

STATE OF ARIZONA

Joint Legislative Budget Committee

STATE
SENATE

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HOUSE OF
REPRESENTATIVES

JOHN KAVANAGH
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MATT HEINZ
JOHN MCCOMISH
RICK MURPHY
VIC WILLIAMS

MINUTES OF THE MEETING

JOINT LEGISLATIVE BUDGET COMMITTEE

December 14, 2010

The Chairman called the meeting to order at 3:15 p.m., Tuesday, December 14, 2010, in Senate Appropriations Room 109. The following were present:

Members:	Senator Pearce, Chairman	Representative Kavanagh, Vice-Chairman
	Senator Braswell	Representative Biggs
	Senator Gray	Representative McComish
	Senator Harper	Representative Murphy
	Senator Pierce	Representative Williams
	Senator Rios	
Absent:	Senator Aboud	Representative Cajero Bedford
	Senator Aguirre	Representative Campbell
		Representative Heinz

APPROVAL OF MINUTES

Hearing no objections from the members of the Committee to the minutes of October 6, 2010, Chairman Russell Pearce stated that the minutes would stand approved.

ATTORNEY GENERAL - Review of Allocation of Settlement Monies.

Ms. Marge Zylla, JLBC Staff, stated this item is a review of allocation of settlement monies from 2 settlements: 1) a \$250,000 settlement resulting from mediation as part of ongoing Average Wholesale Price litigation with pharmaceutical companies, of which \$227,500 will be deposited into the Consumer Protection-Consumer Fraud Revolving Fund and \$22,500 will go toward outside counsel compensation; and 2) a \$1,181,400 settlement from a consent judgment with Pulte Homes, of which \$281,400 is designated to compensate Arizona consumers, \$500,000 will be deposited into the Consumer Protection-Consumer Fraud Revolving Fund, \$100,000 will fund the publication of new educational materials, and \$300,000 will go toward Attorney General costs and investigative expenses. The JLBC Staff recommended a favorable review.

Representative Kavanagh moved that the Committee give a favorable review to the Attorney General's allocation plans of settlement monies totaling \$1,431,400. The motion carried.

EXECUTIVE SESSION

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

(Continued)

At 3:20 p.m. the Joint Legislative Budget Committee went into Executive Session.

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

At 4:37 p.m. the Committee reconvened into open session.

A. State Department of Corrections - Review of Request for Proposals for 5,000 Private Prison Beds per A.R.S. § 38-431.03A2.

Representative Kavanagh moved that the Committee give a favorable review to the department's proposal on this item. The motion carried.

B. State Department of Corrections - Report on Proposed Correctional Health Services Per Diem Rates per A.R.S. § 38-431.03A2.

This item was for information only and no Committee action was required.

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

Representative Kavanagh moved that the Committee approve the recommended settlement proposal by the Attorney General's Office in the cases of:

- *Thomas v. State of Arizona*
- *Scott v. State, et al.*

The motion carried.

D. Annual Performance Review per Rule 7.

This item was for information only and no Committee action was required.

Without objection, the meeting adjourned at 4:50 p.m.

Respectfully submitted:

Sandy Schumacher, Secretary

Richard Stavneak, Director

Senator Russell Pearce, Chairman

NOTE: A full audio recording of this meeting is available at the JLBC Staff Office, 1716 W. Adams. A full video recording of this meeting is available at <http://www.azleg.gov/jlbc/meeting.htm>.