

Special Session Budget

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SUMMARY OF REVENUES AND EXPENDITURES
\$ in Millions

	FY 2014			FY 2015			FY 2016		
	Senate Regular Session	House Striker	Special Session	Senate Regular Session	House Striker	Special Session	Senate Regular Session	House Striker	Special Session
1 Beginning Balance	\$ 719	\$ 697	\$ 697	\$ 298	\$ 303	\$ 304	\$ (40)	\$ 28	\$ 96
2 Revenues	8,403	8,385	8,415	8,696	8,700	8,744	9,039	9,070	9,137
3 Spending	8,824	8,778	8,808	9,035	8,975	8,952	9,216	9,158	9,136
4 Ending Balance	\$ 298	\$ 303	\$ 304	\$ (40)	\$ 28	\$ 96	\$ (217)	\$ (60)	\$ 97
5 Structural Balance	\$ (464)	\$ (422)	\$ (446)	\$ (338)	\$ (274)	\$ (208)	\$ (177)	\$ (88)	\$ 1

FY 2014 SPENDING ISSUES ABOVE FY 2013

\$ in Millions

	<u>Senate Engrossed (5/16/13)</u>	<u>House Striker</u>	<u>Special Session</u>
1 Original JLBC Baseline Spending Changes	156.1	156.1	156.1
Caseload/Technical Issues			
2 ADE Formula	(25.5)	(25.5)	(25.5)
3 AHCCCS/DHS/DES Caseload	(69.5)	(69.5)	(69.5)
4 Admin Adjustments/Revertments	(20.0)	(20.0)	(20.0)
5 Total - Caseload/Technical Issues	<u>(115.0)</u>	<u>(115.0)</u>	<u>(115.0)</u>
Subtotal - Baseline Spending Changes	41.1	41.1	41.1
<u>Main Policy Issues</u>			
6 Medicaid Assessment/Expansion	0.0 <u>1/</u>	0.0	0.0 <u>1/</u>
Corrections Issues			
7 Health Care Surplus	(5.0)	(5.0)	(5.0)
8 New State Beds - Delayed Construction	(4.5)	(4.5)	(4.5)
9 Private Bed Monitoring (6 FTEs)	0.4	0.4	0.4
10 Total - Corrections Issues	<u>(9.1)</u>	<u>(9.1)</u>	<u>(9.1)</u>
DES Issues			
11 Adjust DD Rate Increase From 2% to 3%	3.3	3.3	3.3
12 CPS Group Homes	13.0	13.0	13.0
13 CPS Staff	12.9	12.9	12.9
14 Children Support Services	4.0	0.0	4.0
15 Intensive Family Services	5.0	5.0	5.0
16 Child Care Caseload	9.0	5.0	9.0
17 Foster Care/Adoption	7.7	7.7	7.7
18 Foster Care Rate Increase	Non-GF	0.0	0.0
19 Grandparent Stipend	1.0	0.0	1.0
20 CPS Attorneys	1.5	1.5	1.5
21 Total - DES Issues	<u>57.4 <u>2/</u></u>	<u>48.4 <u>2/</u></u>	<u>57.4 <u>2/</u></u>
ADE Issues			
22 Base Level Increase	82.0	82.0	82.0
23 Performance Funding <u>3/</u>	2.4	0.0	2.4
24 Automation (\$ Included Under ADOA)	22.4	5.4	5.4
25 Adult Education/GED	4.5	4.5	4.5
26 Fund Small JTEDs at 100%	1.2	1.2	1.2
27 School Safety Officers <u>4/</u>	3.6	3.6	3.6
28 Combine CORL/Soft Capital	Yes/No Rebase	Yes/Rebase	Yes/No Rebase
29 Total - ADE Issues	<u>116.1</u>	<u>96.7</u>	<u>99.1</u>
DHS Issues			
30 Electronic Medical Records	0.6 <u>5/</u>	0.6 <u>5/</u>	0.6 <u>5/</u>
31 TGen Funding (S = 5.1 M/ H = 4.0 M)	Non-GF	Non-GF	0.0
32 SVP County (H = 3 Yr Phase Out/S.S. = \$1.8 M Only)	0.0	1.8	1.8
33 Mental Health First Aid (\$250k)	0.0	0.3	0.3
34 Total - DHS Issues	<u>0.6</u>	<u>2.7</u>	<u>2.7</u>

FY 2014 SPENDING ISSUES ABOVE FY 2013

\$ in Millions

	<u>Senate Engrossed (5/16/13)</u>	<u>House Striker</u>	<u>Special Session</u>
SFB Issues			
35 Building Renewal	14.0	10.3	14.0
36 Debt Refinance	(0.9)	(0.9)	(0.9)
37 New School Construction	0.7	0.7	0.7
38 Eliminate 3-Year Construction Window	Yes	Yes	Yes
39 Increase Bonding Caps	Yes/3 Years		Yes Permanently
40 Total - SFB Issues	<u>13.8</u>	<u>10.1</u>	<u>13.8</u>
Higher Education Issues			
41 Comm Colleges - Rural Capital Outlay	0.0	2.0	2.0
42 Parity	15.3	15.3	15.3
43 Med School	8.0	8.0	8.0
44 UA Offset (Drafting Issue)	(4.0)	0.0	0.0
45 UA Freedom Center	0.0	0.5	0.5
46 Performance Funding	5.0	0.0	5.0
47 Total - Higher Education Issues	<u>24.3</u>	<u>25.8</u>	<u>30.8</u>
Employee Issues			
48 Continue Retention Payments	23.5	0.0	23.5
49 Retention Payments for Converters Only	0.0	13.9	0.0
50 Employer Retirement Increase	13.8	13.8	13.8
51 Elected Officials' Retirement Plan Revisions	5.0	5.0	5.0
52 Total - Employee Issues	<u>42.3</u>	<u>32.7</u>	<u>42.3</u>
Local Issues			
53 Direct Appropriation (\$550k to Each Eligible County)	7.2	7.2	7.2
54 Counties - Graham (\$850k)	Non-GF	Non-GF	No
55 Counties - Navajo (\$400k)	Non-GF	Non-GF	No
56 Counties - Mohave County Sheriff (\$400k)	0.0	Non-GF	0.0
57 Fire/Building - Fire School (\$175k)	0.0	0.2	0.0
58 Forester - Environmental County Grants	0.1	0.1	0.1
59 Forester - Resource Management Plans	0.1	0.1	0.1
60 Total - Local Issues	<u>7.4</u>	<u>7.6</u>	<u>7.4</u>
Other Issues			
61 ADOA - Southwest Defense Contracts (\$25k)	0.0	Yes	0.0
62 DEMA - Civil Air Patrol (\$50k)	0.0	0.1	0.0
63 DEMA - Project Challenge (1:1 Match)	0.0	0.5	0.0
64 JUD - Mental Health Courts (\$90k)	0.0	0.1	0.1
65 JUD - Courts of Appeals (2 FTE/\$50k)	0.0	0.1	0.1
66 JUD - Foster Care Review Board	0.2	0.0	0.2
67 Prescott Historical Society (\$150k)	0.0	0.2	0.2
68 DOR - Attorneys	0.2	0.0	0.2
69 Uniform State Laws (\$75k)	0.0	0.1	0.1
70 Total - Other Issues	<u>0.4</u>	<u>1.0</u>	<u>0.9</u>

FY 2014 SPENDING ISSUES ABOVE FY 2013

\$ in Millions

	<u>Senate Engrossed (5/16/13)</u>	<u>House Striker</u>	<u>Special Session</u>
71 Debt Reduction/Economic Development ^{6/}	8.3	--	--
72 K-12 Rollover (H/HF - \$21.9 M FY '13 Repayment)	--	Yes	Yes
73 Economic Development	--	See Section Below	See Section Below
74 TPT Simplification (Senate - \$80 M in FY 15/FY 16)	--	--	--
75 Other Issues	3.5	3.5	3.5
76 Total Changes to JLBC Baseline (w/o Assessment)	265.0	219.4	248.8
77 Total Spending Increase	306.1	260.5	289.9

^{1/} Does not modify agency funding totals in the General Appropriation Act to reflect the Medicaid proposal in the Health BRB

^{2/} Senate Engrossed/House Striker Proposals include \$7.5 million Other Fund Contingency. Special Session includes \$10.5 M contingency.

^{3/} Senate Engrossed and Special Session have \$35 M in FY 15 and FY 16.

^{4/} House Striker Proposal and Special Session include \$100k for School Readiness Pilot and require 25% of \$3.6 M be used for security hardware.

^{5/} Medical Records also from Other Funds

^{6/} Senate Engrossed did not delineate

	<u>Senate Engrossed (5/16/13)</u>	<u>House Striker</u>	<u>Special Session</u>
<u>Other Revenue Issues</u>			
78 TPT Navajo Technical College	(0.9)	0.0	(0.9)
79 SEI Fund Transfer	0.0	10.0	10.0
80 Employee Health Transfer	68.0	68.0	68.0
81 Expansion Premium tax	0.0	0.0	7.3
<u>House Striker Tax Reduction Issues</u>			
	<u>FY 14 Cost</u>	<u>FY 15 Cost</u>	<u>FY 16 Cost</u>
82 Bonus Depreciation (HB 2531)	(24.8)	0.0	0.0
83 Income Tax Indexing (HB 2439)	0.0	(10.9)	(21.8)
84 Data Centers (HB 2488)	(4.2)	(6.0)	(7.9)
85 Enterprise Zones - Prior Awards	0.0	(0.5)	(0.3)
86 Subtotal - House Striker Tax Reduction Issues	(29.0)	(17.4)	(30.0)
<u>Special Session Tax Reduction Issues</u>			
	<u>FY 14 Cost</u>	<u>FY 15 Cost</u>	<u>FY 16 Cost</u>
87 Data Centers (HB 2488)	(4.2)	(6.0)	(7.9)
88 Foster Care Tax Credit	(0.9)	(0.9)	(0.9)
89 Subtotal - Special Session Tax Reduction Issues	(5.1)	(6.9)	(8.8)

