		Shari.Zara@azed.gov 602.364.2347
Agency Director:	Michael W. Bradley		Michael.Bradley@azed.gov 602.542.5423

VII. Security Controls

Collaboration with the ADOA-ASET Security, Privacy and Risk (SPR) team may be needed to complete this section, which is only required for those projects that involve data that is Protected or Hosted outside of the Agency or State Data Center. Additional information can be found in the NIST FRAMEWORK section under RESOURCES at <https://aset.az.gov/resources/psp> or you may wish to contact ASET-SPR directly at secadm@azdoa.gov for assistance.

A. Protected Data

Click here to enter text.

B. Hosted Data

- ☒ Check here if the <https://aset.az.gov/arizona-baseline-security-controls-excel> spreadsheet is attached. Otherwise explain below what information/ support is needed to complete the spreadsheet and/or why no sheet is attached:

Click here to enter text.

- ☒ Check here if a Conceptual Design / Network Diagram is attached. Otherwise explain below what information/support is needed to complete the diagram and/or why no diagram is attached:

Click here to enter text.

VIII. Additional Information

IX. Attachments



AELAS Security
Questionnaire_FY16.:

X. Glossary

Other Links:

[ADOA-ASET Website](#)

[ADOA-ASET Project Investment Justification Information Templates and Contacts](#)

Email Addresses:

[Strategic Oversight](#)

ADOA-ASET_Webmaster@azdoa.gov

ADOA-ASET - Arizona Strategic Enterprise Technology
Project Investment Justification - Itemized List

Project ID: To Be Provided by ADOA-ASET

Date Accepted: To be Provided by ADOA-ASET

Project Information

Project Name	Agency Name	Date Submitted
Centralized Educational Data Services	Arizona Department of Education	08/17/15

Project Cost - Itemized

Item	Description	Category	Development or Operational	Qty or Hours	Unit Cost	Tax (If app)	Extended Cost
1	Project Manager	Prof & Outside Services	Development	240	\$81.75		\$19,620.00
2	Solution Architect	Prof & Outside Services	Development	480	\$86.80		\$41,664.00
3	Data Architect	Prof & Outside Services	Development	240	\$97.00		\$23,280.00
4	Data Analysts	Prof & Outside Services	Development	960	\$86.75		\$83,280.00
5	Business Analysts	Prof & Outside Services	Development	480	\$67.30		\$32,304.00
6	Developers	Prof & Outside Services	Development	1920	\$86.75		\$166,560.00
7	Quality Assurance Analyst	Prof & Outside Services	Development	640	\$52.00		\$33,280.00
8		Software	Development				\$0.00
9		[--Select--]	[--Select--]				\$0.00
10		[--Select--]	[--Select--]				\$0.00
11		[--Select--]	[--Select--]				\$0.00
12		[--Select--]	[--Select--]				\$0.00
13		[--Select--]	[--Select--]				\$0.00
14		[--Select--]	[--Select--]				\$0.00
15		[--Select--]	[--Select--]				\$0.00

Total of Development Cost \$399,988.00
Total of Operational Cost \$0.00
Total Itemization of Costs: \$399,988.00



STATE OF ARIZONA

Joint Legislative Budget Committee

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DAVID STEVENS
MICHELLE UGENTI

DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Jeremy Gunderson, Fiscal Analyst *JG*

SUBJECT: Arizona Department of Administration/Department of Revenue - Review of Data
Capture Contingency Expenditure Plan (Automation Projects Fund)

Request

Pursuant to A.R.S. § 41-714, the Arizona Department of Administration (ADOA) and the Department of Revenue (DOR) have requested that the Committee review \$565,800 in proposed expenditures from the Automation Projects Fund (APF) to improve DOR's ability to capture and analyze more tax return data electronically. The request is to review the remaining contingency monies from the FY 2015 APF appropriation of \$1,700,000.

Recommendation

The Committee has at least the following 2 options:

1. A favorable review.
2. An unfavorable review.

This project received relevant approvals from the Information Technology Authorization Committee (ITAC) and Arizona Strategic Enterprise Technology (ASET) Staff prior to the Committee's review of this project at the December 2014 meeting. DOR presented the contingency spending plan as an informational item at the August 2015 ITAC meeting. The JLBC Staff recommends that the Committee consider adopting the following provision:

- A. Committee review is only for \$459,000 of the expenditure plan. Prior to spending the project's remaining contingency funding of \$106,800, DOR must submit an expenditure plan to the Committee for review.

(Continued)

Analysis

Background

DOR's Taxpayer Accounting System (TAS) is the state's primary system for storing and tracking information on individual income tax collections. Historically, only some of the individual income tax data was stored in TAS, which has limited DOR's ability to produce timely reports on tax credits and capital gains data. Most of the tax credit data that is included in DOR's most recent tax credit history report is only available for tax year 2012.

The FY 2015 General Appropriation Act (Laws 2014, Chapter 18) appropriated \$1.7 million to the APF from the General Fund to allow DOR to make changes to TAS to capture a more complete set of individual income tax data.

At the December 17, 2014 JLBC meeting, the Committee gave a favorable review of \$1,134,200 for the project, with the condition that DOR submit an expenditure plan for JLBC review prior to expending the project's contingency funding of \$565,800. In FY 2015, DOR made programming changes that allows data from electronically filed Individual Income Tax forms to be captured into TAS. The funding also allowed DOR to scan paper filed returns which are now manually keyed into TAS, whereas previously the data was never captured in TAS.

The December 2014 review also included a provision that DOR report to JLBC by February 3, 2015 as to whether these automation changes will permit publication of fiscal year income tax credit data within 90 days after the end of a fiscal year.

In February, DOR indicated this deadline would be met. In recent discussions, DOR has still indicated that the report will be produced by this deadline. However, DOR states that some data in this report will be estimates, specifically FY 2015 activity that resulted from forms used for TY 2013 and prior. This is because the programming for the data capture project was not designed to capture information from these outdated tax forms.

Current Proposal

The current request would allow DOR to use the contingency monies to purchase new hardware and software to replace the existing reporting tool created as part of the initial data capture project. The estimated expenditure amount of the \$565,800 contingency would consist of 4 categories, as follows:

- | | |
|-------------------------------------|------------|
| • Professional and Outside Services | \$ 170,900 |
| • Computer Storage Hardware | 146,700 |
| • License and Maintenance Fees | 141,400 |
| • Contingency | 106,800 |

The initial data capture project plan included a reporting tool using an MS Excel format. The newly-captured data is currently exported in MS Excel documents and the Office of Economic Research and Analysis (OERA) uses this data to create reports on Individual Income Tax credits and capital gains. DOR has indicated that the current MS Excel format is ineffective and insufficient for the data analytics and reporting.

DOR has proposed to spend the remaining contingency funds to purchase a new business intelligence query reporting tool. The tool will allow DOR to more effectively and quickly analyze newly-captured

(Continued)

data. For example, currently DOR's Information Technology (IT) staff generates reports in MS Excel format upon request from OERA. Due to size limitations of MS Excel, this data is given to OERA in multiple documents. The new business intelligence reporting tool will allow OERA staff to generate and analyze reports independent of the IT staff, saving staff time for both departments. In addition, the business intelligence reporting tool has more powerful analytical functions than MS Excel. Of the \$565,800 for the business intelligence reporting tool, \$106,800 will remain as contingency. The Committee may consider adopting a provision that prior to spending the contingency funding DOR must submit an expenditure plan to the Committee for review.

RS/JG:kp

STATE OF ARIZONA

Department of Revenue



Douglas A. Ducey
Governor

David Raber
Director

September 2, 2015

The Honorable Justin Olson, Chairman
Joint Legislative Budget Committee
1700 West Washington Street
Phoenix, Arizona 85007



The Honorable Don Shooter, Vice-Chairman
Joint Legislative Budget Committee
Arizona State Senate
1700 West Washington Street
Phoenix, AZ 85007

Dear Representative Olson and Senator Shooter:

The Department of Revenue respectfully requests to be placed on the Joint Legislative Budget Committee's September 24, 2015 agenda.

The Arizona Department of Revenue is submitting the attached Data Capture Expenditure Plan for review in accordance with Arizona Revised Statutes §41-714, which states, "Monies in the fund shall be used to implement, upgrade or maintain automation and information technology projects for any state agency. Before the expenditure of any monies from the fund, the joint legislative budget committee shall review the expenditure plan presented by the department for the fiscal year in which the monies are to be spent".

The attached expenditure plan for the Data Capture Project and Contingency Funds contains a detailed explanation of PIJ Development & Operational Costs and Project Funding sources. We will be happy to meet with your staff to provide further explanation as appropriate.

Sincerely,

A handwritten signature in black ink, appearing to read "DRaber".

