



STATE OF ARIZONA

# Joint Legislative Budget Committee

STATE  
SENATE

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RICK GRAY  
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HOUSE OF  
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## MINUTES OF THE MEETING

### JOINT LEGISLATIVE BUDGET COMMITTEE

December 11, 2019

The Chairman called the meeting to order at 1:27 p.m., Wednesday, December 11, 2019, in House Hearing Room 1. The following were present:

<p>Members:</p> <p>Senator Alston Senator Bowie Senator Gray Senator Leach Senator Mesnard</p> <p>Absent:</p> <p>Senator Gowan, Vice-Chairman Senator Livingston Senator Otondo</p>	<p>Representative Cobb, Chairman Representative Espinoza Representative Fernandez Representative Fillmore Representative Friese Representative Kavanagh Representative Kern Representative Roberts</p> <p>Representative Petersen Representative Toma</p>
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### APPROVAL OF MINUTES

Senator Leach moved that the Committee approve the minutes of September 25, 2019. The motion carried.

### EXECUTIVE SESSION

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

At 1:29 p.m. the Joint Legislative Budget Committee went into Executive Session.

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

At 2:05 p.m. the Committee reconvened into open session.

(Continued)

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

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

- *Fernandez v. State of Arizona, et al.*
- *Hernandez v. Ryan, et at.*
- *Ragsdale v. State of Arizona, et al.*

The motion carried.

**REGULAR AGENDA**

**JLBC STAFF - Consider Approval of Index for School Facilities Board Construction Costs.**

Ms. Rebecca Perrera, JLBC Staff, stated that A.R.S. § 15-2041D3(c) requires that the cost-per-square-foot factors used in the School Facilities Board (SFB) new school construction formula “shall be adjusted annually for construction market considerations based on an index identified or developed by the Joint Legislative Budget Committee (JLBC) as necessary but not less than once each year.” The cost-per-square-foot factors were last adjusted in December 2018.

*Senator Leach moved that the Committee approve a 5.29% adjustment in the cost-per-square-foot factors. The adjustment is based on the change in the Rider Levett Bucknall (RLB) Phoenix construction cost index since the cost factors were last adjusted in December 2018. The new revised per square foot dollar amounts apply to districts that were awarded new schools by the School Facilities since December 11, 2019. The revised rates are as follows:*

<u>Grade</u>	<u>\$ per square foot</u>
K-6	\$164.36
7-8	\$173.52
9-12	\$200.90

The motion carried.

**CONSENT AGENDA**

The following item was considered without discussion.

**DEPARTMENT OF ECONOMIC SECURITY (DES) - Review of Plan for the Arizona Training Program at Coolidge.**

Pursuant to A.R.S. § 36-570, DES submitted its annual report for Committee review on the department's plans for the Arizona Training Program at Coolidge (ATP-C) and associated group homes, including any plans to close the facilities. The JLBC Staff provided options.

*Senator Leach moved that the Committee give a favorable review to the consent agenda item listed above. The motion carried.*

(Continued)

**REGULAR AGENDA**

**ARIZONA DEPARTMENT OF CORRECTIONS (ADC) - Review of FY 2020 Second Quarter Correctional Officer Staffing Report.**

Mr. Stefan Shepherd, JLBC Staff, stated that pursuant to an FY 2020 General Appropriation Act footnote, ADC submitted for Committee review its quarterly staffing report for correctional officers. The JLBC Staff provided options.

Mr. David Shinn, Director, ADC, responded to member questions.

*Senator Leach moved that the Committee receive the department's second quarterly report and the additional information required in the September provisions without comment. The motion carried.*

**ARIZONA DEPARTMENT OF CORRECTIONS (ADC) - Review of FY 2020 Proposed Bed Capacity Changes.**

Mr. Stefan Shepherd, JLBC Staff, stated that pursuant to an FY 2020 General Appropriation Act footnote, ADC previously submitted for Committee review its report detailing proposed bed capacity changes in FY 2019. The Committee reviewed the plan at its September JLBC meeting. ADC is now requesting the Committee review its revised FY 2020 changes. The JLBC Staff provided options.

Mr. David Shinn, Director, ADC, responded to member questions.

Mr. Joe Profiri, Deputy Director, ADC, responded to member questions.

Chairman Cobb ruled the Committee will not hear public testimony.

