

JLBC MEETING

Lake Improvement Fund and the State Parks Enhancement Fund.

At its September 22, 2009 meeting, the Joint Legislative Budget Committee considered the following issues:

Arizona Department of Administration (ADOA) – Review of Risk Management Deductible – The Committee gave a favorable review to the Arizona Department of Administration’s (ADOA) plan to continue to apply a \$10,000 deductible (the statutory maximum) in risk management cases.

Attorney General – Review of Allocation of Settlement Monies – The Committee gave favorable reviews to the AG’s allocation plans for the \$2,547,000 that the AG will receive from 5 settlements for attorney’s fees and investigative costs, consumer fraud education, and for investigations and enforcement of the Consumer Fraud Act. The amounts to be deposited into the Consumer Fraud are: \$845,400 from several pharmaceutical companies, \$117,000 from Tim’s Auto Group, \$400,000 from WalMart, \$1 million from Central Coast Nutraceuticals, and \$100,000 from Payless Car Rental.

Department of Education – Review of Xanterra and Kinder Morgan Corporations Settlement – The Committee gave a favorable review of ADE’s plan to provide \$153,900 in corrected Basic State Aid funding to school districts in Pinal and Coconino Counties to settle a judgment in the Arizona Tax Court regarding Xanterra and Kinder Morgan Corporations’ overpayment of prior year property taxes.

Department of Health Services – Review of Behavioral Health Title XIX Capitation Rate Changes – The Committee gave an unfavorable review to the department’s capitation rate. The proposed capitation rates exceed the budgeted amount by \$651,600 in General Fund monies due to program expansions that primarily address litigation requirements.

Arizona State Parks Board – Review of Requested Exchange of Fund Transfers – The Committee gave a favorable review to the Arizona State Parks Board’s request to exchange \$6.6 million in fund transfers, primarily by transferring monies from the Arizona Heritage Fund rather than the State