David Raber, Director
Arizona Department of Revenue

Cc: Richard Stavneak – Director, JLBC
Lorenzo Romero, Director, OSPB
Jon Stall, Sr Fiscal Analyst, OSPB

ADOA-ASET - Arizona Strategic Enterprise Technology
Project Investment Justification - Financials

Project ID:

RV15001

Date Accepted:

09/16/14

Project Information

Agency Name	Project Name	Date Submitted
Department of Revenue	Data Capture	09/16/14

PIJ Development & Operational Cost Summary

Description	Type	Year 1	Year 2	Year 3	Year 4	Year 5	Extended Cost
Professional & Outside Services	Development	\$1,275,880.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,275,880.00
	Operational	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Hardware	Development	\$167,386.18	\$0.00	\$0.00	\$0.00	\$0.00	\$167,386.18
	Operational	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Software	Development	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Operational	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Communications	Development	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Operational	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Facilities	Development	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Operational	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Licensing & Maintenance Fees	Development	\$149,922.00	\$0.00	\$0.00	\$0.00	\$0.00	\$149,922.00
	Operational	\$0.00	\$8,472.00	\$8,472.00	\$8,472.00	\$8,472.00	\$33,888.00
Other - Contingency	Development	\$106,811.82	\$0.00	\$0.00	\$0.00	\$0.00	\$106,811.82
	Operational	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Development Cost: \$1,700,000.00

Operational Cost: \$33,888.00

Total Cost: \$1,733,888.00

Project Funding (add sources as appropriate)

Funding Source Category	Fund Name	Development Budget (\$)		Operational Budget (\$)		Total (\$)
		Currently Available	New Request	Currently Available	New Request	
General Funds	General Fund	\$33,888.00				\$33,888.00
Federal Funds						\$0.00
Other Appropriated Funds	Automation Projects Fund FY15	\$1,700,000.00				\$1,700,000.00
Other Non-Appropriated Funds						\$0.00
Total Funding		\$1,733,888.00	\$0.00	\$0.00	\$0.00	\$1,733,888.00

A black and white photograph of the Arizona State Capitol building. In the foreground, three flagpoles stand with the United States flag in the center and the Arizona state flag on either side. The building's central dome is topped with a statue of an eagle. To the right of the dome, a statue of a person stands on a pedestal. The building is surrounded by palm trees on the left and other vegetation on the right.

ITAC Project Informational Update RV15001 Data Capture

Arizona Department of Revenue
August 26, 2015



Agenda

- Data Capture Background
- Data Capture Update
- Contingency Spending Plan
- Questions and Follow-up



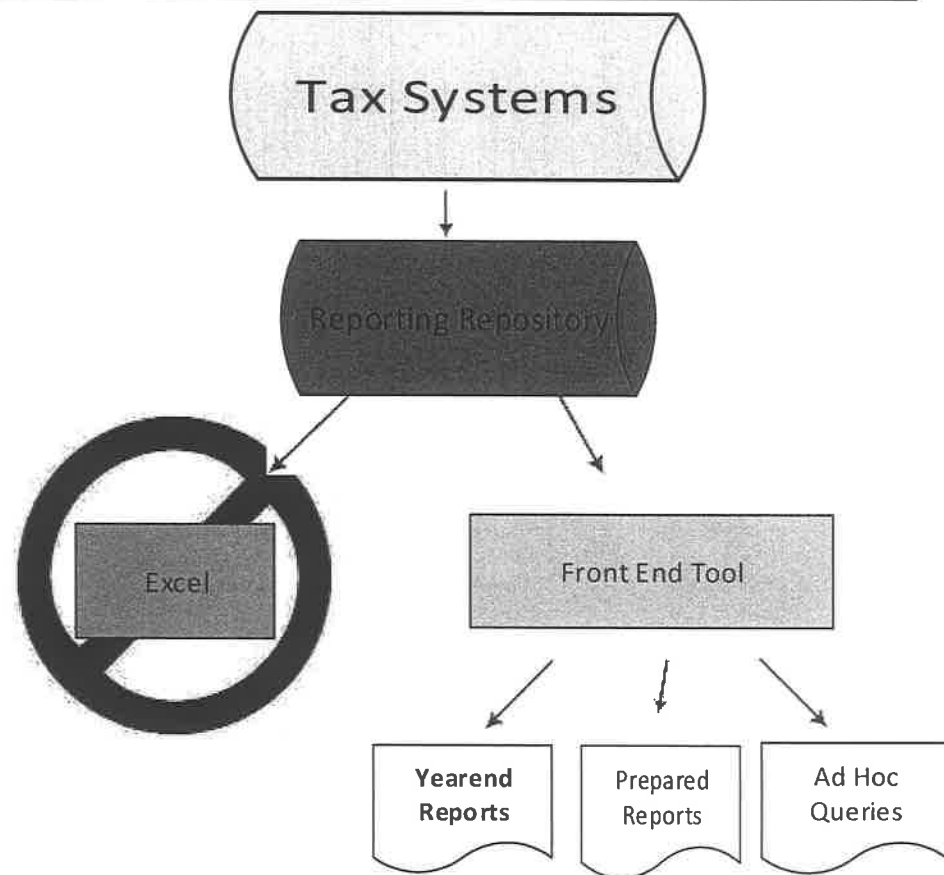
Data Capture Background

- Fifty First Legislature, Second Session, HB2703 Sec. 123 The sum of \$1,700,000 is appropriated ...to increase the accuracy and timeliness of reporting income tax credits and to determine the impact of the reduction in long-term capital gains subject to income tax, as required by laws 2012 chapter 343.
- ADOR is required to provide statistical data to the Governor's Office and the Legislature detailing the approximate costs in lost revenue for all state expenditures. It also includes the impact of the reduction in long-term capital gains subject to income tax.
- Scope
 - ✓ Capture deductions, subtractions, exclusions, exemptions, allowances and credit data
 - ✓ Update user interfaces for new data capture
 - ✓ Add new data to database
 - ✓ Reporting of new data
 - New user tool



Data Capture Update

- ✓ Project Status is: **GREEN**
- ✓ Page 2 of Individual Income Tax Return is now automated
- ✓ Arizona Form 301 summary of Tax Credits are now automated
- ✓ Corporate credit data collected
- Reporting Update
 - User requirement was Excel as their tool. Proved ineffective and impractical.
 - New requirement for Business intelligence Query Tool
 - Self service: architecture empowers users





RV15001 Data Capture Contingency Spending Plan

Description	Type	Year 1	Year 2	Year 3	Year 4	Year 5	Extended Cost
Professional & Outside Services	Development	\$1,105,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,105,000.00
Hardware	Development	\$20,688.12	\$0.00	\$0.00	\$0.00	\$0.00	\$20,688.12
Licensing & Maintenance Fees	Development	\$8,472.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8,472.00
	Operational	\$0.00	\$8,472.00	\$8,472.00	\$8,472.00	\$8,472.00	\$33,888.00
Other - Contingency	Development	\$565,839.88	\$0.00	\$0.00	\$0.00	\$0.00	\$565,839.88
	Operational	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Development Cost: \$1,700,000.00
 Operational Cost: \$33,888.00
 Total Cost: \$1,733,888.00

Contingency Spending Plan

Item	Description	Category	Cost
	Current Contingency Funding Total		\$565,839.88
1	BI Architecture Capacity Planning & Design	Prof & Outside Services	-\$10,560.00
2	User Training	Prof & Outside Services	-\$86,760.00
3	BI Software Installation & Configuration	Prof & Outside Services	-\$73,560.00
4	Hardware Storage and Memory	Hardware	-\$146,698.06
6	Analytics Software Licensing	License & Maint Fees	-\$141,450.00
	Total Funding Projection		\$459,028.06
	Remaining Contingency		\$106,811.82



STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
SENATE

DON SHOOTER
CHAIRMAN 2016
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STEVE FARLEY
GAIL GRIFFIN
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PHOENIX, ARIZONA 85007

(602) 926-5491

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HOUSE OF
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LELA ALSTON
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STEFANIE MACH
DARIN MITCHELL
STEVE MONTENEGRO
DAVID STEVENS
MICHELLE UGENTI

DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RLS*

FROM: Matt Gress, Fiscal Analyst *MG*

SUBJECT: Attorney General - Review of Quarterly Reports on Legal Settlements

Request

A footnote in the FY 2015 General Appropriation Act (Laws 2014, Chapter 18) requires the Attorney General (AG) to submit to the Joint Legislative Budget Committee for review quarterly reports on the receipts to and disbursements from the Consumer Protection - Consumer Fraud (CPCF) Revolving Fund and the Consumer Restitution and Remediation Revolving Fund (including its 2 subaccounts), as well as deposits made to the General Fund.

The intent of the General Appropriation Act provision is to review the AG's allocation of legal settlements among the various funds. In the fourth quarter of FY 2015, the AG deposited \$353,900 to the CPCF Revolving Fund, \$81,000 to the Restitution Subaccount, and \$9,400 to the Remediation Subaccount.

Recommendation

The Committee has at least the following 2 options:

1. A favorable review.
2. An unfavorable review.

(Continued)

Analysis

Background

The review of the quarterly reports is intended to provide legislative oversight of how the AG has allocated legal settlement proceeds among the 4 possible funds/subaccounts (*see Attachment A*). With the exception of \$9,400 that was deposited into the Remediation Subaccount, none of the deposits will require further Committee review. The AG's allocation of legal settlement proceeds appears to comply with legislative intent (*see Table 1 for more detail on the amount of deposits to each fund*). The \$9,400 deposited into the Remediation Subaccount reflects only interest earnings, not new settlement deposits. The remainder of the memo provides background on the AG's different funds related to consumer protection activities.

Table 1

FY 2015 Legal Settlement Deposits ^{1/}
April 1, 2015 - June 30, 2015

	<u>Revenues</u>	<u>Fund Balance</u>
CPCF Revolving Fund	\$353,900	\$11,575,000 ^{2/}
Consumer Restitution Subaccount	81,000	1,746,800
Consumer Remediation Subaccount	9,400	5,816,800 ^{3/}
General Fund	0	N/A
Total	\$444,300	\$19,138,600

^{1/} The total receipts for each fund may include interest income on the total proceeds awarded.

^{2/} The fund balance includes \$2,091,300 in funds which are restricted by legal settlement.

^{3/} Laws 2015, Chapter 8 requires the AG to transfer \$5,400,000 from the Remediation Subaccount to the General Fund by June 30, 2016.