SPECIAL SESSION BUDGET PROPOSAL

\$ in Millions

	FY 2014 Senate Reg Session	FY 2014 House Striker	FY 2014 Special Session	FY 2015 Senate Reg Session	FY 2015 House Striker	FY 2015 Special Session	FY 2016 Senate Reg Session	FY 2016 House Striker	FY 2016 Special Session		
1	Beginning Balance	\$ 719.0	\$ 697.0	\$ 697.0	\$ 297.7	\$ 303.2	\$ 304.1	\$ (40.5)	\$ 28.3	\$ 96.3	FY 13: \$21.9 M Rollover Payment
2	Revenues - January Baseline	\$ 8,326.7	\$ 8,326.7	\$ 8,326.7	\$ 8,686.2	\$ 8,686.2	\$ 8,686.2	\$ 9,118.4	\$ 9,118.4	\$ 9,118.4	
3	April Revenue Adjustments	(5.2)	(5.2)	(5.2)	13.2	13.2	13.2	(34.1)	(34.1)	(34.1)	
4	Additional OSPB Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.0	
5	IRS Conformity	13.7	13.7	13.7	17.6	17.6	17.6	15.6	15.6	15.6	
6	TPT Simplification	0.0	0.0	0.0	(20.0)	0.0	0.0	(60.0)	0.0	0.0	
7	Bonus Depreciation	0.0	(24.8)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
8	Income Tax Indexing	0.0	0.0	0.0	0.0	(10.9)	0.0	0.0	(21.8)	0.0	
9	Data Centers	0.0	(4.2)	(4.2)	0.0	(6.0)	(6.0)	0.0	(7.9)	(7.9)	
10	Enterprise Zones - Prior Awards	0.0	0.0	0.0	0.0	(0.5)	0.0	0.0	(0.3)	0.0	
11	Foster Care Tax Credit	0.0	0.0	(0.9)	0.0	0.0	(0.9)	0.0	0.0	(0.9)	
12	Expansion Insurance Premium Tax	0.0	0.0	7.3	0.0	0.0	34.2	0.0	0.0	36.4	
13	Prior FBLS Fee Increase	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	
14	Employee Health Transfer	68.0	68.0	68.0	0.0	0.0	0.0	0.0	0.0	0.0	
15	SEI Fund Transfer	0.0	10.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0	
16	DEQ Chevron Settlement	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	FY 13: \$10.5 M
17	Navajo College TPT Allocation	(0.9)	0.0	(0.9)	(0.9)	0.0	(0.9)	(0.9)	0.0	(0.9)	
18	Total Revenues	\$ 9,121.6	\$ 9,081.5	\$ 9,111.8	\$ 8,994.1	\$ 9,003.1	\$ 9,047.8	\$ 8,998.8	\$ 9,098.5	\$ 9,233.2	
19	Base FY 13 Spending	\$ 8,517.8	\$ 8,517.8	\$ 8,517.8	\$ 8,517.8	\$ 8,517.8	\$ 8,517.8	\$ 8,517.8	\$ 8,517.8	\$ 8,517.8	
20	JLBC January Baseline Increase	156.1	156.1	156.1	457.8	457.8	457.8	700.1	700.1	700.1	
21	Total Baseline Spending	\$ 8,673.9	\$ 8,673.9	\$ 8,673.9	\$ 8,975.6	\$ 8,975.6	\$ 8,975.6	\$ 9,217.9	\$ 9,217.9	\$ 9,217.9	
Changes to JLBC Baseline											
22	ADOA - Automation - DOR BRITS	1.7	1.7	1.7	0.0	0.0	0.0	0.0	0.0	0.0	
23	ADOA - Automation - Education IT	See ADE	5.4	5.4	See ADE	5.4	5.4	See ADE	5.4	5.4	
24	ADOA - Automation IT Charge	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(13.8)	(13.8)	(13.8)	Notes
25	ADOA - Southwest Defense Contract	0.0	Yes	0.0	0.0	Yes	0.0	0.0	Yes	0.0	
26	AHCCCS/DHS - Formula	(66.0)	(66.0)	(66.0)	(162.2)	(162.2)	(162.2)	(191.0)	(191.0)	(191.0)	
27	AHCCCS - Continued Freeze/State Only	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
28	AHCCCS/DHS - Optional Population	Notes	0.0	Notes	Notes	0.0	154.0	Notes	0.0	105.0	
29	AHCCCS - Provider Assessment	Notes	0.0	Notes	Notes	0.0	(256.0)	Notes	0.0	(224.0)	
30	AHCCCS - Tobacco Settlement Offset	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	FY 13: \$(48.0) M
31	AHCCCS - Ambulance Rates	0.0	0.0	0.0	0.0	0.0	3.4	0.0	0.0	8.1	
32	Arts Commission - Rainy Day Fund Interest	Notes	No	Notes	Notes	No	0.0	Notes	No	0.0	
33	Comm Colleges - Rural Capital Outlay	0.0	2.0	2.0	0.0	2.0	2.0	0.0	2.0	2.0	
34	Corrections - Health Care Surplus	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	(5.0)	
35	Corrections - New State Beds	(4.5)	(4.5)	(4.5)	0.2	0.2	0.2	0.0	0.0	0.0	
36	Corrections - Private Bed Monitoring	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	
37	Corrections - Retirement	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.3	
38	DES - DD Caseload	(3.5)	(3.5)	(3.5)	(12.6)	(12.6)	(12.6)	(13.1)	(13.1)	(13.1)	
39	DES - DD Rate Increase (2% to 3%)	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	
40	DES - Adoption Caseload	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	2.9	
41	DES - Child Care Caseload	9.0	5.0	9.0	9.0	5.0	9.0	9.0	5.0	9.0	
42	DES - CPS Group Homes	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	13.0	
43	DES - CPS Staff	12.9	12.9	12.9	12.9	12.9	12.9	12.9	12.9	12.9	
44	DES - CPS/AG Attorneys	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	
45	DES - Foster Care Placement	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	4.8	
46	DES - Grandparent Stipend	1.0	0.0	1.0	1.0	0.0	1.0	1.0	0.0	1.0	

SPECIAL SESSION BUDGET PROPOSAL

\$ in Millions

	FY 2014 Senate Reg Session	FY 2014 House Striker	FY 2014 Special Session	FY 2015 Senate Reg Session	FY 2015 House Striker	FY 2015 Special Session	FY 2016 Senate Reg Session	FY 2016 House Striker	FY 2016 Special Session		
47	DES - Children Support Services	4.0	0.0	4.0	4.0	0.0	4.0	4.0	0.0	4.0	
48	DES - Intensive Family Services	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	
49	DES - Long-Term Care Fund Allocation	Notes	Notes	Notes	0.0	0.0	0.0	0.0	0.0	0.0	
50	DES - Foster Care Rate Increase	Notes	0.0	0.0	3.0	0.0	0.0	3.0	0.0	0.0	
51	DES - LTC Realign with DHS	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	(1.4)	
52	ADE - Student Count Savings	(25.5)	(25.5)	(25.5)	(25.5)	(25.5)	(25.5)	(46.4)	(46.4)	(46.4)	
53	ADE - Base Level Increase	82.0	82.0	82.0	82.0	82.0	82.0	82.0	82.0	82.0	Notes
54	ADE - Performance Funding	2.4	0.0	2.4	35.0	0.0	35.0	35.0	0.0	35.0	
55	ADE - Small School Rollover Repayment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	FY 13: \$21.9 M
56	ADE - School Safety Officers	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	3.6	Notes
57	ADE - Adult Education/GED	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	4.5	
58	ADE - Audit Unit	BSA	BSA	BSA	BSA	BSA	BSA	BSA	BSA	BSA	Basic State Aid
59	ADE - Fund Small JTEDs at 100%	1.2	1.2	1.2	0.0	1.2	1.2	0.0	1.2	1.2	
60	ADE - Education IT	22.4	See ADOA	See ADOA	0.0	See ADOA	See ADOA	0.0	See ADOA	See ADOA	
61	DEMA - Emergency Fund	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	
62	DEMA - Civil Air Patrol	0.0	0.1	0.0	0.0	0.1	0.0	0.0	0.1	0.0	
63	DEMA - Project Challenge Match	0.0	0.5	0.0	0.0	0.5	0.0	0.0	0.5	0.0	
64	DFBLS - Self Funding	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	
65	DFBLS - Fire School	0.0	0.2	0.0	0.0	0.2	0.0	0.0	0.2	0.0	
66	Forester - Environment County Grants	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
67	Forester - Resource Management Plans	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	
68	DHS - Electronic Medical Records	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	
69	DHS - Biomedical Research Funding	Non-GF	Non-GF	0.0	Non-GF	Non-GF	0.0	Non-GF	Non-GF	0.0	
70	DHS - Mental Health First Aid	0.0	0.3	0.3	0.0	0.3	0.3	0.0	0.3	0.3	
71	DHS - 3-Year SVP Phase Out	0.0	1.8	1.8	0.0	3.6	1.8	0.0	5.4	1.8	
72	DHS - LTC Realign with DES	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	
73	IRC - Continue Funding	1.1	1.1	1.1	0.0	0.0	0.0	0.0	0.0	0.0	
74	JUD - Mohave Judge / Water Master	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
75	JUD - Foster Care Review Board	0.2	0.0	0.2	0.2	0.0	0.2	0.2	0.0	0.2	
76	JUD - Court of Appeals	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.1	0.1	
77	JUD - Mental Health Courts	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	
78	Parks Board - Rainy Day Fund Interest	Notes	No	Notes	Notes	No	0.0	Notes	No	0.0	
79	Prescott Historical Society	0.0	0.2	0.2	0.0	0.2	0.2	0.0	0.2	0.2	
80	DPS - Retirement	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
81	DPS - ACTIC Operating Costs	0.8	0.8	0.8	0.0	0.0	0.0	0.0	0.0	0.0	Notes
82	DOR - Attorneys	0.2	0.0	0.2	0.2	0.0	0.2	0.2	0.0	0.2	
83	SFB - Building Renewal	14.0	10.3	14.0	14.0	10.3	14.0	14.0	10.3	14.0	Notes
84	SFB - Increase Local Bonding Limits	Yes		Yes	Yes		Yes	Yes		Yes	SS: Permanent Increase
85	SFB - New Construction Funding	0.7	0.7	0.7	1.3	1.3	1.3	0.0	0.0	0.0	Thatcher/Benson
86	Treasurer - Justice of Peace Salaries	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
87	Uniform State Laws	0.0	0.1	0.1	0.0	0.1	0.1	0.0	0.1	0.1	
88	Universities - Performance Funding	5.0	0.0	5.0	5.0	0.0	5.0	5.0	0.0	5.0	Notes
89	Universities - Parity	15.3	15.3	15.3	15.3	15.3	30.5	15.3	15.3	45.8	Notes
90	Universities - Med School	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	
91	Universities - UA Offset	(4.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	Notes
92	Universities - UA Freedom Center	0.0	0.5	0.5	0.0	0.5	0.5	0.0	0.5	0.5	
93	Weights and Measures - Equipment	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	
94	Employee Pay - Retention Payments	23.5	0.0	23.5	23.5	0.0	23.5	23.5	0.0	23.5	
95	Employee Pay - Voluntary Converters 5%	0.0	13.9	0.0	0.0	13.9	0.0	0.0	13.9	0.0	
96	Other - HR Pro-rata Adjustment	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	(1.6)	

