



STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
SENATE

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MINUTES OF THE MEETING

JOINT LEGISLATIVE BUDGET COMMITTEE

June 24, 2020

The Chairman called the meeting to order at 9:40 a.m., Wednesday, June 24, 2020, via video conference. The following were present:

Members:	Senator Gowan, Chairman	Representative Cobb, Vice-Chairman
	Senator Alston	Representative Fernandez
	Senator Bowie	Representative Friese
	Senator Gray	Representative Kavanagh
	Senator Leach	Representative Roberts
	Senator Otondo	Representative Toma
	Senator Mesnard	Representative Petersen

Absent:	Senator Livingston	Representative Espinoza
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APPROVAL OF MINUTES

Representative Cobb moved that the Committee approve the minutes of April 29, 2020. The motion carried.

CONSENT AGENDA

The following items were considered.

ARIZONA DEPARTMENT OF ADMINISTRATION/AUTOMATION PROJECTS FUND - Review of CHILDS (Department of Child Safety Subaccount).

A.R.S. § 41-714 requires Committee review prior to any monies being expended from the Arizona Department of Administration's (ADOA) Automation Projects Fund (APF) for the Children's Information Library and Data Source (CHILDS) replacement project. ADOA requested Committee review of the expenditure of \$1,600,000 in FY 2020 funds and \$4,992,800 in FY 2021 for the CHILDS replacement project. The JLBC Staff provided options.

(Continued)

ARIZONA DEPARTMENT OF ADMINISTRATION/AUTOMATION PROJECTS FUND - Review of myDEQ Project Scope Change (Arizona Department of Environmental Quality Subaccount).

Pursuant to A.R.S. § 41-714 and a provision at the December 2018 Joint Legislative Budget Committee (JLBC) meeting, the Arizona Department of Administration (ADOA) requested that the Committee review changes in expenditure plans exceeding 10% and a change in scope for the development of the Arizona Department of Environmental Quality (ADEQ)'s myDEQ project. The project was appropriated in FY 2019 from the Automated Projects Fund (APF). The JLBC Staff provided options.

ATTORNEY GENERAL (AG) - Review of Report on Murdered and Missing Indigenous Women and Girls Study Committee Expenditure Plan.

In April 2020, the Committee favorably reviewed the report on the expenditure of monies from the Consumer Remediation Subaccount to support expenses of the Missing and Murdered Indigenous Women and Girls (MMIWG) Study Committee and required that the AG provide an updated report to JLBC. The AG requested that the Committee review the progress of the MMIWG Study Committee. The JLBC Staff provided options and a potential provision:

- A. The AG and the MMIWG study committee shall report on their progress to JLBC by June 1, 2021.

ATTORNEY GENERAL (AG) - Review of Uncollectible Debt.

Pursuant to A.R.S. § 35-150E, the AG requests Committee review of its listing of uncollectible debts to be removed from the state's accounting system. The listing totals \$34,186,515 for debts listed as uncollectible in FY 2020 and prior years. The JLBC Staff provided options.

ARIZONA CRIMINAL JUSTICE COMMISSION (ACJC) - Review of Edward Byrne Memorial Justice Assistance Grant Federal Application.

Pursuant to A.R.S. § 41-2403, ACJC requested Committee review of the federal application for the Edward Byrne Memorial Justice Assistance Grant (JAG) that is administered by the United States Department of Justice, Bureau of Justice Assistance. The JLBC Staff provided options and a potential provision:

- A. ACJC shall submit a preliminary proposal by May 15, 2021 if the federal guidelines have not yet been received for 2021.

DEPARTMENT OF ECONOMIC SECURITY (DES) - Review of Developmental Disabilities Line Item Transfers.

Pursuant to an FY 2019 General Appropriation Act footnote, before transferring any funds into or out of certain Division of Developmental Disabilities (DDD) line items, DES must submit a report for review by JLBC.

DES requested Committee review of an FY 2019 transfer of \$718,800 in General Fund monies from the Case Management - State Only line item to the State-Funded Long Term Care Services line item. The JLBC Staff provided options.

DEPARTMENT OF EDUCATION (ADE) - Review of Career Technical Education District Annual Report.

ADE requested Committee review of its annual Career Technical Education District (CTED) report for FY 2019, as required by A.R.S. § 15-393.01. The JLBC Staff provided options.

SECRETARY OF STATE (SOS) - Review of Expenditure Plans for Help America Vote Act (HAVA) Projects (March 2018 and December 2019 Allocations).

Pursuant to FY 2019 and FY 2021 General Appropriation Act footnotes, SOS is requesting review of 2 expenditure plans for Help America Vote Act (HAVA) monies.

