

At its July 2022 meeting, the Joint Legislative Budget Committee considered the following issues:

Executive Session

Arizona Department of Administration – Review for Committee the Planned Contribution Strategy for State Employee and Retiree Medical and Dental Plans – 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 medical coverage plan for Plan Year 2023.

Regular Agenda

Arizona Department of Corrections – Review of Request for Proposals to Operate Florence West Prison – Pursuant to A.R.S. § 41-1609.01, the Arizona Department of Corrections (ADC) requested review of the published Request for Proposals (RFP) for the management and operation of the Florence West prison. The Committee gave a favorable review of the request, with the provision that once ADC selects a vendor, the department shall report to the JLBC on the per diem rate and annual value of a contract for operating the prison. The Committee also added a provision that the department work with the legislature in the next session to address the impact of reduced property tax revenue resulting from the change in ownership.

Consent Agenda

Arizona Department of Administration/Automation Projects Fund – Review of Human Resources Information System – A.R.S. § 41-714 requires Committee review prior to any monies being expended from ADOA's Automation Projects Fund (APF). The Committee gave a favorable review of

\$22,397,800 for ADOA's Human Resources Information System, contingent on approval from the Information Technology Authorization Committee. The Committee also included a provision that within 10 days of awarding the contract for the project, ADOA shall report to the JLBC Staff on the selected vendor, total cost of the project, and estimated timeline.

Arizona Department of Administration/Automation Projects Fund – Review of ADE School Finance Replacement Project – A.R.S. § 41-714 requires Committee review prior to any monies being expended from ADOA's Automation Projects Fund. The Committee gave a favorable review of \$3,600,000 from the department's FY 2022 appropriation for the Arizona Department of Education School Finance System Replacement in FY 2023.

Arizona Department of Administration/Automation Projects Fund – Review of ADWR Application Modernization Project – A.R.S. § 41-714 requires Committee review prior to any monies being expended from ADOA's Automation Projects Fund. The Committee gave a favorable review of \$1,700,000 for ADWR's Application Modernization project in FY 2023, contingent on approval from the Information Technology Authorization Committee. The Committee included a provision that within 10 days of awarding the contract for the project, ADOA shall report to the JLBC Staff on the selected vendor, total cost of the project, and estimated timeline. The Committee also included a provision that a favorable review by the Committee does not commit the Legislature to any ongoing funding above the FY 2023 appropriation.

Attorney General – Review of Uncollectible Debts – Pursuant to A.R.S. § 35-150E, the Attorney General requested review of its listing of uncollectible debts to be removed from the state's accounting system. The Committee gave a favorable review of \$16,370,754 for debts listed as uncollectible in FY 2022 and in prior years.

Arizona Criminal Justice Commission – Review of Edward Byrne Memorial Justice Assistance Grant Federal Application – Pursuant to A.R.S. § 41-2403, the Arizona Criminal Justice Commission (ACJC) requested Committee review of the federal application for FFY 2022 for the Edward Byrne Memorial Justice Assistance Grant (JAG) that is administered by the United States Department of Justice, Bureau of Justice Assistance. The Committee gave a favorable review of the request with the provision that ACJC shall submit a preliminary proposal by May 15, 2023 if the federal guidelines have not yet been received for 2023.

Administrative Office of the Courts/Department of Water Resources – Review of General Adjudication Personnel and Support Fund FY 2023 Expenditure Plan – Pursuant to A.R.S. § 12-117.01, the Administrative Office of the Courts (AOC) and the Arizona Department of Water Resources (DWR) submitted an expenditure plan for Committee review prior to spending monies from the General Adjudication Personnel and Support Fund in FY 2022 and FY 2023. The Committee gave a favorable review of their FY 2023 plan to spend \$1,936,200.

Department of Public Safety – 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, the Arizona Department of Public Safety (DPS) submitted for Committee review the FY 2023 expenditure plan for the GIITEM Border Security and Law Enforcement Subaccount prior to expending any monies. The Committee gave a favorable review of DPS's proposal to distribute \$1,346,400 of the \$2,396,400 FY 2023 appropriation from the Subaccount to continue to fund 3 existing programs: Detention Liaison Officers Program (\$458,300), Border County Officers Program (\$538,100), and Pima County 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 later this year. The favorable review included a provision that DPS shall report to the Committee prior to implementing any changes to the proposed FY 2023 allocation of the grants.

Department of Child Safety – Review of Line Item Transfers – Pursuant to an FY 2022 General Appropriation Act footnote, the Committee gave a favorable review of DCS's request to transfer \$10,105,000 of Federal Expenditure Authority from the operating budget to the following 4 line items: Adoption Services (\$7,400,000), Foster Home Placement (\$620,000), Congregate Group Care (\$1,950,000), and Extended Foster Care (\$135,000).

Arizona Board of Regents – Review of FY 2023 Tuition Revenues – This item was held until the next Committee meeting.