SPECIAL SESSION BUDGET PROPOSAL

\$ in Millions

	FY 2014 Senate Reg Session	FY 2014 House Striker	FY 2014 Special Session	FY 2015 Senate Reg Session	FY 2015 House Striker	FY 2015 Special Session	FY 2016 Senate Reg Session	FY 2016 House Striker	FY 2016 Special Session	
97 Other - Risk Management	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	
98 Other - Debt Reduction/Economic Development	8.3	0.0	0.0	8.3	0.0	0.0	8.3	0.0	0.0	
99 Other - EORP Revisions	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	
100 Other - Direct County Appropriation	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	13 Counties
101 Other - County Relief	Notes	Notes	No	0.0	0.0	0.0	0.0	0.0	0.0	
102 Other - Mohave County Sheriff	0.0	Non-GF	0.0	0.0	Non-GF	0.0	0.0	0.0	0.0	
103 Capital - ADOA Capitol Mall Security	Non-GF	Non-GF	Non-GF	0.0	0.0	0.0	0.0	0.0	0.0	COSF
104 Capital - ASDB Tucson Dorms	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	
105 Other - Insurance Premium Holiday Adj.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	FY 13: \$5.6 M
106 Other - Admin Adjustments/Revertments	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)	
107 Other - SFB Refinance Revertments	(0.9)	(0.9)	(0.9)	(3.1)	(3.1)	(3.1)	0.0	0.0	0.0	
108 Net Spending Issues	\$ 150.0	\$ 104.4	\$ 133.8	\$ 59.0	\$ (0.8)	\$ (24.1)	\$ (1.8)	\$ (59.8)	\$ (81.9)	
109 Total Spending Change	\$ 306.1	\$ 260.5	\$ 289.9	\$ 516.8	\$ 457.0	\$ 433.7	\$ 698.3	\$ 640.3	\$ 618.2	
110 Prior Budget Rainy Day Fund Deposit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	FY 13: \$200 M
111 Total Spending	\$ 8,823.9	\$ 8,778.3	\$ 8,807.7	\$ 9,034.6	\$ 8,974.8	\$ 8,951.5	\$ 9,216.1	\$ 9,158.1	\$ 9,136.0	
112 Ending Balance	\$ 297.7	\$ 303.2	\$ 304.1	\$ (40.5)	\$ 28.3	\$ 96.3	\$ (217.3)	\$ (59.6)	\$ 97.2	
113 Structural Balance	\$ (464.3)	\$ (422.0)	\$ (445.9)	\$ (338.2)	\$ (274.4)	\$ (207.8)	\$ (176.8)	\$ (87.6)	\$ 0.9	

NOTES

24 ADOA - Automation IT Charge 28/29 AHCCCS - Optional Population/ Provider Assessment 32 Arts Commission - Rainy Day Fund Interest 49 DES - Long-Term Care Fund Allocation	Other Funds are charged \$17.0 million to defray their proportionate share of the AFIS Replacement Project. Special Session expands eligibility to 133% FPL and authorizes provider assessment, but did not modify FY 2014 funding level in the General Appropriation Act.
50 DES - Foster Care Rate Increase 53 ADE - Base Level Increase	Regular Session: Funded from 50% of interest, \$2 million. Special Session: \$1 million in FY 14 only. Regular Session/House Striker: \$7.5 million of one-time funding in FY 2014 for unanticipated CPS and Child Care caseload expenditures from the Long-Term Care System Fund. Special Session: \$10.5 million for same purposes. Regular Session: \$3.0 million for Rate Increase - Funded from Long-Term Care System Fund in FY 2014 and General Fund in FY 2015 and FY 2016. The Baseline includes \$8.4 million to increase transportation and additional assistance funding by 1.8%. Adds \$82 million to increase the Base Level by \$58.82 per pupil, or 1.8%.
56 ADE - School Safety Officers 78 Parks Board - Rainy Day Fund Interest 81 DPS - ACTIC Operating Costs 83 SFB - Building Renewal 88 Universities - Performance Funding	House Striker/Special Session: Includes \$100k for School Readiness Pilot. 25% minimum used for security hardware. Regular Session: Funded from 50% of interest, \$2 million. Special Session: \$1 million in FY 14 only. House Striker/Special Session: Requires report on consolidating function with another entity in FY 2015 and beyond. Eliminate unfunded Building Renewal Formula, in lieu of Building Renewal Grants. \$5 million from FY 2013 allocated to campuses. Legislative intent that ABOR's performance funding model be used in future university requests and used by Legislature in developing future year appropriations. Regular Session/Special Session: \$5 million from FY 2014 to be allocated by ABOR.
89 Universities - Parity 91 Universities - UA Offset 101 Other - County Relief	Legislative intent to achieve parity no later than FY 2017 Regular Session: Senate Floor amendment increased Phoenix Medical School funding by \$4 million, but did not change UA overall funding level. Regular Session/House Striker: One-time funding in FY 2014 for County Relief from the Long-Term Care System Fund - \$850,000 for Graham County and \$400,000 for Navajo County.

**SPECIAL SESSION PROPOSAL 1/
STATEMENT OF GENERAL FUND REVENUES AND EXPENDITURES
WITH ONE-TIME FINANCING SOURCES**

	FY 2013 Special Session	FY 2014 Special Session	FY 2015 Special Session	FY 2016 Special Session
REVENUES				
Ongoing Revenues	\$8,508,164,800	\$8,923,340,200	\$9,418,943,100	\$9,805,402,900
Previously Enacted Changes		(46,630,000)	(133,500,000)	(108,300,000)
IRS Conformity	4,600,000	13,700,000	17,600,000	15,600,000
Expansion Premium Tax		7,284,000	34,186,500	36,353,500
Additional Tax Legislation		(5,925,000)	(7,725,000)	(9,625,000)
Additional OSPB Revenue				10,000,000
1¢ Sales Tax	924,237,300			
Urban Revenue Sharing	(513,584,100)	(561,001,200)	(585,777,800)	(612,490,700)
Net On-going Revenues	\$8,923,418,000	\$8,330,768,000	\$8,743,726,800	\$9,136,940,700
One-time Financing Sources				
Balance Forward	396,960,000	697,006,300	304,375,800	96,724,900
DEQ Settlement	10,500,000			
Previously Enacted Changes	(52,000,000)			
Fund Transfers	96,000,000	84,000,000		
Subtotal One-time Revenues	\$451,460,000	\$781,006,300	\$304,375,800	\$96,724,900
Total Revenues	\$9,374,878,000	\$9,111,774,300	\$9,048,102,600	\$9,233,665,600
EXPENDITURES				
Operating Budget Appropriations	\$8,535,064,500	\$8,732,278,700	\$8,907,274,100	\$9,091,818,100
FY 2013 Supplementals	116,900			
Administrative Adjustments	37,600,000	60,000,000	60,000,000	60,000,000
Reversions	(153,800,000)	(100,000,000)	(100,000,000)	(100,000,000)
Asset Sale/Lease-Back Debt Service	84,119,800	84,119,800	84,103,600	84,094,500
Subtotal Ongoing Expenditures	\$8,503,101,200	\$8,776,398,500	\$8,951,377,700	\$9,135,912,600
One-time Expenditures				
Capital Outlay	\$20,252,000	\$31,000,000		
Budget Stabilization Fund Deposit	200,000,000			
Health Insurance Premium Holiday	(19,381,500)			
AHCCCS Tobacco Settlement Offset	(48,000,000)			
Reduce K-12 Payment Deferral (Small Schools)	21,900,000			
Subtotal One-time Expenditures	\$174,770,500	\$31,000,000	\$0	\$0
Total Expenditures	\$8,677,871,700	\$8,807,398,500	\$8,951,377,700	\$9,135,912,600
Ending Balance ^{2/}	\$697,006,300	\$304,375,800	\$96,724,900	\$97,753,000
<i>Structural Balance ^{3/}</i>	<i>\$420,316,800</i>	<i>(\$445,630,500)</i>	<i>(\$207,650,900)</i>	<i>\$1,028,100</i>

^{1/} Significant one-time revenues and expenditures are separately detailed so as to permit the calculation of ongoing revenue and expenditures.

^{2/} This calculation reflects the difference between total revenues and total expenditures. Excludes any Budget Stabilization Fund balance.

^{3/} This calculation reflects the difference between ongoing revenues and expenditures and excludes one-time adjustments. Excludes any Budget Stabilization Fund balance.

