

At its **June 13, 2023** meeting, the Joint Legislative Budget Committee considered the following issues:

Executive Session (Consent Agenda)

Arizona Department of Administration – Review for Committee the Planned Contribution Strategy for State Employee and Retiree Medical and Dental Plans as Required Under A.R.S. § 38-658A – A.R.S. § 38-658A requires the director of the Arizona Department of Administration (ADOA) to meet with and review for the Joint Legislative Budget Committee, in Executive Session, the planned contribution strategy for medical and dental insurance coverage at least 10 days before ADOA enters into, or renews, contracts for each health plan. The Committee gave a favorable review of the coverage plan for Plan Year 2024.

Regular Agenda

Arizona Department of Corrections – Review of FY 2023 Line Item Transfer – Pursuant to an FY 2023 General Appropriations Act footnote, the Arizona Department of Corrections (ADC) requested review of its plan to utilize \$44.8 million in FY 2023 General Fund vacancy savings appropriated for Personal Services and Employee Related Expenditures (ERE) to cover funding shortfalls in 3 areas: inmate health care injunction costs, operational needs and shortfalls, and a private prison per diem line item shortfall. The Committee gave a favorable review to \$38.5 million of transfers as follows: \$10.8 million for inmate health care injunction costs, \$11.0 million for operational needs and shortfalls, and \$16.7 million for a private prison per diem line item shortfall. As part of its review, the Committee included a provision requiring ADC to work with the health care vendor to amend the existing contract to restore federal Medicaid funding for inmate inpatient services.

Secretary of State – Review of FY 2023 Election Services Line Item Transfer – The FY 2023 General Appropriation Act allocated

\$8.0 million from the General Fund to the Election Services line item and included a footnote requiring the Secretary of State (SOS) to submit a report for Committee review before transferring monies in or out of the line item. The SOS requested total transfers of \$1.1 million for 3 initiatives. The Committee gave a favorable review of transferring \$596,000 from the Election Services line item to the agency's operating budget in FY 2023 as follows: \$500,000 to implement upgrades to the Access Voter Information Database to comply with recent election legislation and \$96,000 for additional Access Voter Information Database operating costs.

Consent Agenda

Arizona Department of Administration/Automation Projects Fund – Review of AHCCCS Prepaid Medicaid Management Information System – A.R.S. § 41-714 requires Committee review prior to any monies being expended from the Automation Projects Fund (APF). The Committee gave a favorable review of ADOA's request on behalf of AHCCCS to use \$2.0 million from the Health and Human Services Information Systems APF Subaccount to begin the development of the Prepaid Medicaid Management Information System. As part of its review, the Committee included a provision that its favorable review is contingent on approval from the Information Technology Authorization Committee (ITAC).

Arizona Department of Administration/Automation Projects Fund – Review of Business One Stop Web Portal – A.R.S. § 41-714 requires Committee review prior to any monies being expended from the Automation Projects Fund (APF). The Committee gave favorable review to ADOA's request to spend \$6.5 million from the ADOA APF Subaccount for FY 2024 operating costs and development of the Business One Stop Portal.

Attorney General – Review of Uncollectible Debts – A.R.S. § 35-150(E) requires the Attorney General's office to submit for Committee review a list of uncollectible debts to be removed from the state's accounting system. The Committee gave a favorable review of removing \$31.0 million in uncollectible debts from the state's accounting system.