#### STATE OF ARIZONA

# Joint Legislative Budget Committee

STATE SENATE

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HOUSE OF REPRESENTATIVES

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# MINUTES OF THE MEETING

## JOINT LEGISLATIVE BUDGET COMMITTEE

May 11, 2005

The Chairman called the meeting to order at 8:45 a.m., Wednesday, May 11, 2005, in House Hearing Room 4. The following were present:

Members: Representative Pearce, Chairman Senato

Representative Boone Representative Burton Cahill Representative Gorman Senator Burns, Vice-Chairman Senator Arzberger

Senator Bee Senator Cannell Senator Garcia Senator Harper

Absent: Representative Biggs

Representative Huffman Representative Lopez Representative Tully Senator Martin

Senator Waring

## APPROVAL OF MINUTES

Representative Pearce moved that the Committee approve the minutes of March 4, 2005. The motion carried.

# ATTORNEY GENERAL (AG)

# A. Review of Intended Use of Monies in the Antitrust Enforcement Revolving Fund.

Mr. Nick Klingerman, JLBC Staff, said the Office of the Attorney General has notified the Committee of its intended uses of Antitrust Enforcement Revolving Fund monies in excess of \$183,600. The agency reports that of the available monies in the Antitrust Fund the AG intends to expend \$126,400 in excess of the \$183,600 expenditure limit in FY 2005.

<u>Senator Burns moved</u> that the Committee give a favorable review, as recommended by JLBC Staff, of the intended expenditures from the Antitrust Enforcement Revolving Fund. The motion carried.

## B. Review of Allocation of Settlement Monies.

Mr. Nick Klingerman, JLBC Staff, said this item was for a review by the Committee of the allocation of settlement monies received from the Sempra Energy Company settlement agreement and the Institute for Financial Advantage Inc. consent judgment. The General Appropriation Act contains a footnote that requires Joint Legislative Budget Committee review of the allocation or expenditure plan for settlement monies over \$100,000 received by the Attorney General or any other person on behalf of the State of Arizona, and it specifies that the Attorney General shall not allocate or expend these monies until the JLBC reviews the allocations or expenditures.

<u>Senator Burns moved</u> that the Committee give a favorable review, as recommended by JLBC Staff, of the allocation plans from the Sempra settlement agreement and the Institute for Financial Advantage Inc. consent judgment The motion carried.

# DEPARTMENT OF HEALTH SERVICES – Review of Expenditure Plan from the Vital Records Electronic Systems Fund.

Mr. John Malloy, JLBC Staff, presented the Department of Health Services request for Committee review of the expenditure plan from the Vital Records Electronic Systems Fund to digitize birth and death certificates. Statute requires that a detailed expenditure plan be submitted to JLBC or review prior to the expenditure of monies from this fund for the purchase of new information technology.

<u>Senator Burns moved</u> that the Committee give a favorable review, as recommended by JLBC Staff, to the Department of Health Services' expenditure plan for the Vital Records and Electronic Systems Fund. The motion carried.

# **DEPARTMENT OF PUBLIC SAFETY – Quarterly Review of the Arizona Public Safety Communication Advisory Commission (PSCC).**

Mr. Martin Lorenzo, JLBC Staff, said this item was for Committee review of the third quarter expenditures and progress for the statewide interoperability design project. He said that it appears the project has fallen behind schedule according to DPS' original timeline submitted to the Committee in June 2004. As a result, the JLBC Staff recommends that the Committee request that the next DPS quarterly report include an updated design timeline with specific goal and objectives for completion during FY 2006.

Representative Pearce stated that the Committee would like a more detailed breakdown of what the monies were being spent on.

Representative Pearce asked why the department was utilizing these monies to purchase cars as he was under the impression from the last meeting that the recommendation was to utilize vehicles in DPS' existing fleet.

Mr. Lorenzo stated that they had already purchased 2 of the 3 vehicles in the 2<sup>nd</sup> quarter. However, as a result of the unfavorable review in the 2<sup>nd</sup> quarter expenditure report, they decided not to purchase the 3<sup>rd</sup> vehicle and utilize the cars in DPS' fleet.

<u>Senator Burns moved</u> that the Committee adopt the recommendation of the JLBC Staff, to include in the next DPS quarterly report, an updated timeline with specific goals and objectives for completion during FY 2006. The motion carried.

#### EXECUTIVE SESSION

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

At 8:58 a.m., the Joint Legislative Budget Committee went into Executive Session.

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

At 9:08 a.m. the Committee reconvened into open session.

<u>Senator Burns moved</u> that the Committee approve the recommended settlement proposal by the Attorney General's Office in the case of Camacho v. State of Arizona, et al. The motion carried.

Chairman Burns adjourned the meeting at 9:10 p.m.

Respectfully submitted:	
	Cheryl Kestner, Secretary
	Richard Stavneak, Director
	Representative Russell Pearce, Chairman