SPECIAL SESSION PROPOSAL SPENDING BY MAJOR BUDGET UNITS

	FY 2014 Change From Prior Year	FY 2014 Special Session	FY 2015 Change From Prior Year	FY 2015 Special Session	FY 2016 Change From Prior Year	FY 2016 Special Session
EXPENDITURES						
Operating Budget						
-- Department of Administration	6,700,000	\$ 36,930,300	(1,700,000)	\$ 35,230,300	(9,200,000)	\$ 26,030,300
-- AHCCCS	(64,220,900)	1,333,386,400	(34,796,300)	1,298,590,100	65,983,700	1,364,573,800
-- Attorney General	(1,200,000)	21,849,900		21,849,900		21,849,900
-- Commerce Authority		31,500,000		31,500,000		31,500,000
-- Community Colleges	(577,300)	65,365,300	(489,300)	64,876,000	243,000	65,119,000
-- Department of Corrections	8,394,500	964,798,700	24,013,900	988,812,600	7,068,600	995,881,200
-- Department of Economic Security	69,891,300	686,596,700	16,537,300	703,134,000	27,659,800	730,793,800
-- Department of Education	123,470,400	3,620,370,700	86,835,500	3,707,206,200	60,715,700	3,767,921,900
-- Department of Environmental Quality		7,000,000		7,000,000		7,000,000
-- Department of Health Services	(37,766,200)	549,354,500	69,826,800	619,181,300	15,178,000	634,359,300
-- Judiciary	512,000	109,108,000	(90,000)	109,018,000		109,018,000
-- Department of Juvenile Corrections		43,428,400		43,428,400		43,428,400
-- State Land Department	10,779,500	12,038,100		12,038,100		12,038,100
-- Department of Public Safety	6,324,700	51,848,700	(750,000)	51,098,700		51,098,700
-- Department of Revenue	67,800	45,509,900		45,509,900		45,509,900
-- School Facilities Board	19,407,300	193,115,600	377,000	193,492,600	(1,478,500)	192,014,100
-- Office of Tourism		7,000,000		7,000,000		7,000,000
-- Universities	28,773,700	736,107,500	15,273,700	751,381,200	15,273,700	766,654,900
-- Department of Water Resources		12,033,300		12,033,300		12,033,300
-- All Other Budgets	(5,087,800)	150,947,700	2,156,800	153,104,500		153,104,500
-- Civic Center Payment	14,854,000	20,449,000		20,449,000		20,449,000
-- Unallocated Adjustments	(15,400)					
-- Health Insurance Premium Holiday	19,381,500					
-- Employee Retention Payments	6,866,600	23,500,000		23,500,000		23,500,000
-- Risk Management	327,100	327,100		327,100		327,100
-- Lease-Purchase/Rent	67,800	67,800		67,800		67,800
-- HR Pro rata Change	(1,605,400)	(1,605,400)		(1,605,400)		(1,605,400)
-- Small County Appropriation	7,150,500	7,150,500		7,150,500		7,150,500
-- EORP Revisions	5,000,000	5,000,000		5,000,000		5,000,000
-- SFB Refinance Reversion	(900,000)	(900,000)	(2,200,000)	(3,100,000)	3,100,000	
Total - Operating Budget	216,595,700	\$ 8,732,278,700	174,995,400	\$ 8,907,274,100	184,544,000	\$ 9,091,818,100
-- FY 13 Supplementals	(116,900)					
-- Capital Outlay	10,748,000	31,000,000	(31,000,000)			
-- FY 13 Budget Stabilization Fund Deposit	(200,000,000)					
-- Administrative Adjustments	22,400,000	60,000,000		60,000,000		60,000,000
-- Revertments	53,800,000	(100,000,000)		(100,000,000)		(100,000,000)
-- Debt Service		84,119,800	(16,200)	84,103,600	(9,100)	84,094,500
-- FY 13 Tobacco Settlement Offset	48,000,000					
-- Reduce K-12 Payment Deferral	(21,900,000)					
Total Spending	129,526,800	\$ 8,807,398,500	143,979,200	\$ 8,951,377,700	184,534,900	\$ 9,135,912,600

DETAILED LIST OF GENERAL FUND CHANGES BY AGENCY

	FY 2013 GF Original	FY 2013 Sen Eng Changes	FY 13 Spec Session Changes	FY 14 Baseline 1/ Above FY 13	FY 14 Senate Eng Chg to 14 JLBC Baseline	FY 2014 GF Senate Engrossed SB 1483	FY 14 House App Chg to 14 JLBC Baseline	FY 2014 GF House App	FY 14 SS Floor Chg to 14 JLBC Baseline	FY 2014 GF Special Session	Special Session - House App Difference	Special Session - SB 1483 Difference
OPERATING SPENDING CHANGES												
DOA - Arizona Department of Administration	13,430,300					11,430,300		11,430,300		11,430,300	0	0
DOA - White Mountain Apache Settlement (One-Time)				(2,000,000)							0	0
OAH - Office of Administrative Hearings	808,100					808,100		808,100		808,100	0	0
AGR - Department of Agriculture	7,927,100					7,835,000		7,835,000		7,835,000	0	0
AGR - Nuclear Emergency Management				(92,100)							0	0
AXS - AHCCCS	1,397,607,300					1,333,386,400		1,333,386,400		1,333,386,400	0	0
AXS - Formula Changes				(29,574,400)	(34,646,500)		(34,646,500)		(34,646,500)		0	0
AXS - Tobacco Settlement Offset		(48,000,000)	(48,000,000)								0	0
ATT - Attorney General	23,049,900					21,849,900		21,849,900		21,849,900	0	0
ATT - Cross-Border Prosecutions Backfill (JLBC Removed One-Time \$)				(1,200,000)							0	0
CHA - State Board for Charter Schools	748,100					748,100		748,100		748,100	0	0
COM - Arizona Commerce Authority	31,500,000					31,500,000		31,500,000		31,500,000	0	0
CCO - Arizona Community Colleges	65,942,600					63,365,300		65,365,300		65,365,300	0	0
CCO - Formula Changes				(2,577,300)							0	0
CCO - Capital Outlay State Aid							2,000,000		2,000,000		0	2,000,000
COR - Corporation Commission	589,100					589,100		589,100		589,100	0	0
DOC - Department of Corrections	956,404,200					964,798,700		964,798,700		964,798,700	0	0
DOC - 500 New Private Beds (Open Jan. 1, 2014)				4,743,700							0	0
DOC - Private Bed Monitoring (6 FTE Positions)					374,500		374,500		374,500		0	0
DOC - 500 State Maximum Beds Start-Up Costs (Open July, 2014)				4,497,000	(4,497,000)		(4,497,000)		(4,497,000)		0	0
DOC - Health Care Surplus					(5,000,000)		(5,000,000)		(5,000,000)		0	0
DOC - Retirement Contribution Increase					8,276,300		8,276,300		8,276,300		0	0
SDB - AZ State Schools for the Deaf and the Blind	20,586,100					20,586,100		20,586,100		20,586,100	0	0
DES - Department of Economic Security	616,705,400					686,596,700		677,596,700		686,596,700	0	0
DES - DD Formula Changes				17,288,500	(3,499,500)		(3,499,500)		(3,499,500)		0	0
DES - Adjust DD Rate Increase from 2% to 3%					3,329,800		3,329,800		3,329,800		0	0
DES - CPS Emergency and Residential Placement					13,000,000		13,000,000		13,000,000		0	0
DES - CPS Staffing (Add 1150 FTEs in FY 14)					12,923,300		12,923,300		12,923,300		0	0
DES - Foster Care Placement					4,804,100		4,804,100		4,804,100		0	0
DES - CPS Legal Support (Add 15 GF FTE and 22 Federal FTE)					1,549,300		1,549,300		1,549,300		0	0
DES - Child Care Caseload					9,000,000		5,000,000		9,000,000		4,000,000	0
DES - Adoption Services Caseload					2,875,400		2,875,400		2,875,400		0	0
DES - Intensive Family Services					5,000,000		5,000,000		5,000,000		0	0
DES - Children Support Services					4,000,000		0		4,000,000		4,000,000	0
DES - Grandparent Stipends					1,000,000		0		1,000,000		1,000,000	0
DES - LTC Realign with DHS					(1,379,600)		(1,379,600)		(1,379,600)		0	0
ADE - Arizona Department of Education	3,496,900,300					3,642,770,700		3,617,970,700		3,620,370,700	0	0
ADE - Formula Changes				55,167,300	(25,481,100)		(25,481,100)		(25,481,100)		0	0
ADE - Performance Funding					2,400,000		0		2,400,000		2,400,000	0
ADE - School Safety					3,646,400		3,646,400		3,646,400		0	0
ADE - Audit Unit (Fund in Basic State Aid)					Yes		Yes		Yes		0	0
ADE - Base Level Increase					82,000,000		82,000,000		82,000,000		0	0
ADE - Education Learning and Accountability System					22,400,000		0		0		0	(22,400,000)
ADE - Fund Small JTEDs at 100%					1,237,800		1,237,800		1,237,800		0	0
ADE - Adult Education					4,500,000		4,500,000		4,500,000		0	0
EMA - Department of Emergency & Military Affairs	8,834,300					8,920,400		9,470,400		8,920,400	0	0
EMA - Nuclear Emergency Management				(1,013,900)							0	0
EMA - Governor's Emergency Fund to \$4M					1,100,000		1,100,000		1,100,000		0	0
EMA - Project Challenge							500,000				(500,000)	0
EMA - Civil Air Patrol							50,000				(50,000)	0
											0	0