RS/MG:kp
Attachment

Fund Structure Background

Laws 2013, Chapter 143 revised the AG's procedures for reporting on the distribution and allocation of legal settlements. Prior to this legislation, the General Appropriation Act required the Committee to review the AG's proposed allocations of any non-criminal legal settlements exceeding \$100,000. Many of these settlements were typically deposited into the CPCF Revolving Fund. Chapter 143 retained the CPCF Revolving Fund, but established a new Consumer Restitution and Remediation Revolving Fund with 2 new subaccounts. With this legislation, the AG may now deposit consumer fraud-related recoveries into 1 of 4 funds/subaccounts:

1. The main CPCF Revolving Fund. This fund derives its revenue from any investigative or court costs, attorney fees or civil penalties recovered by the AG as a result of enforcement of either state or federal consumer fraud statutes. The monies, subject to legislative appropriation, are used for operations of the Consumer Protection Division, and can also be used for other operating expenses. Committee review of expenditures from this fund is not required.
2. The Consumer Restitution Subaccount of the Consumer Restitution and Remediation Revolving Fund. The AG is to deposit legal settlement proceeds into this subaccount to compensate specific, identifiable entities, including the state, for economic loss resulting from violations of consumer protection laws. This subaccount is not subject to legislative appropriation. Committee review of expenditures from this subaccount is not required.
3. The Consumer Remediation Subaccount of the Consumer Restitution and Remediation Revolving Fund. This subaccount consists of monies collected as a result of a settlement to rectify violations of consumer protection laws, other than monies collected for the benefit of specific, identifiable entities. Monies in this subaccount up to \$3,500,000 are continuously appropriated. Any money collected over that amount is subject to legislative appropriation. The AG must submit an expenditure plan for Committee review before expending any monies in this subaccount.
4. The General Fund. Chapter 143 directs any monies resulting from compromises or settlements, excluding restitution and reimbursement funds or attorney fees, into the General Fund.

The AG also deposits consumer settlement monies into the Antitrust Enforcement Revolving Fund. This fund consists of monies recovered by the state as a result of antitrust, restraint of trade, or price-fixing activity enforcement. The monies are to be used to cover the AG's antitrust enforcement costs. If the settlement exceeds the cost of enforcement, then the remainder is transferred to the General Fund unless the recovery was on behalf of a special fund or political subdivision, in which case the remaining monies would go to those entities.



MARK BRNOVICH
ATTORNEY GENERAL

OFFICE OF THE ARIZONA ATTORNEY GENERAL
OPERATIONS DIVISION

LIZETTE MORGAN
CHIEF FINANCIAL OFFICER

July 13, 2015



The Honorable Doug Ducey
Governor of the State of Arizona
State Capitol Complex
1700 West Washington
Phoenix, Arizona 85007-2890

Dear Governor Ducey:

Pursuant to A.R.S. § 44-1531.01 (D), enclosed is the accounting of the receipts and disbursements from the Consumer Protection Revolving Fund for the quarter ended June 30, 2015.

Please let me know if you need additional information.

Sincerely,

Lizette Morgan
Chief Financial Officer

Copies with enclosure to:

The Honorable Andy Biggs, Senate President
Arizona State Senate

Michele Reagan, Secretary of State
Office of the Secretary of State

The Honorable David M. Gowan, Speaker of the House
House of Representatives

Richard Stavneak, Director
Joint Legislative Budget Committee

Kevin Donnellan, Acting Director
Department of Administration

Department: ATTORNEY GENERAL - DEPARTMENT OF LAW
 Fund: CONSUMER PROTECTION REVOLVING FUND
 Cost Center: CONSUMER PROTECTION & ADVOCACY SECTION
 Period: JULY 1, 2014 THROUGH JUNE 30, 2015
 A.R.S. Citation: § 44-1531.01
 Fund Number: 2014

<u>DESCRIPTION:</u>			<u>Amount</u>
SOURCE OF REVENUE	BEGINNING BALANCE, JULY 1, 2014	See (A) below	\$ 11,427,953
	<u>REVENUES</u>		
Civil penalties imposed on violations of consumer fraud statutes; recovery of costs or attorneys fees.	Other Fines Forfeitures and Penalties	\$ 5,277,180	
	Interest	-	
	Transfers In	238,145	
	TOTAL REVENUES		5,515,325
PURPOSE OF FUND	<u>EXPENDITURES</u>		
Consumer fraud education and investigative and enforcement operations of the Consumer Protection & Advocacy Section, including costs and expenses associated with the tobacco master settlement agreement arbitration.	Personal Services	2,592,955	
	Employee Related Expenses	1,122,986	
	Professional & Outside Services	282,789	
	Travel - In-State	20,990	
	Travel - Out-of-State	10,771	
	Aid to Others	7,500	
	Other Operating Expenses	904,149	
	Capital Outlay	-	
	Capital Equipment	15,209	
	Non-Capital Equipment	150,002	
	Operating Transfers Out	178,425	
	TOTAL EXPENDITURES		5,285,776
	FUND BALANCE, JUNE 30, 2015	See (B) below	11,657,502
	OUTSTANDING ENCUMBRANCES		82,479
	FUND BALANCE NET OF ENCUMBRANCES, JUNE 30, 2015		\$ 11,575,023

(A): Fund Balance, June 30, 2014 before 13th Month FY2014		\$ 11,572,791
Adjustments to Revenue/Operating Transfers In 13th Month FY2014	3,657	
Adjustments to Expenditures/Operating Transfers out 13th Month FY14	(148,496)	
Total adjustments 13th month FY2014		(144,839)
Adjusted Ending Balance, June 30, 2014		\$ 11,427,953

(B): Fund Balance includes \$2,091,331 in funds which are restricted by settlement.

OFFICE OF THE ATTORNEY GENERAL
OPERATIONS DIVISION
CONSUMER PROTECTION REVOLVING FUND
REVENUE
FY2015

	<u>Amount</u>
Total Revenue 7/1/14 - 3/31/15	<u>5,161,468</u>
<u>Deposits - 4th Quarter FY2015</u>	
Legal Settlement Deposits greater than or equal to \$250,000	-
Legal Settlement Deposits less than \$250,000	353,857
Total Deposits - 4th Quarter FY2015	<u>353,857</u>
Total Revenue 7/1/14 - 6/30/15	<u><u>5,515,325</u></u>



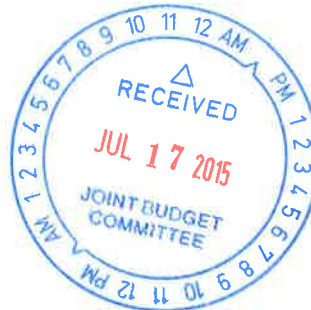
MARK BRNOVICH
ATTORNEY GENERAL

OFFICE OF THE ARIZONA ATTORNEY GENERAL
OPERATIONS DIVISION

LIZETTE MORGAN
CHIEF FINANCIAL OFFICER

July 13, 2015

The Honorable Doug Ducey
Governor of the State of Arizona
State Capitol Complex
1700 West Washington
Phoenix, Arizona 85007-2890



Dear Governor Ducey:

Pursuant to A.R.S. § 44-1531.02 (D), enclosed is the accounting of the receipts and disbursements from the Consumer Restitution and Remediation Revolving Fund by Subaccount for the quarter ended June 30, 2015.

Please let me know if you need additional information.

Sincerely,

Lizette Morgan
Chief Financial Officer

Copies with enclosure to:

The Honorable Andy Biggs, Senate President
Arizona State Senate

Michele Reagan, Secretary of State
Office of the Secretary of State

The Honorable David M. Gowan, Speaker of the House
House of Representatives

Richard Stavneak, Director
Joint Legislative Budget Committee

Kevin Donnellan, Acting Director
Department of Administration

Department: ATTORNEY GENERAL - DEPARTMENT OF LAW
 Fund: CONSUMER RESTITUTION & REMEDIATION REVOLVING FUND
 Sub Account: RESTITUTION
 Cost Center: CONSUMER PROTECTION & ADVOCACY SECTION
 Period: JULY 1, 2014 THROUGH JUNE 30, 2015
 A.R.S. Citation: § 44-1531.02
 Fund Number: 2573

<u>DESCRIPTION:</u>		<u>AMOUNT</u>
SOURCE OF REVENUE	BEGINNING BALANCE, JULY 1, 2014 (See (A) below)	<u>\$ 1,918,447</u>
Monies collected from lawsuits intended to compensate a specific, identifiable person, including the state, for economic loss resulting from violations of consumer protection laws.	<u>REVENUES</u>	
	Other Fines Forfeitures and Penalties \$ 375,848	
	Other Revenue 13,172	
	<u>TOTAL REVENUES</u>	<u>389,020</u>
PURPOSE OF FUND	<u>EXPENDITURES</u>	
Monies to be distributed to specific, identifiable persons as directed by a court order.	Personal Services -	
	Employee Related Expenses -	
	Professional & Outside Services -	
	Travel - In-State -	
	Travel - Out-of-State -	
	Aid to Others -	
	Other Operating Expenses - Restitution 356,702	
	Capital Outlay -	
	Capital Equipment -	
	Non-Capital Equipment -	
	Operating Transfers Out 204,011	
	<u>TOTAL EXPENDITURES</u>	<u>560,713</u>
	FUND BALANCE, JUNE 30, 2015	<u>1,746,754</u>
	OUTSTANDING ENCUMBRANCES	<u>-</u>
	FUND BALANCE NET OF ENCUMBRANCES, JUNE 30, 2015	<u>\$ 1,746,754</u>

(A): Fund Balance, June 30, 2014 before 13th Month FY2014	\$ 1,457,650
Adjustments to Revenue/Operating Transfers In 13th Month FY2014	460,797
Total adjustments 13th month FY2014	460,797
Adjusted Ending Balance, June 30, 2014	<u>\$ 1,918,447</u>

OFFICE OF THE ATTORNEY GENERAL
OPERATIONS DIVISION
CONSUMER RESTITUTION & REMEDIATION REVOLVING FUND
RESTITUTION SUBACCOUNT
REVENUE
FY 2015

	<u>Total</u>
Total Revenue 7/1/14 - 3/31/15	<u>308,050</u>
<u>Deposits - 4th Quarter FY2015</u>	
Legal Settlement Deposits greater than or equal to \$250,000	
Legal Settlement Deposits less than \$250,000	77,912
Interest Income	3,058
Total Deposits - 4th Quarter FY2015	<u>80,970</u>
Total Revenue 7/1/14 - 6/30/15	<u><u>389,020</u></u>

