

JLBC MEETING

At its October 24th meeting, the Joint Legislative Budget Committee considered the following issues:

AHCCCS – The JLBC favorably reviewed the methodology to calculate an inflation adjustment for the counties' contributions for Proposition 204 administration costs. Consistent with the Economic Estimates Commission's calculation for county expenditure limits, JLBC Staff utilized the calendar year 2001 gross domestic product price deflator to determine the county contribution of \$5,118,200 for Proposition 204 administration costs.

Arizona Board of Regents – The JLBC favorably reviewed the expenditure plan for \$31.7 million in additional tuition revenue for the Arizona universities. The additional tuition revenue is due to increases in tuition approved by the Arizona Board of Regents in April 2002, enrollment growth, and the mix of resident versus non-resident students.

Department of Health Services – The JLBC favorably reviewed the expenditure of \$94,000 from the Vital Records Electronic Systems Fund for a consultant to develop basic system requirements for a new information system for Vital Records as authorized by Laws 2002, Chapter 160.

Department of Revenue – The JLBC approved \$6 million in administrative expenses for the Ladewig litigation involving income tax refunds for out-of-state corporate dividends. The Committee will approve the remaining automation expenses at the November meeting. Due to pending litigation, the details of the case were discussed in Executive Session.

Department of Corrections – The JLBC favorably reviewed a proposal to contract for 645 private prison beds. Since the contract had not yet been awarded, the details of this item were discussed in Executive Session.

Director's Report – The JLBC was informed that the statutory duties and responsibilities of the Committee increased from 131 in the previous year to 147 for the coming year. Staff responsibilities increased from 68 to 74.

Other Reports – The JLBC received written reports this month on 1) Board of Accountancy's Plan to bring expenditures in line with revenues, 2) AHCCCS' Medicaid in Public School Initiative Services Reimbursement, 3) Department of Economic Security Children Services, 4) Department of Emergency and Military Affairs Declared Emergencies, 5) Game and Fish Department's Publications Revolving Fund, 6) Department of Health Services Transfer Allocation, 7) JLBC Staff Analysis of Insurance Fee Equity, 8) Department of Juvenile Corrections Overtime, Turnover, and Travel Stipends, and 9) State Parks Board Park Operating Expenditures.