	FY 2013 GF Original	FY 2013 Sen Eng Changes	FY 13 Spec Session Changes	FY 14 Baseline 1/ Above FY 13	FY 14 Senate Eng Chg to Senate Engrossed SB 1483	FY 2014 GF Senate Engrossed SB 1483	FY 14 House App Chg to 14 JLBC Baseline	FY 2014 GF House App	FY 14 SS Floor Chg to 14 JLBC Baseline	FY 2014 GF Special Session	Special Session - House App Difference	Special Session - SB 1483 Difference
DEQ - Department of Environmental Quality	7,000,000					7,000,000		7,000,000		7,000,000	0	0
OEO - Governor's Office of Equal Opportunity	187,100					187,100		187,100		187,100	0	0
EQU - State Board of Equalization	629,500					629,500		629,500		629,500	0	0
EXE - Board of Executive Clemency	821,500					821,500		821,500		821,500	0	0
DFI - Dept of Financial Institutions	2,920,800					2,912,800		2,912,800		2,912,800	0	0
DFI - Remove One-Time Equipment				(8,000)							0	0
BFS - Department of Fire, Building & Life Safety	1,699,100					1,969,100		2,144,100		1,969,100	0	0
BFS - Manufactured Housing/State Fire Marshal					270,000		270,000		270,000		0	0
BFS - Fire School							175,000				(175,000)	0
FOR - State Forester	7,062,400					7,262,400		7,262,400		7,262,400	0	0
FOR - Environmental County Grants					100,000		100,000		100,000		0	0
FOR - Natural Resources Review Council Grant					100,000		100,000		100,000		0	0
GEO - Arizona Geological Survey	853,600					853,600		853,600		853,600	0	0
GOV - Office of the Governor	6,586,600					6,586,600		6,586,600		6,586,600	0	0
OSP - Gov's Ofc of Strategic Planning & Budgeting	1,871,700					1,871,700		1,871,700		1,871,700	0	0
DHS - Department of Health Services	587,120,700					547,304,500		549,354,500		549,354,500	0	0
DHS - Formula Changes				(10,397,200)	(31,398,600)		(31,398,600)		(31,398,600)		0	0
DHS - Electronic Medical Record - \$2.7M One-Time Start-up Costs					600,000		600,000		600,000		0	0
DHS - LTC Realign with DES					1,379,600		1,379,600		1,379,600		0	0
DHS - Crisis Services as Separate Line Item					Yes		Yes		Yes		0	0
DHS - 3-Year SVP Phase Out							1,800,000		1,800,000		0	1,800,000
DHS - Mental Health First Aid SLI							250,000		250,000		0	250,000
AZH - Arizona Historical Society	3,042,100					3,042,100		3,042,100		3,042,100	0	0
PAZ - Prescott Historical Society	654,200					654,200		804,200		804,200	0	0
PAZ - Operating Costs							150,000		150,000		0	150,000
IND - Independent Redistricting Commission	2,580,500					1,100,000		1,100,000		1,100,000	0	0
IND - Funding				(2,580,500)	1,100,000		1,100,000		1,100,000		0	0
CIA - Arizona Commission of Indian Affairs	53,700					53,700		53,700		53,700	0	0
INS - Department of Insurance	5,169,600					5,169,600		5,169,600		5,169,600	0	0
SPA - Judiciary - Supreme Court	15,677,700					15,877,700		15,677,700		15,877,700	0	0
SPA - Foster Care Review Board Operating					200,000		0		200,000		200,000	0
COA - Judiciary - Court of Appeals	13,817,600					13,817,600		13,867,600		13,867,600	0	0
COA - Deputy Clerk							50,000		50,000		0	50,000
SUP - Judiciary - Superior Court	79,100,700					79,272,700		79,362,700		79,362,700	0	0
SUP - Superior Court Judge: Mohave Division 7					98,000		98,000		98,000		0	0
SUP - Special Water Master					74,000		74,000		74,000		0	0
SUP - Mental Health Court Report							90,000		90,000		0	90,000
DJC - Department of Juvenile Corrections	43,428,400					43,428,400		43,428,400		43,428,400	0	0
LAN - State Land Department	1,258,600					12,038,100		12,038,100		12,038,100	0	0
LAN - CAP Water Rate Increase				32,100							0	0
LAN - Shift from Risk Management Fund				10,747,400							0	0
LEM - Law Enforcement Merit System Council	70,500					0		0		0	0	0
LEM - Consolidation of Agency Functions w/DPS					(70,500)		(70,500)		(70,500)		0	0
AUD - Auditor General	17,240,100					17,240,100		17,240,100		17,240,100	0	0
HOU - House of Representatives	13,067,100					13,067,100		13,067,100		13,067,100	0	0

	FY 2013 GF Original	FY 2013 Sen Eng Changes	FY 13 Spec Session Changes	FY 14 Baseline 1/ Above FY 13	FY 14 Senate Eng Chg to 14 JLBC Baseline	FY 2014 GF Senate Engrossed SB 1483	FY 14 House App Chg to 14 JLBC Baseline	FY 2014 GF House App	FY 14 SS Floor Chg to 14 JLBC Baseline	FY 2014 GF Special Session	Special Session - House App Difference	Special Session - SB 1483 Difference
JLBC - Joint Legislative Budget Committee	2,418,800					2,418,800		2,418,800		2,418,800	0	0
LEG - Legislative Council	7,884,700					7,884,700		7,884,700		7,884,700	0	0
SEN - Senate	8,036,300					8,036,300		8,036,300		8,036,300	0	0
MIN - State Mine Inspector	1,183,600					1,183,600		1,183,600		1,183,600	0	0
NAV - AZ Navigable Steam Adjudication Comm.	126,200					126,200		126,200		126,200	0	0
PIO - Arizona Pioneers' Home	1,604,800					1,604,800		1,604,800		1,604,800	0	0
POS - Commission for Postsecondary Education	1,396,800					1,396,800		1,396,800		1,396,800	0	0
DPS - Department of Public Safety	45,524,000					51,848,700		51,848,700		51,848,700	0	0
DPS - ACTIC Operating Costs					750,000		750,000		750,000		0	0
DPS - LEMSC to DPS					70,500		70,500		70,500		0	0
DPS - Retirement Contribution Increases					5,504,200		5,504,200		5,504,200		0	0
RAC - Arizona Department of Racing	2,029,500					2,029,500		2,029,500		2,029,500	0	0
RAD - Radiation Regulatory Agency	1,420,800					744,800		744,800		744,800	0	0
RAD - Nuclear Emergency Management				(676,000)							0	0
REA - State Real Estate Department	2,902,200					2,902,200		2,902,200		2,902,200	0	0
REA - Decrease Appropriated FTE Count by (22) FTE Positions					Yes		Yes		Yes		0	0
REV - Department of Revenue	45,442,100					45,509,900		45,309,900		45,509,900	0	0
REV - In-House Attorneys - 1.5 FTE Positions					200,000		0		200,000		200,000	0
REV - Transfer Temporary Collectors to Operating Budget					Yes		Yes		Yes		0	0
REV - Remove One-Time Report Funding				(132,200)							0	0
SFB - School Facilities Board	173,708,300					193,115,600		189,415,600		193,115,600	0	0
SFB - New School Debt Service Change				4,735,300							0	0
SFB - Building Renewal Grants (\$2.7M in base)					14,000,000		10,300,000		14,000,000		3,700,000	0
SFB - New School Construction					672,000		672,000		672,000		0	0
SOS - Secretary of State	14,923,200					11,479,900		11,479,900		11,479,900	0	0
SOS - Non-Election Year Funding Adjustment				(3,443,300)							0	0
TAX - State Board of Tax Appeals	254,800					254,800		254,800		254,800	0	0
TOU - Office of Tourism	7,000,000					7,000,000		7,000,000		7,000,000	0	0
DOT - Department of Transportation	50,500					50,500		50,500		50,500	0	0
TRE - State Treasurer	1,115,100					1,205,100		1,205,100		1,205,100	0	0
TRE - JP Salary Formula Increase					90,000		90,000		90,000		0	0
USL - Uniform State Law Commission	0					0		75,000		75,000	0	0
USL - Travel/Conference							75,000		75,000		0	75,000
UNI - Universities											0	0
UNI - Arizona Board of Regents	21,926,500					21,926,500		16,926,500		21,926,500	0	0
UNI - FY 13 Performance Distribution					(5,000,000)		(5,000,000)		(5,000,000)		0	0
UNI - New FY 14 Performance					5,000,000		0		5,000,000		5,000,000	0
UNI - ASU - Tempe/DPC	257,332,200					269,746,400		269,746,400		269,746,400	0	0
UNI - FY 14 Parity					10,222,200		10,222,200		10,222,200		0	0
UNI - Allocate FY 13 Performance Funding					2,192,000		2,192,000		2,192,000		0	0
UNI - ASU - East Campus	20,771,200					22,676,400		22,676,400		22,676,400	0	0
UNI - FY 14 Parity					1,748,900		1,748,900		1,748,900		0	0
UNI - Allocate FY 13 Performance Funding					156,300		156,300		156,300		0	0
UNI - ASU - West Campus	33,017,700					33,289,400		33,289,400		33,289,400	0	0
UNI - Allocate FY 13 Performance Funding					271,700		271,700		271,700		0	0