Department: ATTORNEY GENERAL - DEPARTMENT OF LAW
 Fund: CONSUMER RESTITUTION & REMEDIATION REVOLVING FUND
 Sub Account: REMEDIATION
 Cost Center: CONSUMER PROTECTION & ADVOCACY SECTION
 Period: JULY 1, 2014 THROUGH JUNE 30, 2015
 A.R.S. Citation: § 44-1531.02
 Fund Number: 2574

DESCRIPTION:		AMOUNT
SOURCE OF REVENUE	BEGINNING BALANCE, JULY 1, 2014 (See (A) below)	\$ 5,779,348
Monies collected as the result of an order of a court, or as a result of a settlement or compromise, to rectify violations or alleged violations of consumer protection laws.	REVENUES	
	Other Fines Forfeitures and Penalties	\$ -
	Interest	37,469
	Transfers In	-
	TOTAL REVENUES	37,469
PURPOSE OF FUND	EXPENDITURES	
Consumer fraud education programs and operating expenses incurred in administrating or implementing programs.	Personal Services	-
	Employee Related Expenses	-
	Professional & Outside Services	-
	Travel - In-State	-
	Travel - Out-of-State	-
	Aid to Others	-
	Other Operating Expenses	10
	Capital Outlay	-
	Capital Equipment	-
	Non-Capital Equipment	-
	Operating Transfers Out	-
	TOTAL EXPENDITURES	10
	FUND BALANCE, JUNE 30, 2015	5,816,807
	OUTSTANDING ENCUMBRANCES	-
	FUND BALANCE NET OF ENCUMBRANCES, JUNE 30, 2015	\$ 5,816,807

(A): Fund Balance, June 30, 2014 before 13th Month FY2014	\$	5,776,240
Adjustment Rounding	1	
Adjustments to Revenue/Operating Transfers In 13th Month FY2014	3,107	
Total adjustments 13th month FY2014		3,108
Adjusted Ending Balance, June 30, 2014	\$	5,779,348

OFFICE OF THE ATTORNEY GENERAL
OPERATIONS DIVISION
CONSUMER RESTITUTION & REMEDIATION REVOLVING FUND
REMEDATION SUBACCOUNT
REVENUE
FY 2015

	<u>Amount</u>
Total Revenue 7/1/14 - 3/31/15	<u>28,041</u>
<u>Deposits - 4th Quarter FY2015</u>	
Legal Settlement Deposits greater than or equal to \$250,000	-
Legal Settlement Deposits less than \$250,000	-
Interest Income	9,427
Total Deposits - 4th Quarter FY2015	<u>9,427</u>
Total Revenue 7/1/14 - 6/30/15	<u><u>37,469</u></u>



STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
SENATE

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CHAIRMAN 2016
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KATIE HOBBS
JOHN KAVANAGH
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STEFANIE MACH
DARIN MITCHELL
STEVE MONTENEGRO
DAVID STEVENS
MICHELLE UGENTI

DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Matt Gress, Fiscal Analyst *MG*

SUBJECT: JLBC Staff - Review of Agency Legal Services Charges

Request

Pursuant to A.R.S. § 41-191.09, agencies are required to submit for Committee review funding sources for the Attorney General (AG) legal services charges for general agency counsel. The charges total \$1.8 million, the same amount as last year. The allocation of charges to each agency also remains unchanged, with the exception of the Departments of Racing and Gaming. The FY 2016 Agency Consolidation Budget Reconciliation Bill (Laws 2015, Chapter 19) merged the Department of Racing into the Department of Gaming. As a result, the charges to the Department of Racing have been transferred to the Department of Gaming.

To reimburse the Attorney General for services, non-General Fund accounts are levied with a flat dollar amount charge. The FY 2016 General Appropriation Act specified a total flat charge amount for the relevant agencies, but did not delineate the specific funds. Agencies are required to pay this charge from non-General Fund sources and cannot include Federal Funds or other funds that are legally restricted from making the legal services payment.

Recommendation

The JLBC Staff recommends that the Committee give a favorable review of the fund source reports for the AG legal services charges as appears in the attachment.

RS/MG:kp
Attachment

FY 2016 Legal Services Charges

<u>Agencies and Fund Sources</u>	<u>Legal Services Charge</u>
Arizona Department of Administration	
Automation Operations Fund	\$33,400
Personnel Division Fund	27,100
Capital Outlay Stabilization Fund	21,900
Administration - AFIS III Collections Fund	14,200
Special Employee Health Insurance Trust Fund	10,000
Co-Op State Purchasing Agreement Fund	6,800
Motor Vehicle Pool Revolving Fund	3,200
Telecommunications Fund	2,800
State Surplus Materials Revolving Fund	2,700
Construction Insurance Fund	1,400
IGA and ISA Fund	1,200
Corrections Fund	1,200
State Employee Travel Reduction Fund	800
Federal Surplus Materials Revolving Fund	500
Special Services Revolving Fund	500
Subtotal	<u>\$127,700</u>
Arizona Department Administrative Hearings	
IGA and ISA Fund	<u>\$3,000</u>
Subtotal	<u>\$3,000</u>
Arizona Commission on the Arts	
Arts Trust Fund	<u>\$3,100</u>
Subtotal	<u>\$3,100</u>
Automobile Theft Authority	
Automobile Theft Authority Fund	<u>\$1,400</u>
Subtotal	<u>\$1,400</u>
Citizens Clean Elections Commission	
Citizens Clean Elections Fund	<u>\$2,700</u>
Subtotal	<u>\$2,700</u>
State Department of Corrections	
Inmate Store Proceeds Fund	<u>\$2,000</u>
Subtotal	<u>\$2,000</u>
Arizona Criminal Justice Commission	
Criminal Justice Enhancement Fund (Appropriated)	\$4,350
Criminal Justice Enhancement Fund (Non-Appropriated)	<u>4,350</u>
Subtotal	<u>\$8,700</u>
Arizona State Schools for the Deaf and Blind	
Schools for the Deaf and Blind Fund	<u>\$100,200</u>
Subtotal	<u>\$100,200</u>
Commission for the Deaf and the Hard of Hearing	
Telecommunication Fund for the Deaf	<u>\$4,100</u>
Subtotal	<u>\$4,100</u>
Arizona Early Childhood Development & Health Board	
Early Childhood Development & Development & Health Fund	<u>\$47,100</u>
Subtotal	<u>\$47,100</u>

FY 2016 Legal Services Charges

<u>Agencies and Fund Sources</u>	<u>Legal Services Charge</u>
Department of Education	
Indirect Cost Recovery Fund	\$132,000
Subtotal	\$132,000
Department of Emergency and Military Affairs	
Camp Navajo Fund	\$25,900
Indirect Cost Recovery Fund	3,000
Nuclear Emergency Management Fund	1,100
Subtotal	\$30,000
Department of Environmental Quality	
Underground Storage Tank Revolving Fund	\$135,600
Subtotal	\$135,600
Arizona Exposition and State Fair Board	
Arizona Exposition and State Fair Fund	\$20,900
Subtotal	\$20,900
Department of Financial Institutions	
Financial Services Fund	\$1,251
Real Estate Appraisal Fund	554
IGA and ISA Fund	95
Subtotal	\$1,900
Department of Fire, Building and Life Safety	
Mobile Home Relocation Fund	\$2,500
Subtotal	\$2,500
State Forester	
Cooperative Forestry Fund	\$12,100
Subtotal	\$12,100
Department of Gaming 1/	
Arizona Benefits Fund	\$35,000
Racing Regulation Fund	2,300
Subtotal	\$37,300
Arizona Geological Survey	
Geological Survey Fund	\$6,800
Subtotal	\$6,800
Department of Health Services	
Medical Marijuana Fund	\$159,000
Health Services Lottery Fund	4,800
Health Services Licensing Fund	2,000
Indirect Cost Fund	900
Emergency Medical Services Operating Fund	800
Arizona State Hospital Fund	600
Newborn Screening Program Fund	500
Vital Records Electronic Systems Fund	500
Tobacco Tax and Healthcare Fund-Health Education Account	400
Smoke Free Arizona Fund	200
Environmental Laboratory Licensure Revolving Fund	200
Disease Control Research Fund	100
Subtotal	\$170,000
Arizona Historical Society	
Permanent Arizona Historical Society Revolving Fund	\$700
Subtotal	\$700

FY 2016 Legal Services Charges

<u>Agencies and Fund Sources</u>	<u>Legal Services Charge</u>
Arizona Department of Housing	
Housing Program Fund	\$18,100
Subtotal	\$18,100
Department of Insurance	
Insurance Examiners' Revolving Fund	\$7,445
Financial Surveillance Fund	1,131
Captive Insurance Regulatory and Supervision Fund	905
Assessment Fund for Voluntary Plans	453
Health Care Appeals Fund	453
Receivership Liquidation Fund	113
Subtotal	\$10,500
Department of Juvenile Corrections	
State Charitable, Penal and Reformatory Institutions Land	\$9,400
Subtotal	\$9,400
State Land Department	
Trust Land Management Fund	\$2,100
Subtotal	\$2,100
Department of Liquor Licenses and Control	
Liquor Licenses Fund	\$11,400
Subtotal	\$11,400
Arizona State Lottery Commission	
State Lottery Fund	\$24,800
Subtotal	\$24,800
Arizona State Parks Board	
State Lake Improvement Fund	\$45,800
Subtotal	\$45,800
State Personnel Board	
Personnel Board Subaccount of the Personnel Division Fund	\$600
Subtotal	\$600
Arizona Pioneers' Home	
Miners' Hospital Fund	\$12,100
Subtotal	\$12,100
Commission for Postsecondary Education	
Family College Savings Program Trust Fund	\$1,800
Subtotal	\$1,800
Department of Public Safety	
Highway Patrol Fund	\$420,000
Crime Laboratory Operations Fund	176,100
State Highway Fund	81,300
Subtotal	\$677,400
Arizona Department of Racing 1/	
Radiation Regulatory Agency	
State Radiologic Technologist Certification Fund	\$3,800
Subtotal	\$3,800

