

**GENERAL LEGISLATION
FY 2000 AND FY 2001
OMNIBUS RECONCILIATION BILLS (ORB)**

	Section #
Public Finances ORB (Chapter 3, 1st Special Session)	
Department of Administration	
• As permanent law, change Lease Cost Review Board report submittals to be in even-numbered years to conform with biennial budgeting.	3, 19
• As permanent law, change Joint Committee on Capital Review (JCCR) determination of rental rates to be done in even-numbered years to conform with biennial budgeting.	4
• As permanent law, change agency capital request submittals to their building system to be in even-numbered years to conform with biennial budgeting.	5, 20
• As permanent law, clarify JCCR authority to recommend state rent payment exemptions for agencies lacking the financial resources to pay.	4
Department of Commerce	
• As permanent law, repeal the provision from Laws 1998, Chapter 241, Section 19, which incorrectly appropriated certain federal housing funds in the Department of Commerce.	7, 19
• As permanent law, permit Department of Commerce to apply for Federal Housing Assistance for Seriously Mentally Ill or other disabled populations.	7
Department of Corrections	
• As permanent law, require entities that hire correctional officers are required to reimburse the state for recruiting and training costs if they hire an officer during their first two years of state employment.	8
Department of Economic Security	
• As session law, permit the use of federal Temporary Assistance for Needy Families funds for transfer to the Social Services Block Grant. Allows \$28.2 million of General Fund savings in FY 2000.	16
Judiciary	
• As session law, notwithstanding A.R.S. § 41-2401D15 to allow the Criminal Justice Enhancement Fund (CJEF) Community Punishment program monies to be used for all treatment options and not solely drug treatment.	14
Department of Library, Archives and Public Records	
• As permanent law, establish a Records Storage Fund, which will receive charges collected from agencies for use of the Records Center.	6
• As session law, allow Special Acquisitions monies appropriated by Laws 1998, Chapter 148 to be used for funding of reclassified positions.	11
Arizona State Lottery Commission	
• As session law, require the Arizona Lottery Commission to return to the state a minimum of 31.6% of all Powerball sales in both FY 2000 and FY 2001. Permanent law only requires the return of 29% of sales. The session law change would provide an estimated additional \$2,117,100 in FY 2000 and \$1,955,400 in FY 2001 to the Local Transportation Assistance Fund's Mass Transit Program beyond the statutory minimum.	12
Arizona State Parks Board	
• As session law, divert 50% of the annual State Parks Enhancement Fund (SPEF) revenue growth to the payoff of the Tonto State Park lease-purchase contract. The remaining 50% of annual revenue growth shall be subject to Legislative appropriation for the operation of state parks. Under current law, 100% of annual revenue growth is directed to the Tonto lease-purchase payoff. Consequently, the SPEF appropriation for park operating costs is capped, not allowing for annual technical adjustments nor increased operating costs.	10

	<u>Section #</u>
Department of Public Safety	
• As session law, continues to redirect 9% of CJEF revenues formerly deposited to the General Fund to DPS to fund the department's crime lab system in both FY 2000 and FY 2001. Saves \$3,201,900 in FY 2000 and an additional \$122,500 in FY 2001.	15
• Suspends for 2 years the schedule established by A.R.S. § 28-6537 and A.R.S. § 28-6993 reducing the level of Highway User Revenue Fund (HURF) and Highway Fund revenues available to fund DPS Highway patrol. Avoids \$5,000,000 General Fund cost in FY 2000.	13
Office of Tourism	
• As session law, set the amount of hotel/motel bed tax monies that are transferred to the Tourism Fund at a fixed \$2,702,900 in both FY 2000 and FY 2001. Permanent law utilizes a formula instead of the recommended fixed amount. This session law change will provide stability in the agency's advertising and promotion budget.	17
Department of Transportation	
• As permanent law, allow the department to dispose of seized property and require transmittal of proceeds to the Vehicle Inspection and Title Enforcement Fund.	1, 2, 19
Department of Water Resources	
• As session law, suspend the requirement for a \$5 million General Fund appropriation to the Water Protection Fund in both FY 2000 and FY 2001. Saves \$5,000,000 in both FY 2000 and FY 2001.	18
Taxation – Flight Property Tax	
• Clarify that the recodification of Title 42 legislation did not change the requirement that 50% of flight property tax proceeds be deposited into the General Fund.	9

Health ORB (Chapter 176, 1st Regular Session) 1/

AHCCCS	
• As session law, authorize AHCCCS to use \$30,328,400 in FY 2000 and \$31,947,300 in FY 2001 of the Medically Needy Account of the Tobacco Tax Fund to continue provisions from prior years to phase-out the quick pay discount, fund the elimination of \$10 million private hospital discount, replace reduced Federal Funds, fund expanded maternity coverage and HIV/AIDS medications. A new provision would utilize Tobacco Tax to fund 50% of the cost of new inflationary adjustments.	16
• As session law, withdraw \$15,172,000 in FY 2000 and \$19,833,700 in FY 2001 from the Medically Needy Account of the Tobacco Tax and Health Care Fund for deposit in the state Children's Health Insurance Program (CHIP) Fund established by A.R.S. § 36-2995 to pay the state share of the CHIP program.	16
• Set the FY 2000 and FY 2001 county acute care contribution at \$66,689,500, the same level as FY 1999.	15
• Continue the annual ORB provision of adjusting the upcoming fiscal year's county repayment requirements under the Disproportionate Share Hospital (DSH) program in line with projected Federal Funding. Also revise the FY 1999 repayment requirement. Also continue the provision of extending county expenditure limit adjustments associated with DSH payments an additional year.	7, 14, 17, 18
• As session law, continue the FY 1999 ORB provision to enable AHCCCS to adjust maternity and nursery tiered per diem rates to reflect federal mandates extending maternity length of stay in FY 2000.	19

1/ The original Health ORB passed by the Legislature in the 1st Special Session was vetoed by the Governor. Chapter 176, 1st Regular Session is identical to the original Health ORB except for provisions pertaining to the transfer of the Office of Vital Records. The original Health ORB transferred the Office of Vital Records from the Department of Health Services (DHS) to the Secretary of State. Chapter 176, 1st Regular Session allows DHS to retain the Office of Vital Records. In addition, beginning June 30, 2000, DHS is responsible for transferring birth certificates 75 years after the date of birth and death certificates 10 years after the date of death to the Department of Library, Archives, and Public Records.