	FY 2013 GF Original	FY 2013 Sen Eng Changes	FY 13 Spec Session Changes	FY 14 Baseline 1/ Above FY 13	FY 14 Senate Eng Chg to 14 JLBC Baseline	FY 2014 GF Senate Engrossed SB 1483	FY 14 House App Chg to 14 JLBC Baseline	FY 2014 GF House App	FY 14 SS Floor Chg to 14 JLBC Baseline	FY 2014 GF Special Session	Special Session - House App Difference	Special Session - SB 1483 Difference
UNI - Northern Arizona University	104,907,400					109,245,000		109,245,000		109,245,000	0	0
UNI - FY 14 Parity					3,302,600		3,302,600		3,302,600		0	0
UNI - Allocate FY 13 Performance Funding					1,035,000		1,035,000		1,035,000		0	0
UNI - UA - Main Campus	207,793,500					209,138,500		209,638,500		209,638,500	0	0
UNI - Allocate FY 13 Performance Funding					1,345,000		1,345,000		1,345,000		0	0
UNI - Freedom Center							500,000		500,000		0	500,000
UNI - UA - Health Sciences Center	61,585,300					65,585,300		69,585,300		69,585,300	0	0
UNI - Phoenix Medical School - 45 FTE Positions					8,000,000		8,000,000		8,000,000		0	0
UNI - UA Offset 2/					(4,000,000)		0		0		0	4,000,000
VSC - Department of Veterans' Services	5,212,800					5,212,800		5,212,800		5,212,800	0	0
WAT - Department of Water Resources	12,033,300					12,033,300		12,033,300		12,033,300	0	0
WEI - Department of Weights & Measures	1,472,500					1,284,000		1,284,000		1,284,000	0	0
WEI - One-Time Lab Equipment					86,500		86,500		86,500		0	0
WEI - Remove One-Time Test Truck Funding				(275,000)							0	0
APF - Automation Projects Fund/ADOA											0	0
APF - AFIS Replacement	16,800,000			3,200,000	(1,600,000)	18,400,000	(1,600,000)	18,400,000	(1,600,000)	18,400,000	0	0
APF - APF Deposit	0			0	1,700,000	1,700,000	7,100,000	7,100,000	7,100,000	7,100,000	0	5,400,000
OTH - Other											0	0
OTH - Debt Service Payments	84,119,800			0		84,119,800		84,119,800		84,119,800	0	0
OTH - Civic Center Debt Service	5,595,000			14,854,000		20,449,000		20,449,000		20,449,000	0	0
OTH - SFB Refinance Reversion	0				(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	0	0
OTH - Unallocated Lease-Purchase and Rent Adjustments	3,700			(3,700)	0	0	0	0	0	0	0	0
OTH - Unallocated Reverse ASRS 47/53 Split	7,600			(7,600)	0	0	0	0	0	0	0	0
OTH - Unallocated Retirement Rate Increase	4,100			(4,100)	0	0	0	0	0	0	0	0
OTH - Lease-Purchase and Rent Adjustments	0			67,800	67,800	67,800	67,800	67,800	67,800	67,800	0	0
OTH - Risk Management Adjustments	0				327,100	327,100	327,100	327,100	327,100	327,100	0	0
OTH - Health Insurance Holiday	(25,000,000)	5,500,000	5,618,500	25,000,000	0	0	0	0	0	0	0	0
OTH - Continue Employee Retention Payments	16,633,400			(16,633,400)	23,500,000	23,500,000	13,900,000	13,900,000	23,500,000	23,500,000	9,600,000	0
OTH - Budget Stabilization Fund Deposit	200,000,000			(200,000,000)	0	0	0	0	0	0	0	0
OTH - Elected Officials' Retirement Plan Revisions	0			0	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	0	0
OTH - HR Prorata Adjustment	0			0	(1,605,400)	(1,605,400)	(1,605,400)	(1,605,400)	(1,605,400)	(1,605,400)	0	0
OTH - FY 2013 Treasurer/JP Salaries Supplemental	116,900			(116,900)	0	0	0	0	0	0	0	0
OTH - County Funding (13 smallest counties)	0			0	7,150,500	7,150,500	7,150,500	7,150,500	7,150,500	7,150,500	0	0
OTH - Southwest Defense Contracts DOA	0			0	0	25,000	25,000	25,000	25,000	25,000	0	(25,000)
OTH - Administrative Adjustments	37,600,000			22,400,000	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000	0	0
OTH - Reversions	(133,800,000)	(20,000,000)	(20,000,000)	53,800,000	(20,000,000)	(100,000,000)	(20,000,000)	(100,000,000)	(20,000,000)	(100,000,000)	0	0
OTH - Debt Reduction/Economic Development	0			0	8,333,300	8,333,300	0	0	0	0	0	(8,333,300)
OTH - Eliminate K-12 Rollover (Districts < 600)	0		21,900,000	0	0	0	0	0	0	0	0	0
TOTAL - OPERATING SPENDING CHANGES	8,698,101,200	(62,500,000)	(40,481,500)	(54,202,500)	148,918,100	8,792,816,800	103,149,800	8,747,048,500	132,499,800	8,776,398,500	29,350,000	(16,418,300)
CAPITAL SPENDING												
ADOA - Building Renewal Transfer	252,000			(252,000)	0	0	0	0	0	0	0	0
ADOA - 500 Maximum Security ADC Beds (Enacted)	20,000,000			10,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	0	0
ASDB Tucson Dorm Renovations	0			0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	0	0
TOTAL - CAPITAL SPENDING	20,252,000	0	0	9,748,000	1,000,000	31,000,000	1,000,000	31,000,000	1,000,000	31,000,000	0	0
TOTAL - OPERATING & CAPITAL SPENDING	8,718,353,200	(62,500,000)	(40,481,500)	(44,454,500)	149,918,100	8,823,816,800	104,149,800	8,778,048,500	133,499,800	8,807,398,500	29,350,000	(16,418,300)
TOTAL - ALL SPENDING	8,718,353,200	(62,500,000)	(40,481,500)	(44,454,500)	149,918,100	8,823,816,800	104,149,800	8,778,048,500	133,499,800	8,807,398,500	29,350,000	(16,418,300)
REVENUE CHANGES												
REV - Ongoing Revenue	8,922,835,900	(4,017,900)	(4,017,900)	(602,179,500)	(5,217,400)	8,315,439,000	(5,217,400)	8,315,439,000	(5,217,400)	8,315,439,000	0	0
REV - One-Time Revenue	44,000,000			(38,000,000)	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	0	0
REV - Beginning Balance	396,960,000			249,117,900	72,946,900	719,024,800	50,928,400	697,006,300	50,928,400	697,006,300	0	(22,018,500)
REV - IRS Conformity		4,600,000	4,600,000		13,700,000	13,700,000	13,700,000	13,700,000	13,700,000	13,700,000	0	0
REV - Navajo Technical College TPT Allocation					(875,000)	(875,000)	0	0	(875,000)	(875,000)	(875,000)	0
REV - Expansion Premium Tax					0	0	0	0	7,284,000	7,284,000	7,284,000	7,284,000

	FY 2013 GF Original	FY 2013 Sen Eng Changes	FY 13 Spec Session Changes	FY 14 Baseline 1/ Above FY 13	FY 14 Senate Eng Chg to 14 JLBC Baseline	FY 2014 GF Senate Engrossed SB 1483	FY 14 House App Chg to 14 JLBC Baseline	FY 2014 GF House App	FY 14 SS Floor Chg to 14 JLBC Baseline	FY 2014 GF Special Session	Special Session - House App Difference	Special Session - SB 1483 Difference
REV - Foster Care Tax Credit						0	0	0	(850,000)	(850,000)	(850,000)	(850,000)
REV - DEQ Chevron Settlement		10,500,000	10,500,000			0	0	0		0	0	0
REV - DOA Special Employee Health Insurance Trust (OF)					68,000,000	68,000,000	68,000,000	68,000,000	68,000,000	68,000,000	0	0
REV - ADE Structured English Immersion Fund (OF)						0	10,000,000	10,000,000	10,000,000	10,000,000	0	10,000,000
REV - Bonus Depreciation						0	(24,800,000)	(24,800,000)		0	24,800,000	0
REV - Income Tax Indexing						0	FY 15	FY 15		0	0	0
REV - Data Centers						0	(4,200,000)	(4,200,000)	(4,200,000)	(4,200,000)	0	(4,200,000)
REV - Enterprise Zones - Prior Awards						0	FY 15	FY 15		0	0	0
REV - Prior Enacted Fire, Building & Life Safety Fee Increase					270,000	270,000	270,000	270,000	270,000	270,000	0	0
TOTAL - REVENUE CHANGES (INCL. FUND TRANSFERS)	9,363,795,900	11,082,100	11,082,100	(391,061,600)	148,824,500	9,121,558,800	108,681,000	9,081,415,300	139,040,000	9,111,774,300	30,359,000	(9,784,500)
ENDING BALANCE	645,442,700	73,582,100	51,563,600	(346,607,100)	(1,093,600)	297,742,000	4,531,200	303,366,800	5,540,200	304,375,800	1,009,000	6,633,800

1/ Represents FY 2014 Baseline cost above FY 2013 Baseline estimate.

2/ SB 1483 Floor amendment increased Phoenix Medical School funding by \$4 million, but did not change UA overall funding level.

DETAILED LIST OF OTHER FUND CHANGES BY AGENCY

	FY 2013 OF Original	FY 2013 Sen Eng Changes	FY 2013 Spec Session Changes	FY 14 Baseline 1/ Above FY 13	FY 14 Sen Eng Chg to 14 JLBC Baseline	FY 2014 OF Senate Engrossed SB 1483	FY 14 House App Chg to 14 JLBC Baseline	FY 2014 OF House App	FY 14 SS Floor Chg to 14 JLBC Baseline	FY 2014 OF Special Session	Special Session - House App Difference	Special Session - SB 1483 Difference
OPERATING SPENDING CHANGES												
SBA - State Board of Accountancy	1,897,700					1,897,700		1,897,700		1,897,700	0	0
ACU - Acupuncture Board of Examiners	125,800					144,600		144,600		144,600	0	0
ACU - Board Member Compensation					1,800		1,800		1,800		0	0
ACU - Rulemaking					5,000		5,000		5,000		0	0
ACU - Temporary Services					12,000		12,000		12,000		0	0
DOA - Arizona Department of Administration	167,425,500					170,777,600		170,777,600		170,777,600	0	0
DOA - Expiration of HRIS COP Payment - Personnel Division Fund				(3,319,600)	0		0		0		0	0
DOA - Federal Participation Repayment			3,727,300								0	0
DOA - Personnel Division					1,493,700		1,493,700		1,493,700		0	0
DOA - Travel Reduction Office Bus Subsidies					213,000		213,000		213,000		0	0
DOA - Risk Management Claims					965,000		965,000		965,000		0	0
DOA - Web Portal Operating Expenditure					4,000,000		4,000,000		4,000,000		0	0
OAH - Office of Administrative Hearings	13,300					13,300		13,300		13,300	0	0
AXS - AHCCCS	151,097,500					187,180,700		187,180,700		187,180,700	0	0
AXS - Formula Changes				37,400,500	(101,500)		(101,500)		(101,500)		0	0
AXS - Discontinuation of Healthcare Group				(1,215,800)							0	0
APP - State Board of Appraisal	756,500					786,500		786,500		786,500	0	0
APP - On Staff Investigator - 1 FTE Position					yes		yes		yes		0	0
APP - Temporary Staff to Full-Time Staff - 1.5 FTE Position					yes		yes		yes		0	0
APP - IT Request (Exec)					30,000		30,000		30,000		0	0
ART - Arizona Commission on the Arts	0					0		0		1,000,000	0	0
ART - BSF Interest									1,000,000		1,000,000	1,000,000
BAT - Board of Athletic Training	101,800					101,800		101,800		101,800	0	0
ATT - Attorney General	36,574,500					39,023,600		39,023,600		37,823,600	0	0
ATT - Victims Services					509,700		509,700		509,700		0	0
ATT - One-Time Victims Services Grants Mgmt Software					239,400		239,400		239,400		0	0
ATT - Capital Postconviction Prosecution					500,000		500,000		500,000		0	0
ATT - Cross-Border Prosecution					1,200,000		1,200,000				(1,200,000)	(1,200,000)
ATA - Automobile Theft Authority	4,274,500					4,274,500		5,274,500		5,274,500	0	0
ATA - Grant Appropriation Increase							1,000,000		1,000,000		0	1,000,000
BAR - Board of Barbers	321,900					321,900		321,900		321,900	0	0
BHE - Board of Behavioral Health Examiners	1,611,100					1,720,100		1,720,100		1,720,100	0	0
BHE - Operational Changes					109,000		109,000		109,000		0	0
BCE - State Board of Chiropractic Examiners	454,800					457,800		457,800		457,800	0	0
BCE - Rent Increase					3,000		3,000		3,000		0	0
ROC - Registrar of Contractors	12,059,800					14,759,800		14,759,800		14,759,800	0	0
ROC - Transfer \$2.7M from ROC to Recovery					2,700,000		2,700,000		2,700,000		0	0
COR - Corporation Commission	25,307,300					25,457,300		25,457,300		25,457,300	0	0
COR - Remove One-Time Hearing Room Construction Costs				(350,000)							0	0
COR - Backfill Federal Funds - 3 FTE Positions					500,000		500,000		500,000		0	0
DOC - Department of Corrections	44,907,700					44,912,600		44,912,600		44,912,600	0	0
DOC - Yuma Building (3 Transfers)					See Capital		See Capital		See Capital		0	0
DOC - Reduce Transition Program Operating Offset					(1,000,000)		(1,000,000)		(1,000,000)		0	0
DOC - PCOF Operating Offset					1,000,000		1,000,000		1,000,000		0	0
DOC - Retirement Contribution Increase					4,900		4,900		4,900		0	0
COS - Board of Cosmetology	1,750,300					1,750,300		1,750,300		1,750,300	0	0