FY 2016 Legal Services Charges

<u>Agencies and Fund Sources</u>	<u>Legal Services Charge</u>
Arizona State Retirement System	
State Retirement System Administration Account	\$69,100
Subtotal	\$69,100
Department of Revenue	
Department of Revenue Administrative Fund	\$4,634
Tobacco Tax and Health Care Fund	150
Liability Setoff Revolving Fund	96
IGA and ISA Fund	20
Subtotal	\$4,900
Department of State - Secretary of State	
Data Processing Acquisition Fund	\$1,800
Subtotal	\$1,800
State Treasurer	
State Treasurer's Operating Fund	\$9,200
Subtotal	\$9,200
Department of Veterans' Services	
Home for Veterans' Trust Fund	\$52,700
Subtotal	\$52,700
Department of Weights and Measures	
Air Quality Fund	\$3,360
Motor Vehicle Liability Insurance Enforcement Fund	840
Subtotal	\$4,200
Total Reported Legal Services Charges	\$1,809,500
Total Legal Services Charges In FY 2016 General Appropriation Act	\$1,809,500

1/ The FY 2016 Agency Consolidation Budget Reconciliation Bill (Laws 2015, Chapter 19) merged the Department of Racing into the Department of Gaming. As a result, the legal charges for the Department of Racing have been transferred to the Department of Gaming.



STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
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OLIVIA CAJERO BEDFORD
STEVE FARLEY
GAIL GRIFFIN
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HOUSE OF
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STEVE MONTENEGRO
DAVID STEVENS
MICHELLE UGENTI

DATE: September 17, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director

FROM: Steve Grunig, Senior Fiscal Analyst *SG*

SUBJECT: Board of Behavioral Health Examiners - Testimony on Proposed Licensing Rules

Request

Pursuant to Laws 2013, Chapter 242 the Board of Behavioral Health Examiners is required to testify before the Joint Legislative Budget Committee regarding the rules for licensing provisions enacted during the 2013 Legislative Session. The testimony is part of a comprehensive public participation process. The Committee is not required by statute to review the proposed rules, but may do so if it chooses.

Recommendation

The Committee has at least the following 3 options:

1. Accept the Board of Behavioral Health Examiners' testimony without comment.
2. A favorable review.
3. An unfavorable review.

Analysis

Pursuant to Laws 2013, Chapter 242, the Board of Behavioral Health Examiners created a subcommittee to develop rules implementing the licensing requirements of Chapter 242.

(Continued)

The subcommittee developed rules to accomplish the following goals not specifically outlined in Chapter 242's statutory changes:

- *Credentialing committees being replaced by academic review committees:* The rules address the application for and approval of educational curricula of regionally accredited colleges or universities with a program not otherwise accredited by an organization or entity recognized by the board. These programs must have curricula which are consistent with the requirements of the Board of Behavioral Health Examiners.
- *Expand the set of professionals that can provide supervision for applicants:* The rules address people who wish to provide supervision for applicants seeking licensure. People can be supervisors even if they are not licensed by the Board of Behavioral Health Examiners, or if they are licensed in a profession other than the one in which the applicant is seeking licensure.
- *Requirements for the use of telepractice to deliver behavioral health services:* Telepractice means providing behavioral health services through interactive audio, video or electronic communication. The rules regulate communication that occurs between the behavioral health professional and the client. The rules also address applicant supervision by professionals located at a distant site.

The board has been meeting regularly with stakeholders to develop a consensus regarding supervised work experience, direct supervision, academic curriculum requirements and other matters related to the licensing process. The board approved the proposed rules on August 6 and conducted hearings as required by Chapter 242 in Tucson, Flagstaff, and Phoenix in August. The Board does not yet have a written summary of any public feedback from these meetings. The Board expects to adopt final rules by November 1, 2015.

RS/SG:kp



STATE OF ARIZONA
BOARD OF BEHAVIORAL HEALTH EXAMINERS
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PHOENIX, AZ 85012
PHONE: 602.542.1882 FAX: 602.364.0890
Arizona State Website: www.az.gov
Board Website: www.azbbhe.us
Board E-Mail Address: information@azbbhe.us

DOUGLAS A. DUCEY
Governor

TOBI ZAVALA
Executive Director

August 11, 2015

The Honorable Justin Olson
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007

RE: Arizona Board of Behavioral Health Examiners

Dear Representative Olson:



As you may be aware, Chapter 242, Laws 2013, required the Arizona Board of Behavioral Health Examiners ("Board") to adopt rules necessary to implement the licensing provisions enacted during the 2013 legislative session. While the Board is exempt from the formal rulemaking process, the legislation required a comprehensive public participation process, including testimony before the Joint Legislative Budget Committee. The Board respectfully requests to be added to the JLBC meeting agenda in September 2015.

For the past two years, after creating a Rules Subcommittee, the Board has been meeting regularly with stakeholders to develop consensus on matters relating to supervised work experience, direct supervision, academic curriculum requirements and other related matters necessary in the licensing process. As a result, the Board approved the proposed rules on August 6, 2015, and scheduled three public hearings in Flagstaff, Phoenix and Tucson (all three to be conducted in August). After the public hearings are concluded, Board staff will compile all public input for the review and consideration by the Board at a future meeting.

The proposed rules are attached for your review and consideration.

Throughout the rulemaking process, the Board has also provided quarterly updates to Legislative Leadership and the Auditor General's Office on the progress of implementation, and challenges and recommendations relating to specific statutory provisions. For your convenience, the quarterly reports submitted to date are enclosed.

The Board is committed to meeting all of its regulatory responsibilities within the November 2015 timeframe, as required by statute. Public safety continues to be the Board's primary function during the transition to a new licensing process for behavioral health professionals in Arizona.

If I can answer any questions or concerns, please do not hesitate to contact me. Thank you in advance for your consideration.

Sincerely,

Tobi Zavala
Executive Director

Enclosures

Further back-up available upon request.

Item 9



STATE OF ARIZONA

Joint Legislative Budget Committee

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STEVE MONTENEGRO
DAVID STEVENS
MICHELLE UGENTI

DATE: September 21, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Jon Stall, Senior Fiscal Analyst *JS*

SUBJECT: AHCCCS/DHS/DES/DCS - Review of Proposed Capitation Rate Changes

Request

Pursuant to footnotes in the FY 2016 General Appropriation Act, the state Medicaid agencies must present their plans to the Committee for review prior to implementing any changes in capitation rates. The Arizona Health Care Cost Containment System (AHCCCS) has submitted their plans for the 4 relevant agencies.

Recommendation

The Committee has at least the following 2 options:

1. A favorable review.
2. An unfavorable review.

In the aggregate, the proposed rate changes are expected to save \$(9.7) million, relative to the FY 2016 General Fund budgeted amounts. The FY 2016 budget included a 3% capitation rate increase for Medicaid programs in each of these agencies and did not include a specific provider increase. The FY 2016 budget originally included up to a (5)% reduction in AHCCCS and Department of Health Services (DHS) rates, but the Executive is no longer pursuing that \$(37.1) million General Fund proposal.

(Continued)

Budgeted Provider Rate Reductions

Since passage of the budget, the Executive announced that it will forego both the AHCCCS and DHS rate reductions, due to negative provider feedback. The Executive will instead achieve the \$(37.1) million General Fund savings with the following: 1) \$(15.0) million from lower-than-budgeted capitation rates and 2) \$(22.1) million from higher-than-budgeted prescription drug rebate funding.

The proposed rates will have a gross savings of \$(24.7) million. The total impact consists of a \$(12.2) million savings in AHCCCS, \$(11.3) million savings in the DHS Behavioral Health Service program (BHS) and \$(1.2) million savings in the Department of Economic Security (DES) Developmentally Disabled (DD) program. Of the \$(24.7) million in General Fund savings, \$(15.0) million is dedicated for backfilling budgeted savings of foregoing the (5)% rate reduction. As a result, the net budgetary impact of the proposed capitation rates is a \$(9.7) million General Fund savings.

Analysis

Capitation rates are developed by actuaries and are effective July 1, 2015 for the DES DD program and October 1, 2015 for AHCCCS, DHS, and the Department of Child Safety (DCS) programs. *Table 1* below includes a comparison of previous and new capitation rates and their expected General Fund impact.

Capitation rates are adjusted annually for medical expense and utilization trends. Utilization refers to the percentage of eligible individuals who use services and the amount of services each member uses. In developing capitation rates, the actuaries also compare prior rate calculations and assumptions to actual results for medical expenses and utilization. This is referred to as experience adjustments. The CYE 2016 capitation rate adjustments also include provider rate increases. Finally, the capitation rates include a number of program changes which are described below.

Table 1				
Monthly Regular Capitation Rates				
<u>Populations</u>	<u>Previous Rates</u>	<u>New *</u>	<u>% Change</u>	<u>GF Impact (\$ millions)</u>
AHCCCS Acute Care ^{1/}	\$ 276.59	\$ 281.95	1.94%	\$(16.0)
ALTCS Elderly & Physically Disabled	3,195.74	3,257.01	1.92	(2.0)
Children's Rehabilitative Services	700.01	789.46	12.78 ^{2/}	6.1
Comprehensive Medical & Dental Program	248.27	252.89	1.86	(0.3)
DES Developmentally Disabled	3,343.85	3,432.70	2.66	(1.2)
DHS Behavioral Health Services ^{1/}	90.87	88.71	(2.38)	<u>(11.3)</u>
Total Impact				\$ (24.7)
Savings Used to Backfill Loss of 5% Rate Reduction				<u>(15.0)</u>
Net Impact of Rate Savings				\$ (9.7)
* Rates reflect federal fiscal year (FFY) amounts except for DD and CMDP which are on a state fiscal year (SFY) basis.				
^{1/} Rates represent an average of capitation rates for numerous populations. They do not reflect integration of rates for members receiving integrated services.				
^{2/} Rate includes acute and behavioral health services.				