*Representative Friese moved to appeal the decision of the chairman not to hear public testimony and requested a roll call vote. The motion failed by a roll call vote of 5-7-0-6. (Attachment 1)*

*Senator Leach moved that the Committee give a favorable review of the department's revised changes. The motion passed by a roll call vote of 7-5-0-6. (Attachment 1)*

**ARIZONA DEPARTMENT OF ADMINISTRATION (ADOA)/ ARIZONA DEPARTMENT OF EDUCATION (ADE) - Review of APOR/CHAR Replacement Project (Automation Projects Fund).**

Mr. Patrick Moran, JLBC Staff, stated that pursuant to A.R.S § 41-714, ADOA and ADE requested Committee review of \$3,000,000 in proposed FY 2020 expenditures from the Department of Education Subaccount of the Automation Projects Fund (APF) for the Department of Education's school finance system replacement project. The JLBC Staff provided options and potential provisions.

Mr. John Carruth, Chief of Staff, ADE, responded to member questions.

*Senator Gray moved that the Committee give a favorable review of ADOA's and ADE's \$3,000,000 FY 2020 expenditure plan from the APF for school finance system replacement, with the following provisions:*

(Continued)

- A. *Before expending monies on the FY 2020 school finance system replacement expenditure plan, ADE shall receive review and approval of the plan by the Information Technology Authorization Committee.*
- B. *ADE shall report any changes in the timeline for the completion of the project to the Joint Legislative Budget Committee within 30 days of the approval of the changes. The report shall address how the revised timeline will affect ADE's plans to request additional funding for the project.*
- C. *ADE shall report to the Committee within 10 days of contracting with an independent third-party vendor that will provide quarterly assessments of the project pursuant to A.R.S. § 18-104A1g. ADE shall provide the quarterly assessments to the Committee.*

The motion carried.

**ATTORNEY GENERAL (AG) - Review of Consumer Restitution and Remediation Revolving Fund - Consumer Remediation Subaccount Expenditure Plan.**

Mr. Stefan Shepherd, JLBC Staff, stated that A.R.S. § 44-1531.02C requires the AG to submit an expenditure plan for review by the Committee prior to spending any monies in the Consumer Remediation Subaccount of the Consumer Restitution and Remediation Revolving Fund. The AG requested the Committee review its expenditure plan to spend \$125,000 from the Target settlement to support expenses associated with the Missing and Murdered Indigenous Women and Girls Study Committee. The JLBC Staff provided options.

Representative Jennifer Jermaine responded to member questions.

*Senator Leach moved that the Committee give a favorable review favorable review of the AG's expenditure plan to spend \$125,000 from the Target settlement to support expenses associated with the Missing and Murdered Indigenous Women and Girls (MMIWG) Study Committee. The favorable review included the following provision:*

- A. *Of the \$125,000, \$30,000 is intended to be immediately available. The MMIWG Study Committee shall provide, at least 2 weeks before a March/April 2020 Committee meeting but no later than April 1, 2020, a report to the Committee on the awarding of the request for proposals (RFP), the expert consultant's spending plan, and any work performed up to that date including progress on:*
  - *Meeting with every federally recognized tribe in the state,*
  - *Meeting with the urban tribal centers,*
  - *Requesting public records related to any missing and murdered indigenous women and girls,*
  - *Starting to recruit and interview independent consultants to assist with data collection and analysis, and*
  - *Meeting with the federal coordinator for Missing and Murdered American Indians and Alaska Natives assigned to the U.S. Attorney's office assigned to Arizona.*

*Up to the remaining \$95,000 will be considered for further Committee guidance at a future Committee meeting or meetings upon receipt of an initial MMIWG Study Committee report.*

The motion carried.

(Continued)

Without objection, the meeting adjourned at 4:25 p.m.

Respectfully submitted:



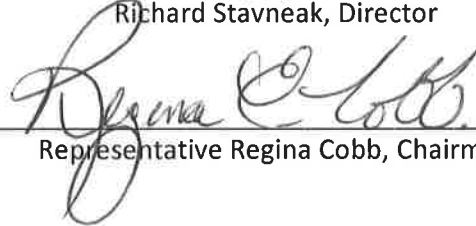
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Kristy Paddack, Secretary



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Richard Stavneak, Director



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Representative Regina Cobb, Chairman

**JOINT LEGISLATIVE BUDGET COMMITTEE**

Meeting Date: 12/11/19

ITEM# Appeal of public testimony

ITEM# 2B

Rep Fillmore   /     —    
 Rep Kern   /     —  

PRESENT

ABSENT

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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

SEN. GOWAN

REP. COBB

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