	FY 2013 OF Original	FY 2013 Sen Eng Changes	FY 2013 Spec Session Changes	FY 14 Baseline 1/ Above FY 13	FY 14 Sen Eng Chg to 14 JLBC Baseline	FY 2014 OF Senate Engrossed SB 1483	FY 14 House App Chg to 14 JLBC Baseline	FY 2014 OF House App	FY 14 SS Floor Chg to 14 JLBC Baseline	FY 2014 OF Special Session	Special Session - House App Difference	Special Session - SB 1483 Difference
JUS - Arizona Criminal Justice Commission	5,630,700					5,930,700		5,930,700		5,930,700	0	0
JUS - Victims Compensation					300,000		300,000		300,000		0	0
SDB - AZ State Schools for the Deaf and the Blind	13,296,100					13,585,500		13,585,500		13,585,500	0	0
SDB - Formula Changes				289,400							0	0
HEA - Comm for the Deaf & the Hard of Hearing	3,749,000					3,749,000		3,749,000		3,749,000	0	0
DEN - Board of Dental Examiners	1,189,600					1,189,600		1,189,600		1,189,600	0	0
DES - Department of Economic Security	507,362,700					519,342,300		516,342,300		520,942,300	0	0
DES - LTC Funding Shift				(9,616,400)	9,616,400		9,616,400		9,616,400		0	0
DES - LTC Realign with DHS					1,379,600		1,379,600		1,379,600		0	0
DES - Contingency Projects - CPS & Child Care					7,500,000		7,500,000		10,500,000		3,000,000	3,000,000
DES - Foster Care Rate Increase					3,000,000		0		0		0	(3,000,000)
DES - CPS Total Expenditure Authority					Yes		Yes		Yes		0	0
DES - Domestic Violence Shelter					100,000		100,000		0		(100,000)	(100,000)
DES - UI/Special Admin									1,700,000		1,700,000	1,700,000
ADE - Arizona Department of Education	57,167,700					57,567,700		55,967,700		55,967,700	0	0
ADE - Data System Funding				(1,200,000)	1,600,000		0		0		0	(1,600,000)
EMA - Department of Emergency & Military Affairs	132,700					132,700		132,700		132,700	0	0
DEQ - Department of Environmental Quality	68,481,200					66,681,200		66,681,200		66,681,200	0	0
DEQ - Remove VEI Fund for Safe Drinking Water Program				(1,800,000)							0	0
DEQ - Eliminate Used Oil Fund Appropriation				(138,900)							0	0
DEQ - Shift Used Oil Admin to Recycling				138,900							0	0
COL - Arizona Exposition and State Fair Board	11,131,200					11,131,200		11,131,200		11,131,200	0	0
DFI - Dept of Financial Institutions	922,900					914,900		914,900		914,900	0	0
DFI - Remove One-Time Equipment - Financial Svcs Fund				(8,000)							0	0
EMB - Board of Funeral Directors and Embalmers	340,600					340,600		340,600		340,600	0	0
FIS - Arizona Game and Fish Department	39,179,300					39,287,200		39,287,200		39,287,200	0	0
FIS - Computer Replacement Program					71,300		71,300		71,300		0	0
FIS - Waterfowl Conservation Projects					36,600		36,600		36,600		0	0
GAM - Department of Gaming	12,087,800					13,098,400		13,098,400		13,098,400	0	0
GAM - Higher Revenues				569,300	441,300		441,300		441,300		0	0
DHS - Department of Health Services	88,817,300					96,779,800		95,679,800		91,679,800	0	0
DHS - Nursing Care Study (with One-Time FY '13 Adjustment)				(400,000)	90,000		90,000		90,000		0	0
DHS - Health Licensing					712,000		712,000		712,000		0	0
DHS - Transfer Hearing/Speech \$ to Licensing					(309,900)		(309,900)		(309,900)		0	0
DHS - Electronic Medical Records - Indirect + ASH Fund					3,850,000		3,850,000		3,850,000		0	0
DHS - LTC Realign with DES					(1,379,600)		(1,379,600)		(1,379,600)		0	0
DHS - Renal Dental Care/Nutrition					300,000		300,000		300,000		0	0
DHS - Biomedical Research					5,100,000		4,000,000		0		(4,000,000)	(5,100,000)
HOM - Board of Homeopathic & Integrated Medicine Examiners	107,600					98,000		98,000		98,000	0	0
HOM - Revenue Alignment					(9,600)		(9,600)		(9,600)		0	0
HOU - Department of Housing	304,600					304,600		304,600		304,600	0	0
IND - Industrial Commission	19,656,400					19,656,400		19,656,400		19,656,400	0	0
SPA - Judiciary - Supreme Court	27,228,300					27,228,300		27,228,300		27,228,300	0	0
SUP - Judiciary - Superior Court	12,462,700					12,462,700		12,462,700		13,462,700	0	0
SUP - Probation Officers									1,000,000		1,000,000	1,000,000
DJC - Department of Juvenile Corrections	3,890,900					3,890,900		3,890,900		3,890,900	0	0
LAN - State Land Department	14,976,600					4,229,200		4,229,200		4,229,200	0	0

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LAN - Shift From Risk Management to General Fund				(10,747,400)							0	0
LAN - Fund Payback from Risk Management Fund		15,018,000	15,018,000								0	0
											0	0
LIQ - Department of Liquor Licenses & Control	2,850,400					2,850,400		2,850,400		2,850,400	0	0
											0	0
LOT - Arizona State Lottery Commission	95,524,800					99,170,300		99,170,300		99,170,300	0	0
LOT - Product Development Assistant - 1 FTE Position					53,100		53,100		53,100		0	0
LOT - Revenue Alignment				3,592,400							0	0
											0	0
MAS - Board of Massage Therapy	0					415,500		415,500		415,500	0	0
MAS - New Agency				0	415,500		415,500		415,500		0	0
											0	0
MED - Arizona Medical Board	5,809,400					5,809,400		5,809,400		5,809,400	0	0
											0	0
MIN - State Mine Inspector	112,500					112,500		112,500		112,500	0	0
											0	0
NAT - Naturopathic Physicians Medical Board	587,500					172,000		172,000		172,000	0	0
NAT - Transfer to Massage Therapy Agency					(415,500)		(415,500)		(415,500)		0	0
											0	0
NUR - State Board of Nursing	4,056,000					4,178,100		4,178,100		4,178,100	0	0
NUR - Nurses/Complaints					122,100		122,100		122,100		0	0
											0	0
NCI - Nursing Care Inst. Administrators Board	426,700					406,700		406,700		406,700	0	0
NCI - Revenue Alignment					(20,000)		(20,000)		(20,000)		0	0
											0	0
OCC - Board of Occupational Therapy Examiners	162,700					167,900		167,900		167,900	0	0
OCC - Overtime Allowance and Cost Increases					5,200		5,200		5,200		0	0
											0	0
DIS - State Board of Dispensing Opticians	131,300					131,300		131,300		131,300	0	0
											0	0
OPT - State Board of Optometry	197,800					197,800		197,800		197,800	0	0
											0	0
OST - Arizona Board of Osteopathic Examiners	699,200					759,400		759,400		759,400	0	0
OST - Administrative Hearing Services/Medical Expert					24,000		24,000		24,000		0	0
OST - Increase in Accounting Expenses					1,300		1,300		1,300		0	0
OST - Increase in Attorney General Expense					10,000		10,000		10,000		0	0
OST - Equipment Replacement/New Software					24,900		24,900		24,900		0	0
											0	0
SPB - Arizona State Parks Board	12,649,500					12,649,500		12,649,500		12,649,500	0	0
											0	0
PER - Personnel Board	364,500					364,500		364,500		364,500	0	0
											0	0
PES - Office of Pest Management	1,999,700					1,999,700		1,999,700		1,999,700	0	0
											0	0
PHA - Arizona State Board of Pharmacy	1,921,900					2,008,600		2,008,600		2,008,600	0	0
PHA - One-Time Board Room Equipment					37,800		37,800		37,800		0	0
PHA - One-Time Annual Leave Payout					48,900		48,900		48,900		0	0
											0	0
PHY - Board of Physical Therapy Examiners	365,900					424,800		424,800		424,800	0	0
PHY - One-Time Electronic Licensing Files					24,700		24,700		24,700		0	0
PHY - Investigator Full Time - 0.2 FTE Position					34,200		34,200		34,200		0	0
											0	0
PIO - Arizona Pioneers' Home	4,600,700					4,630,200		4,630,200		4,630,200	0	0
PIO - Operating Funds - Home Miners' Hospital Fund					575,500		575,500		575,500		0	0
PIO - Operating Funds - State Charitable Earnings Fund					(575,500)		(575,500)		(575,500)		0	0
PIO - One-Time Radiator Covers and Thermostatic Controls - Miners Hospital Fund					29,500		29,500		29,500		0	0
											0	0
POD - State Board of Podiatry Examiners	143,000					143,000		143,000		143,000	0	0
											0	0
POS - Commission for Postsecondary Education	1,742,700					1,528,800		1,528,800		1,528,800	0	0
POS - Revenue Alignment					(64,800)		(64,800)		(64,800)		0	0
POS - Shift \$546.8K from Early Grad Scholarship Fund to SPEG					yes		yes		yes		0	0
POS - Shift Family College Savings to Non-Approp Fund				(149,100)							0	0
											0	0
PRI - Board for Private Postsecondary Education	327,500					628,500		628,500		628,500	0	0
PRI - Position Reclassification					41,000		41,000		41,000		0	0