(Continued)

Adjustments by Program

AHCCCS Acute Care

Overall, the proposed capitation rates for the program will increase by 1.94% and would result in a \$(16.0) million of gross General Fund savings relative to the enacted FY 2016 budget. This change is due to a variety of factors including:

- A 1.96% increase to rate costs, comprising a 1.94% adjustment for medical trends and utilization and 0.02% increase for provider rate changes.
- Laws 2015, Chapter 14 requires AHCCCS to decrease its reimbursement for DHS-regulated ambulance provider rates from 74.7% to 68.6% of the rates approved by DHS beginning October 1, 2015. This change requires a (0.13)% capitation rate decrease.
- Beginning January 1, 2016, an increase in reimbursement for the inpatient care provided to children with a severe illness. This access to care adjustment results in a 0.12% rate increase.
- A (0.10)% rate reduction to implement a recent federal law that requires capitation rates to be decreased for optional copay amounts that providers may potentially collect from Medicaid enrollees. Providers and insurers may charge certain adult Medicaid enrollees an optional copay of \$2.30 for outpatient therapy services and \$3.40 for outpatient medical evaluation. This adjustment is not related to the Executive's waiver proposal.
- Laws 2015, Chapter 14 expanded coverage of orthotics for adult enrollees in situations where orthotics are the medically preferred and least expensive treatment option. Rates were not adjusted for this change.
- Other miscellaneous adjustments for administrative costs of health insurers and service modifications, resulting in an increase of 0.21%.

On April 1, 2014, acute care and behavioral health services were integrated under one contract for Seriously Mentally Ill (SMI) adult Medicaid enrollees living in Maricopa County. Beginning on October 1, 2015, service integration will be expanded statewide to SMI adults. Additionally, beginning October 1, 2015, services will be integrated for adult members that are dually eligible for Medicaid and Medicare and that use General Mental Health or Substance Abuse services. For purposes of tracking acute and behavioral health capitation costs separately, JLBC's calculated rates in *Table 1* and estimated budget impacts of the proposal do not reflect the revenue neutral shift of capitation costs between acute care and behavioral health capitation rates.

AHCCCS Long-Term Care (ALTCs) for the Elderly and Physically Disabled

ALTCs services are provided to the elderly and physically disabled in need of long-term care either in nursing care facilities or in home and community-based settings. AHCCCS is increasing capitation payments for ALTCs/EPD by 1.92%. The adjustment includes a 1.5% rate increase for all Home and Community-Based Services (HCBS) providers scheduled to take effect on October 1, 2015. This rate increase is designed to maintain the adequacy of the HCBS provider network. AHCCCS anticipates that HCBS providers will face increasing difficulties in attracting and retaining workers as the economy continues to improve. In addition, AHCCCS has noted that federal regulations, such as new overtime rules from the Department of Labor, are increasing the costs of providing HCBS services. The JLBC Staff estimates the impact of the proposed capitation rates would be a \$(2.0) million General Fund savings, relative to the FY 2016 budget.

(Continued)

Children's Rehabilitative Services (CRS)

The CRS program is administered by AHCCCS and provides services for children with chronic and disabling or potentially disabling conditions. Rates will go up 12.78% from last year and result in a \$6.1 million General Fund cost increase above the FY 2016 budget. The overall rate increase is primarily the result of a 10.37% increase for utilization and medical expense trends. AHCCCS reports that CRS health insurers have experienced a (7.7)% net loss under contract year (CYE) 2014 and 2015 capitation rates. The overall rate change also includes a 2.33% increase for reimbursement of inpatient care of children with severe illnesses.

DCS - Comprehensive Medical and Dental Program (CMDP)

CMDP is the state health plan responsible for ensuring, through its partnerships with foster care providers, health care services for children in foster care. The proposed capitation rate for the acute care component of CMDP is an increase of 1.86% and results in a \$(0.3) million General Fund savings relative to the FY 2016 budget. The increase is primarily driven by a 0.52% rate increase for utilization and inflationary cost trends, and a 0.44% rate increase for reimbursement of inpatient care for children with severe illnesses.

Long-Term Care for the Developmentally Disabled (DD)

DES administers the DD program, providing services for individuals with cognitive disabilities, cerebral palsy, autism, or epilepsy. The proposed rate is an increase of 2.66%. The adjustment is primarily driven by a 1.5% rate increase for all HCBS providers, which is being implemented for the same reasons discussed in the ALTCS Elderly and Physically Disabled section above. The capitation rate increase also reflects inflationary costs trends in long-term care services. The proposed rate increase represents a \$(1.2) million General Fund savings, relative to the FY 2016 budget.

Behavioral Health Services (BHS)

DHS currently oversees most behavioral health and substance abuse services, but will transfer those responsibilities to AHCCCS effective July 1, 2016. The proposed rate is a decrease of (2.38)% and results in a \$(11.3) million General Fund savings relative to the FY 2016 budget. Rate reductions were the result of an experience adjustment for the Seriously Mentally Ill population receiving services in Maricopa County, utilization and medical expense trends, an ambulance rate decrease, inclusion of nominal copayments in rate setting, and other changes.

RS/JS:kp

September 11, 2015

The Honorable Justin Olson
Arizona House of Representatives
1700 West Washington
Phoenix, Arizona 85007



Dear Representative Olson:

The Arizona Health Care Cost Containment System (AHCCCS) is Arizona's single state Medicaid agency. However, the Arizona Medicaid system includes state agency subcontractors represented by the Arizona Department of Economic Security (DES) for the Arizona Long Term Care System (ALTCS) Division of Developmental Disabilities (DDD); the Arizona Department of Child Safety (DCS) for the Comprehensive Medical and Dental Program (CMDP); and the Arizona Department of Health Services (ADHS) for Behavioral Health Services (BHS). AHCCCS, DES, DCS and ADHS respectfully request to be placed on the agenda of the next Joint Legislative Budget Committee (JLBC) meeting to review the capitation rates for Contract Year Ending (CYE) 2016 (October 1, 2015 through September 30, 2016, unless otherwise noted) for the following programs:

- Acute Care
- Children's Rehabilitative Services (CRS)
- ALTCS Elderly and Physically Disabled (EPD)
- ALTCS DES/DDD (July 1, 2015 through June 30, 2016)
- DCS/CMDP (July 1, 2015 through June 30, 2016)
- ADHS/BHS

Background and Summary

As required by the Federal Balanced Budget Act of 1997, Title XIX Managed Care Programs must have actuarially sound capitation rates, and these rates must be approved by the Centers for Medicare and Medicaid Services (CMS). The proposed rate adjustments were submitted to CMS for an October 1, 2015 implementation.

The overall change to the total Medicaid program for CYE 16, over the most recently approved rates, is 1.78%. Table 1 on the following page displays the CYE 2016 rate changes by program.

Table 1

Program	Rate Change (over most recently approved rates)*
AHCCCS	
Acute	2.45%
<i>GF Funded</i>	0.84%
<i>Other</i>	5.36%
ALTCS EPD	1.89%
CRS	13.16%
CMDP	0.85%
DES	
DDD	2.58%
ADHS	
BHS	(2.00)%
Total	1.78%

The five year average capitation rate adjustment across the programs displayed above is 0.04%.

System-Wide Rate Impacts

The PMPM trends for each program by population are detailed in the actuarial certifications. In addition, there are several program and provider rate changes effective October 1, 2015, that impact most or all programs to some degree and are reflected in the rates. These include the following:

Integration Initiatives

The integration of physical health care services for individuals with Serious Mental Illness (SMI) under the Regional Behavioral Health Authority (RBHA) will extend statewide on October 1, 2015. Members in Maricopa County were integrated on April 1, 2014. A budget-neutral shift of funding for services for the capitation rates for all counties outside Maricopa (Greater Arizona) will move \$125.8 million from the Acute Care rates to the Behavioral Health rates. Because the members with SMI in Greater Arizona are shifted to the RBHAs along with the funding, and thus neither the costs nor members are included in the Acute Care program capitation rate calculations, the shifting of the money is not reflected in the overall percentage change impacting the Acute Care program.

For individuals who are eligible for both Medicare and Medicaid (“dual eligibles”) and who have General Mental Health/Substance Abuse (GMH/SA) needs, behavioral health services will be provided through the Acute health plans beginning October 1, 2015.¹ Accordingly, \$23.4 million in funding moves from the Behavioral Health rates into the Acute Care rates.

Nominal Copayments

For services to most AHCCCS populations that are subject to copayments, a provider may not deny service if the AHCCCS member is unable to pay. However, federal law requires adjustment of capitation

¹ Certain crisis services will remain the responsibility of the RBHA.

rates to reflect the copayments, regardless of whether or not the copayment is actually collected by the providers. The capitation rates include a (0.06)% decrease to reflect these copayments.