	<u>Section #</u>
Council for the Hearing Impaired	
• As session law, permit TDD Fund to be used for agency operating costs.	9
Department of Health Services	
• As permanent law, prohibit undocumented population from receiving Children Rehabilitative Services beginning in FY 2001. Those receiving services as of the effective date of the bill may continue in the program after FY 2001.	1
• As permanent law, require the department to use their best efforts to employ or contract with state residents to manage, produce and edit original anti-smoking advertising materials.	6
• As session law, allocate 0.8% of the Telecommunications Services Excise Tax to the Council for the Hearing Impaired and 0.3% to the Poison Control Fund for FY 2000 and FY 2001.	8
• As session law, transfer the fingerprinting requirements added by Laws 1998, Chapter 161 from DHS to the Department of Public Safety (DPS) and allow DPS to charge fees pursuant to A.R.S. § 41-1750(J).	10
• As session law, if legislation is enacted to cap the Restoration to Competency program at the Arizona State Hospital, the Adult Program will be limited to 77 beds and the Juvenile Program will be limited to 16 beds.	11
• As session law, allow the Newborn Screening Fund to be used for State Health Laboratory replacement equipment in both FY 2000 and FY 2001.	12
• As session law, require the DHS in FY 2000 and FY 2001 to use at least \$550,000 from the Health Education Account of the Tobacco Tax and Health Care Fund to implement a pilot program for anti-smoking advertising on school buses.	13
• As session law, authorize AHCCCS to transfer the following amounts from the Medically Needy Account of the Tobacco Tax and Health Care Fund to DHS: \$1.0 million for AIDS medications and \$3.0 million for psychotropic drugs for both FY 2000 and FY 2001 and \$5.0 M for psychotropic drugs in FY 2000 only.	20, 16
• As permanent law, transfer birth certificates to the Department of Library, Archives and Public Records after 75 years and death certificates after 10 years for the purpose of archiving and providing public access. Appropriate \$500,000 in FY 2000 from the General Fund for archiving and improving customer service.	2, 3, 4, 5, 23, 24
• As session law, establish a Joint Advisory Committee on Vital Records.	21, 22

Education ORB (Chapter 4, 1st Special Session)

Auditor General	
• As session law, shift charter school auditing requirements for schools chartered by the State Board for Charter Schools and the State Board of Education from the Auditor General to their respective chartering board.	15

Department of Education	
• As permanent law, remove a non-supplanting clause regarding the funding of school resources officers in the School Safety Program.	1
• As permanent law, prevent double funding of district schools that become charter schools.	2
• As permanent law, allow districts to sponsor charter schools without losing small school district weight.	2
• As permanent law, require the Department of Education to report data on school district current expenditures for General Administration, School Administration and other “function code” areas.	3
• As permanent law, require school district report cards to include their per pupil M&O cost for administration and their “predicted” per pupil M&O cost for administration according to JLBC Staff estimates.	4
• As permanent law, update references to the A+ program and permit rather than require use of criterion-referenced test results in the A+ program.	5
• As permanent law, revise per pupil funding to \$26/day for pupils attending Joint Technological Education District extended year or summer school programs.	6
• As permanent law, increase the formula funding “Base Level” amount by \$27.33 for FY 2000 and by another \$25.67 for FY 2001 (A.R.S. § 15-901)	7
• As permanent law, allow schools operating on a 200 day calendar to increase their Base Support Level by 5% rather than 3%.	8

	<u>Section #</u>
• As permanent law, eliminate Rapid Decline funding if caused by a district school becoming a charter school.	9
• As permanent law, change the K-3 Group B weight from 0.04 to 0.05 in FY 2000 and further change to 0.06 in FY 2001.	10, 13
• As permanent law, increase each existing special education Group B weight to its December 1997 special education cost study level if not already at that level.	10
• As permanent law, make a conforming change to A.R.S. § 15-1466 (required by changing the “Base Level” in A.R.S. § 15-901 above)	11
• As session law, require norm-referenced testing of pupils in Grades 2-11 rather than 3-12.	12
• As session law, extend the deadline for accreditation of State Block Grant for Early Childhood program preschool providers from July 1, 1999 to July 1, 2000 if they provide evidence that they are in the process of becoming accredited.	14
• As session law, require the JLBC Staff to analyze by July 1, 2000 school district administrative cost data for FY 1999.	16
• As session law, require the Auditor General to report by December 1, 2000 factors that help explain cost differences observed for “high” versus “low” administrative cost districts identified by the JLBC Staff.	16
 School Facilities Board	
• As session law, allow the board to disburse monies from the new School Facilities Fund before publishing minimum school facility adequacy guidelines (retroactive to January 1, 1999).	18, 19
• As session law, revise the Students FIRST sales tax transfer provisions for the New School Construction Fund in FY 2000. Provide for \$200 million in new school construction funding as opposed to the \$90 million proposed by the School Facilities Board.	17