The first round of HAVA monies was allocated by the federal government to the state in March 2018. SOS currently estimates this March 2018 allocation has an available balance of \$2.4 million.

The second round of HAVA monies was allocated by the federal government in December 2019. Of this allocation, SOS was appropriated \$1.3 million in the enacted budget.

This agenda item addressed the review of FY 2021 expenditures of the following monies: 1) \$2.2 million from the March 2018 HAVA grant; and 2) \$695,000 from the December 2019 HAVA grant. The JLBC Staff provided options and a potential provision:

- A. The SOS shall notify the Committee of any changes to the FY 2021 expenditure plan exceeding \$100,000 and the Chairman may determine whether the changes require further Committee review.

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

Pursuant to A.R.S. § 41-1724G and A.R.S. § 41-1724H, DPS is required to submit for Committee review the entire FY 2021 expenditure plan for the GIITEM Border Security and Law Enforcement Subaccount prior to expending any monies. The Subaccount is funded primarily from a \$4.00 surcharge on criminal violations.

DPS submitted for review its proposal to distribute \$1,346,100 of the \$2,396,100 FY 2021 appropriation from the Subaccount to continue to fund 3 existing programs: Detention Liaison Officer Program (\$456,800), Border County Officers (\$539,300), and Border Crimes Unit (\$350,000). DPS plans to submit to the Committee an allocation plan for the Border Security and Law Enforcement Grants (\$1,050,000) for review at a later date this year. The JLBC Staff provided options and a potential provision:

- A. DPS shall report to the Committee prior to implementing any changes to the proposed FY 2021 allocation of the grants. The Chairman shall decide whether the revisions require Committee review.

Representative Cobb moved that the Committee provide a favorable review of the consent agenda with the JLBC Staff provisions along with a provision that the portions of the 2019 allocation for agenda item #6 - Secretary of State only include security enhancements and county assistance. Any expenditures for a public information campaign shall only be made in the form of grants to county recorders for that purpose and shall be distributed as follows: \$50,000 to each of the 5 largest counties according to the 2010 decennial census and \$25,000 to each of the remaining counties.

(Continued)

Representative Friese made a substitute motion to place agenda item #6 - Secretary of State on a new meeting agenda for consideration in the next 72 hours. The substitute motion failed by a roll call vote of 5-8-0-3. (Attachment 1)

The original Cobb motion then passed by a roll call vote of 8-5-0-3. (Attachment 1)

EXECUTIVE SESSION

Representative Cobb moved that the Committee go into Executive Session. The motion carried.

At 10:07 a.m. the Joint Legislative Budget Committee went into Executive Session.

Representative Cobb moved that the Committee reconvene into open session. The motion carried.

At 10:27 a.m. the Committee reconvened into open session.

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

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

- *Chatman v. State of Arizona, et al.*
- *Daschke, et al. v. State of Arizona, et al.*
- *Thompson, et al. v. state of Arizona, et al.*

The motion carried.

Without objection, the meeting adjourned at 10:28 a.m.

Respectfully submitted:



Kristy Paddack, Secretary



Richard Stavneak, Director



Senator David Gowan, Chairman

JOINT LEGISLATIVE BUDGET COMMITTEE

Meeting Date: 6/24/20

ITEM # Substitute motion to place Agenda Item #6 on an agenda in the next 72 hours

ITEM # Consent Agenda

	<u>PRESENT</u>	<u>ABSENT</u>	PASS	AYE	NAY	PRESENT	ABSENT
SEN. ALSTON	/			/			
SEN. BOWIE	/			/			
REP. ESPINOZA		/					/
REP. FERNANDEZ	/			/			
REP. FRIESE	/			/			
SEN. GRAY	/				/		
REP. KAVANAGH	/				/		
SEN. LEACH	/				/		
SEN. LIVINGSTON		/					/
SEN. MESNARD	/				/		
SEN. OTONDO	/			/			
REP. PETERSEN	/						/
REP. ROBERTS	/				/		
REP. TOMA	/				/		
REP. COBB	/				/		
SEN. GOWAN	/				/		

TOTALS 14 2 5 8 3

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	PASS	AYE	NAY	PRESENT	ABSENT
SEN. ALSTON			/		
SEN. BOWIE			/		
REP. ESPINOZA					/
REP. FERNANDEZ			/		
REP. FRIESE			/		
SEN. GRAY		/			
REP. KAVANAGH		/			
SEN. LEACH		/			
SEN. LIVINGSTON					/
SEN. MESNARD		/			
SEN. OTONDO			/		
REP. PETERSEN					/
REP. ROBERTS		/			
REP. TOMA		/			
REP. COBB		/			
REP. GOWAN		/			

TOTALS 8 5 3