Provider Rate Changes

- *ADHS-regulated ambulance rates.* Laws 2015, Chapter 14, mandates that AHCCCS decrease its reimbursement for ADHS-regulated ambulance providers to 68.59% of approved ADHS rates, from the current 74.74%. AHCCCS must apply this percentage to rates approved by ADHS as of August 2, 2015. Because ADHS approved rate increases for ambulance providers prior to August 2, the decreasing percentage applied to increased rates results in a (0.07)% decrease to overall reimbursement.
- *High Acuity Pediatric Adjustor*
To preserve access to high acuity pediatric services, AHCCCS modified the APR-DRG rates for such services, resulting in a 0.13% increase in the rates.
- *HCBS Providers*
To preserve access to Home and Community Based Services (HCBS), which are less expensive than institutional alternatives, a 1.5% rate increase for HCBS providers was included in the capitation rates. As the economy improves, HCBS providers will have increased challenges attracting and keeping individuals working in direct care, which is more demanding both from a training and day-to-day work basis than jobs that pay comparable salaries. In addition, there are numerous federal mandates affecting the costs of HCBS services such as the Department of Labor overtime rule. This adjustment results in a 0.16% impact to the rates
- *Other Provider Rates*
AHCCCS makes adjustments to provider rates based on access to care issues, when certain rates are tied to Medicare, and for legislative mandates. These adjustments in total result in a 0.03% increase to the rates.

Adults over 106% Adjustment

For CYE 15 rate setting, AHCCCS built the rates assuming that the costs associated with the new coverage group of adults with incomes over 106% of the Federal Poverty Level (FPL) would resemble a blend of the costs associated with the Adults with incomes under 106% as well as the parents with incomes under 106%. The actual experience for this population reflected an older, higher cost population, with more females than expected (while still remaining below the average costs of the Adults with incomes under 106% FPL). The rates were adjusted to reflect this actual experience.

Acute Care Capitation Rates

The overall rate adjustment for the Acute Care program for CYE 2016 is an increase of 2.45% over the April 1 rates.

The three largest factors impacting the Acute rates are utilization and inflationary cost trends, increasing the rates by 1.55%; the integration of the GMH/SA duals increasing the rates by 0.47%, and the experience adjustments which result in a 0.43% increase.

For the populations primarily funded by the General Fund (i.e., TANF, SSI, KidsCare and births), the prospective and prior period rates are increasing 0.8%. For the Adults with incomes under 106% of the FPL, for which the state match is funded from the hospital assessment, the increase is 2.95%. For the 100% federally-funded population of Adults with incomes over 106% of the FPL, the adjustment is 17.35%.

Elderly and Physically Disabled Long Term Care Capitation Rates

The overall rate adjustment for the ALTCS EPD program for CYE 2016 is an increase of 1.89%.

The two largest factors impacting the ALTCS EPD capitation rates are the HCBS provider rate change, which results in an increase of 0.53%, and overall inflationary cost and utilization trends, which result in an increase of 2.8%. A favorable increase in HCBS placement results in a (1.67)% negative adjustment to cap rates, thus lowering the total increase to the rates.

Children's Rehabilitative Services Capitation Rates

The overall rate adjustment for the CRS program for CYE 2016 is an increase of 13.16%.

The primary driver of this increase is a rate rebase, incorporating cost and utilization trends, resulting in a 10.37% increase to the rates. The CRS Contractor experienced a (3.5)% loss in CYE 2014 and, as of March 2015, is experiencing a (4.15)% loss for CYE 2015. While actuaries do not build rates to guarantee profitability, the rates must assume a Contractor can cover the expected costs of the population served. Therefore, the rates reflect an upward adjustment to assure the rates are sufficient to cover CRS program costs. The high acuity pediatric adjustment described above increases the rates by 2.33%.

Comprehensive Medical and Dental Program (CMDP)

The overall rate adjustment for CMDP for the nine months included in this CYE 2016 rate adjustment is an increase of 0.85%.

There are two factors primarily contributing to the overall rate change: utilization and inflationary cost trends, increasing the rates by 0.52%, and high acuity pediatrics adjustment, which results in a 0.44% increase. A mix of other factors results in a slight negative adjustment, which lowers the total increase to the rates.

Developmental Disabilities (DD) Long Term Care Capitation Rates

The overall rate adjustment for the ALTCS DD program for CYE 2016 is an increase of 2.58%.

The three primary factors impacting the capitation rates are the HCBS provider rate increase, resulting in a 0.80% upward adjustment; utilization and inflationary cost trends in long-term care services, increasing the rates by 1.34%; and a rebase of the HCBS/Nursing Facility placement settings, which results in a 0.35% negative adjustment to the rates.

Behavioral Health Services Capitation Rates

The overall rate adjustment for the BHS program for CYE 2016 is a decrease of (2.00)%.

The primary driver of the decrease is a (1.2)% adjustment to reflect the shifting of GMH/SA dual eligibles to the Acute health plans. Other miscellaneous changes combined the remainder of the reduction to the rates.

Overall Budget Impact

Table 2 below displays the budget impact of the rate changes. This data is displayed on a state fiscal year (SFY) basis due to budgetary timeframes. Likewise, the 2016 population below is on a SFY basis. For these reasons, the impacts on this table will not tie exactly to impacts stated elsewhere in this letter or attached documents.

Table 2

	Statewide Rates		FY16 Population	SFY15 Rate with FY16 Pop.	SFY16 Rate with FY16 Pop.	Change Inc. (Dec.)	Percent Impact
	SFY15	SFY16					
AHCCCS Acute	\$ 274.90	\$ 281.86	17,868,633	4,912,093,700	5,036,409,100	124,315,400	2.5%
AHCCCS EPD	\$ 3,084.65	\$ 3,142.99	337,713	1,041,725,700	1,061,426,400	19,700,700	1.9%
CMDP	\$ 254.30	\$ 256.60	208,874	53,115,700	53,596,300	480,600	0.9%
CRS	\$ 697.67	\$ 789.46	299,191	208,736,500	236,198,300	27,461,800	13.2%
BHS Title XIX/XXI	\$ 107.27	\$ 105.13	17,497,261	1,877,010,100	1,839,486,400	(37,523,700)	-2.0%
LTC - DD/DES	\$ 3,501.28	\$ 3,591.60	344,011	1,204,477,800	1,235,549,700	31,071,900	2.6%
Total Budget Impact	\$ 487.82	\$ 496.51	19,058,421	9,297,159,500	9,462,666,200	165,506,700	1.8%
AHCCCS Total Fund Impact						171,958,500	103.9%
Pass-through Total Fund Impact						(6,451,800)	-3.9%
AHCCCS State Impact						28,034,700	102.4%
Pass-through State Impact						(652,400)	-2.4%
Total State Impact						27,382,300	
AHCCCS Federal Impact						143,923,800	104.2%
Pass-through Federal Impact						(5,799,400)	-4.2%
Total Federal Impact						138,124,400	

The actuarial certifications for the rates are attached. Should you have any questions on any of these issues, please feel free to contact Shelli Silver, Assistant Director, at (602) 417-4647.

Sincerely,



Thomas J. Betlach
Director

cc: The Honorable Don Shooter, Arizona State Senate
Richard Stavneak, Director, Joint Legislative Budget Committee
Lorenzo Romero, Director, Office of Strategic Planning and Budgeting
Bret Cloninger, Office of Strategic Planning and Budgeting
Christina Corieri, Policy Advisor, Office of the Governor

Item 10



STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
SENATE

1716 WEST ADAMS
PHOENIX, ARIZONA 85007

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HOUSE OF
REPRESENTATIVES

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DATE: September 21, 2015

TO: Representative Justin Olson, Chairman
Members, Joint Legislative Budget Committee

THRU: Richard Stavneak, Director *RS*

FROM: Josh Hope, Fiscal Analyst *JH*

SUBJECT: Arizona Department of Environmental Quality - Review of Safe Drinking Water
Expenditure Plan

Request

Pursuant to an FY 2016 General Appropriation Act footnote, the Arizona Department of Environmental Quality (ADEQ) has requested Committee review of its expenditure plan for \$1,800,000 from the Emissions Inspection Fund for the Safe Drinking Water Program in FY 2016.

Recommendation

The Committee has at least the following 2 options:

1. A favorable review.
2. An unfavorable review.

Analysis

Background

Pursuant to A.R.S. § 49-1243, ADEQ is the state agency with primary responsibility for administration of this state's public water system supervision program under the U.S. Safe Drinking Water Act of 1974 (SDWA). The SDWA sets national safety standards for over 80 contaminants that may be found in drinking water. States set additional standards based on their own laws and rules. ADEQ's Safe Drinking Water Program is designed to prevent, detect, and correct any possible contamination of drinking water systems or sources.

(Continued)

As part of the Safe Drinking Water Program, ADEQ regulates 1,532 public water systems (PWS) with the help of local counties to ensure the quality of tap water meets or exceeds state and SDWA standards. A total of 1,465 of these PWS are small water systems. According to ADEQ, about 30% of PWS in Arizona have some level of non-compliance.

Prior to FY 2009, the Safe Drinking Water Program was funded primarily by appropriations from the General Fund. Between FY 2009 and FY 2010, the General Fund appropriation for the Safe Drinking Water Program was eliminated.

To offset the loss of General Fund monies, ADEQ began relying primarily on federal funding in FY 2009. These federal monies were set-aside dollars and non-program fees transferred from the Water Infrastructure Finance Authority's (WIFA) State Revolving Funds (SRF) to ADEQ. Over the last few fiscal years, WIFA has been experiencing significant losses in its allotment from the Federal Government. Starting in late FY 2011, WIFA began decreasing distributions of these monies to ADEQ, opting to use more of these monies internally.

As a substitute for Federal Funds, the Safe Drinking Water Program first received a \$1.8 million Emissions Inspection Fund appropriation in the FY 2013 budget. The program did not receive an appropriation in the FY 2014 budget but again received a \$1.8 million Emissions Inspection Fund appropriation in both the FY 2015 and FY 2016 budgets. Revenues for the Emissions Inspection Fund are generated by vehicle emissions inspection fees. *(See discussion below.)*

While vehicle emissions inspection fees are unrelated to Safe Drinking Water, there has been some prior support linking the two. In the Arizona State Agency Fee Commission's December 2012 report, the Fee Commission recommended that ADEQ be allowed to use revenues from the Emissions Inspection Fund as general purpose monies.

The FY 2015 General Appropriation Act required JLBC review of ADEQ's FY 2015 expenditure plan for the Safe Drinking Water Program. ADEQ did not submit a request for review to JLBC, but did spend its Emissions Inspection Fund appropriation. ADEQ's expenditures for the Safe Drinking Water Program in FY 2015 appear in *Table 1*. ADEQ spent \$1.4 million of its \$1.8 million appropriation. Direct personnel costs made up approximately 73% of total costs and the Indirect Cost Fund allocation made up approximately 25% of total costs.

Table 1

Safe Drinking Water Program Costs

<u>Position or Function</u>	<u>FY 2015</u>		<u>FY 2016</u>	
	<u>FTEs</u>	<u>Cost</u>	<u>FTEs</u>	<u>Cost</u>
Direct Personnel	15.7	\$ 999,800	13.4	\$ 1,121,700
Indirect Cost Fund Allocation		336,600		501,900
Contracting		-		50,000
Travel		18,000		48,400
Other (e.g. software, printing)		13,300		78,000
Total		\$ 1,367,700		\$ 1,800,000

(Continued)

Request

ADEQ's expenditure plan for the Safe Drinking Water Program for FY 2016 appears in *Table 1*. In FY 2016, ADEQ is planning to expend \$1.8 million. A key change for FY 2016 is that ADEQ is budgeting more for contracting and other operating expenses. The budgeted amount for direct personnel costs is higher in FY 2016 even though there are fewer FTE Positions. ADEQ's strategy here is to rely on fewer, higher paid employees. The Indirect Cost Fund allocation is used to fund indirect costs that cannot be attributed to one specific program, such as rent, executive salaries, information technology, and accounting.

Emissions Inspection Fund

Pursuant to A.R.S. § 49-544, the Director of ADEQ has the authority to specify the fees required to pay for the full cost of the Vehicle Emissions Inspection Program.

In recent years, the fees have exceeded program expenses and the resulting balances have been utilized for other programs. Since FY 2014, a total of \$16.8 million of Emissions Inspection Fund monies have been transferred to the Automation Projects Fund to fund ADEQ's departmentwide e-licensing portal. The appropriations from the Emissions Inspection Fund for the Safe Drinking Water Program have totaled \$5.4 million since FY 2013. Despite being used to fund the automation project and Safe Drinking Water Program in recent years, the Emissions Inspection Fund is still estimated to have a \$14.2 million balance at the end of FY 2016, as shown in *Table 2*.

Table 2				
Emissions Inspection Fund				
	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
	(Actuals)	(Actuals)	(Actuals)	(Estimates)
Balance Forward	\$9,163,000	\$12,000,800	\$20,016,500	\$17,318,000
Revenues	39,927,200	38,757,400	30,359,300	30,280,700
Expenditures				
Inspections	25,366,100	25,550,400	24,890,000	26,581,700
SDWP	1,723,400	0	1,367,700	1,800,000
Legislative Fund Transfers	10,000,000	0	0	0
AFIS Adjustments	0	191,200	0	0
Automated Projects Fund	0	5,000,000	6,800,000	5,000,000
Total Expenditures	\$37,089,500	\$30,741,600	\$33,057,700	\$33,381,700
Total Balance	\$12,000,800	\$20,016,500	\$17,318,000	\$14,217,000

The FY 2013 Environment Budget Reconciliation Bill (Laws 2012, Chapter 303) required the State Agency Fee Commission to recommend reductions to vehicle emissions inspection fees by December 31, 2012. The Fee Commission recommended that the current fee structure remain unchanged and that the Legislature set a statutory cap of 140% of Emissions Inspection contract costs. A statutory fee cap was not implemented. Statute does not currently specify a fee level, as fee levels continue to be determined by the Director of ADEQ.

In response to the report, however, ADEQ decreased the primary vehicle emissions inspection fee in Maricopa County on July 1, 2014 from \$27.75 to \$20.00. Despite this fee reduction, vehicle emissions inspection fees continue to generate a structural surplus.

RS/JH:lm
Attachments



Douglas A. Ducey
Governor

ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY



Misael Cabrera
Director

September 4, 2015

The Honorable Justin Olson, Chairman
Joint Legislative Budget Committee
Arizona House of Representatives
1700 West Washington Street
Phoenix, AZ 85007



Re: Safe Drinking Water Program line item expenditure plan for review

Dear Representative Olson:

In accordance with Laws 2015, 52nd Legislature, 1st Regular Session, Chapter 8 (HB 1469), Section 36, line 12 "*Before the expenditure of any monies from the safe drinking water program line item, the department of environmental quality shall submit an expenditure plan for review by the joint legislative budget committee,*" The Arizona Department of Environmental Quality is submitting the safe drinking water program expenditure plan for review. Monies to support the expenditure plan have already been appropriated by Vehicle Emission Inspection.

The attached document contains the Drinking Water Program Budget/Expenditure Plan. We will be happy to meet with your staff to provide explanation as appropriate. If you need further information, please contact Trevor Baggione, Director, ADEQ Water Quality Division, at 602-771-2303.

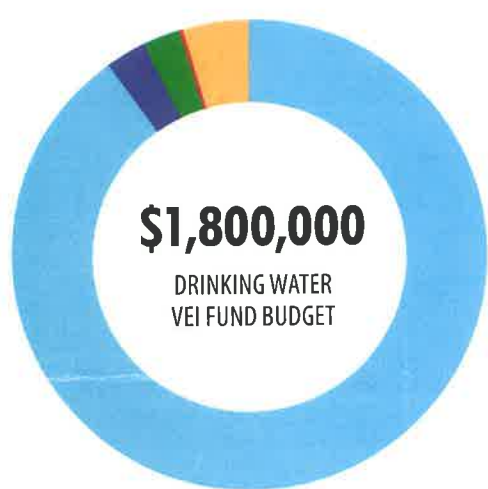
Sincerely,

Misael Cabrera, PE
Director

Enclosure

cc: ✓ Richard Stavneak, Director JLBC
Joshua Hope, JLBC Staff
Lorenzo Romero, Director, OSPB
Kaitlin Harrier, OSPB Staff
Trevor Baggione, Director Water Quality Division, ADEQ
David Briant, Director Business and Finance, ADEQ

DRINKING WATER PROGRAM BUDGET FUNDED BY VEHICLE EMISSION INSPECTION (VEI)



\$1,623,600	13.4 FTE	• Salaries • Indirect • Benefits
\$50,000	PROFESSIONAL & OUTSIDE SERVICES	• Attorney General
\$41,900	IN-STATE TRAVEL	• Operator certification • Training • Inspections
\$6,500	OUT OF STATE TRAVEL	• EPA conferences
\$78,000	OTHER OPERATING EXPENSES	• Software updates • Supplies • Printing

PROGRAM SCOPE

- Regulate 1,532 public water systems (PWS)—1,465 are small systems.
- Ensure PWS are designed and constructed correctly.
- Train and certify 2,700 municipal and private system personnel to operate PWS properly.
- Continually educate and advise regulated community to help keep them in compliance
- Provide water quality information to the public.
- Provide guidance on source water protection and technical assistance to schools and PWS.
- Receive and review 85,000 water quality test results each year from PWS.
- Conduct an average of 235 water system inspections per year and assist in returning systems to compliance as rapidly as possible.

WHY IT MATTERS

- About 30% of PWS in Arizona have some level of non-compliance.
- Majority of compliance issues are small water systems, which require focused attention to achieve compliance.
- Without stable funding, Arizona runs the risk of EPA taking over compliance activities.
- Federal funding is expected to continue to decrease.
- Historically funded by the General Fund, the Drinking Water Program is the only ADEQ program not transitioned to the fee for service model.

COMPARISONS BY COUNTY



"Studies indicate that drinking water contaminants are linked to millions of instances of illness within the United States each year."

*Charles Duhigg,
New York Times,
December 7, 2009*

APACHE COUNTY • PWS: 48 • Population: 20,000 Non-Compliance: 37.5%	GRAHAM COUNTY • PWS: 14 • Population: 26,000 Non-Compliance: 28.6%	MOHAVE COUNTY • PWS: 103 • Population: 232,000 Non-Compliance: 37.6%	SANTA CRUZ COUNTY • PWS: 38 • Population: 51,000 Non-Compliance: 28.9%
COCONINO COUNTY • PWS: 103 • Population: 163,000 Non-Compliance: 27.2%	GREENLEE COUNTY • PWS: 15 • Population: 8,000 Non-Compliance: 20.0%	NAVAJO COUNTY • PWS: 61 • Population: 89,000 Non-Compliance: 42.6%	YAVAPAI COUNTY • PWS: 245 • Population: 204,000 Non-Compliance: 20.0%
COCHISE COUNTY • PWS: 108 • Population: 133,000 Non-Compliance: 20.4%	LA PAZ COUNTY • PWS: 86 • Population: 35,000 Non-Compliance: 25.6%	PIMA COUNTY • PWS: 214 • Population: 1,055,000 Non-Compliance: 28.5%	YUMA COUNTY • PWS: 54 • Population: 206,000 Non-Compliance: 37.5%
GILA COUNTY • PWS: 108 • Population: 65,000 Non-Compliance: 28.7%	MARICOPA COUNTY • PWS: 235 • Population: 3,883,000 Non-Compliance: 17.0%	PINAL COUNTY • PWS: 94 • Population: 381,000 Non-Compliance: 45.7%	

"In 1993 the largest recorded waterborne disease outbreak in the United States took place when treatment plants in Milwaukee, Wisconsin failed to eliminate cryptosporidium oocysts introduced into surface waters by runoff from nearby cattle pastures. The incident resulted in more than 403,000 cases of illness (25 percent of the population) and 104 deaths in just two weeks. According to an analysis by the Centers for Disease Control, the total cost associated with the outbreak was \$96.2 million (1993 dollars), including \$31.7 million in medical costs and \$64.6 million in productivity losses."

Corso (2003)