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PRI - Transfer \$245,600 to Student Tuition Recovery Fund					245,600		245,600		245,600		0	0
PRI - Employee Benefit Adjustment					14,400		14,400		14,400		0	0
											0	0
PSY - State Board of Psychologist Examiners	344,900					362,900		362,900		362,900	0	0
PSY - Security					18,000		18,000		18,000		0	0
											0	0
DPS - Department of Public Safety	182,715,400					184,296,100		184,296,100		184,296,100	0	0
DPS - Crime Lab Backlog - DNA ID System Fund					850,000		850,000		850,000		0	0
DPS - Retirement					730,700		730,700		730,700		0	0
											0	0
RAC - Arizona Department of Racing	2,831,200					2,831,200		2,831,200		2,831,200	0	0
											0	0
RAD - Radiation Regulatory Agency	829,800					829,800		829,800		829,800	0	0
											0	0
REA - State Real Estate Department											0	0
											0	0
RUC - Residential Utility Consumer Office	1,299,900					1,299,900		1,299,900		1,299,900	0	0
											0	0
RES - Board of Respiratory Care Examiners	257,600					281,900		281,900		281,900	0	0
RES - Personal Services Adjustment - 0.5 FTE Position		10,000	10,000		24,300		24,300		24,300		0	0
RES - Supplemental Appropriation		14,500	14,500								0	0
											0	0
RET - Arizona State Retirement System	24,016,500					25,159,500		25,349,500		25,349,500	0	0
RET - Eliminate One-Time Plan Design Costs				(247,000)							0	0
RET - ASRS IT Modernization					1,390,000		1,390,000		1,390,000		0	0
RET - Encryption and Data Security							190,000		190,000		0	190,000
RET - Convert Consultants to FTE - 12 FTE Positions							yes				0	0
											0	0
REV - Department of Revenue	26,742,000					26,742,000		26,742,000		26,742,000	0	0
											0	0
SOS - Secretary of State	3,507,400					3,653,500		3,653,500		3,653,500	0	0
SOS - Records Services - 2 FTE Positions					146,100		146,100		146,100		0	0
											0	0
SBO - State Boards' Office	212,500					212,500		212,500		212,500	0	0
											0	0
TEC - State Board of Technical Registration	2,028,300					2,076,200		2,076,200		2,076,200	0	0
TEC - Security Alarm Program (Previously Enacted)				47,900							0	0
											0	0
DOT - Department of Transportation	359,671,600					365,715,800		365,715,800		365,715,800	0	0
DOT - Highway Maintenance Workload - SHF					6,044,200		6,044,200		6,044,200		0	0
											0	0
TRE - State Treasurer	4,874,800					4,914,800		4,914,800		4,914,800	0	0
TRE - Empowerment Scholarship Administration (Previously Enacted)				40,000							0	0
											0	0
UNI - Universities											0	0
											0	0
UNI - ASU - Tempe/DPC	452,685,000					452,685,000		452,685,000		452,685,000	0	0
											0	0
UNI - ASU - East Campus	37,590,900					37,590,900		37,590,900		37,590,900	0	0
											0	0
UNI - ASU - West Campus	41,990,200					41,990,200		41,990,200		41,990,200	0	0
											0	0
UNI - Northern Arizona University	107,409,100					107,409,100		107,409,100		107,409,100	0	0
											0	0
UNI - UA - Main Campus	269,918,000					269,918,000		269,918,000		269,918,000	0	0
											0	0
UNI - UA - Health Sciences Center	43,920,300					43,920,300		43,920,300		43,920,300	0	0
											0	0
VSC - Department of Veterans' Services	28,498,800					28,498,800		28,498,800		28,498,800	0	0
											0	0
VME - Veterinary Medical Examining Board	456,600					470,600		470,600		470,600	0	0
VME - Addition to Staff - 0.5 FTE Position					yes		yes		yes		0	0
VME - IT Updates					14,000		14,000		14,000		0	0
											0	0
WAT - Department of Water Resources	407,200					907,200		907,200		907,200	0	0
WAT - Lower Colorado Litigation Expenses					500,000		500,000		500,000		0	0
											0	0

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WEI - Department of Weights & Measures	1,738,300					1,759,200		1,759,200		1,759,200	0	0
WEI - One-Time 2 Fuel Analyzer - Air Quality Fund					20,900		20,900		20,900		0	0
APF - Automation Projects Fund/ADOA												
APF - Automation Projects (Web Portal)	5,600,000			(5,600,000)		0		0		0	0	0
APF - Automation Projects (Automation Operations)	4,200,000			(4,200,000)		0		0		0	0	0
APF - Automation Projects (IT Fund)	1,500,000			(1,500,000)		0		0		0	0	0
APF - AFIS Replacement	0				28,638,000	28,638,000	28,638,000	28,638,000	28,638,000	28,638,000	0	0
APF - ASET Projects, State Data Center	0				2,675,000	2,675,000	2,675,000	2,675,000	2,675,000	2,675,000	0	0
APF - ASET Projects, Data Security	0				3,075,000	3,075,000	3,075,000	3,075,000	3,075,000	3,075,000	0	0
APF - ASET Projects, Enterprise Architecture	0				1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	0	0
APF - ASET Projects, Project Management	0				2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	0	0
APF - ASET Projects, E-Government	0				325,000	325,000	325,000	325,000	325,000	325,000	0	0
APF - ASET Projects, Web Portal Transition	0					0	1,975,000	1,975,000	1,975,000	1,975,000	0	1,975,000
APF - DEQ, E-Licensing	0						10,000,000	10,000,000	5,000,000	5,000,000	(5,000,000)	5,000,000
APF - DOR, BRITS	0				1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	0	0
APF - DOR, Data Security	0				4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	4,900,000	0	0
APF - DOC, AIMS Replacement	0				8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	0	0
APF - ASRS, Automation Charge	0					0	151,000	151,000	151,000	151,000	0	151,000
APF - ADE, AELAS	0				0	0	7,000,000	7,000,000	7,000,000	7,000,000	0	7,000,000
OTH - Other												
OTH - Rent/Lease-Purchase Adjustments	0			712,900	700	713,600	700	713,600	700	713,600	0	0
OTH - Unallocated Reverse ASRS 47/53 Split	1,700			(1,700)		0		0		0	0	0
OTH - Unallocated Retirement Increases	2,600			(2,600)		0		0		0	0	0
OTH - Continue One-time Employee Retention Payments	11,695,200			(11,695,200)	16,500,000	16,500,000	9,700,000	9,700,000	16,500,000	16,500,000	6,800,000	0
OTH - Risk Management Adjustments	0				(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	0	0
OTH - HR Pro Rata Adjustments	0				(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	0	0
OTH - County Distribution - Mohave County Sheriff	0					0	400,000	400,000		0	(400,000)	0
OTH - County Relief - Graham	0				850,000	850,000	850,000	850,000	0	0	(850,000)	(850,000)
OTH - County Relief - Navajo	0				400,000	400,000	400,000	400,000	0	0	(400,000)	(400,000)
OTH - Parks BSF Deposit	0					0		0	1,000,000	1,000,000	1,000,000	1,000,000
TOTAL - OPERATING SPENDING CHANGES	\$3,088,415,400	\$15,042,500	\$18,769,800	(\$9,400,400)	\$122,466,900	\$3,201,481,900	\$130,682,900	\$3,209,697,900	\$133,232,900	\$3,212,247,900	\$2,550,000	\$10,766,000
CAPITAL SPENDING CHANGES												
Building Renewal												
Arizona Department of Administration	10,372,600				(5,000,000)	5,372,600	(1,372,600)	9,000,000	(1,372,600)	9,000,000	0	3,627,400
ADC Building Renewal and Preventative Maintenance	4,630,500				369,500	5,000,000	369,500	5,000,000	369,500	5,000,000	0	0
Game & Fish Department	523,300			24,300		547,600		547,600		547,600	0	0
Arizona Lottery Commission	85,200			5,100		90,300		90,300		90,300	0	0
Arizona Department of Transportation	1,050,000				2,138,200	3,188,200	2,138,200	3,188,200	2,138,200	3,188,200	0	0
New Projects												
ADOA - Building Security (COSF)	0			0	5,000,000	5,000,000	2,000,000	2,000,000	2,000,000	2,000,000	0	(3,000,000)
ADC Yuma Building	0			0	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	0	0
ADOT '13/'14 Statewide Highway Construction	18,450,000			8,438,000	(7,280,000)	19,608,000	(7,280,000)	19,608,000	(7,280,000)	19,608,000	0	0
ADOT '13/'14 Controlled Access Highways	84,554,000			(295,000)		84,259,000		84,259,000		84,259,000	0	0
ADOT '13/'14 Debt Service	121,803,000			(5,377,000)		116,426,000		116,426,000		116,426,000	0	0
ADOT '13/'14 Airport Planning & Development	21,924,900			(663,000)	(138,200)	21,123,700	(138,200)	21,123,700	(138,200)	21,123,700	0	0
ADOT '14 De-Icer Storage	0			0	2,280,000	2,280,000	2,280,000	2,280,000	2,280,000	2,280,000	0	0
ADOT '14 Vehicle Wash Systems	0			0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	0	0
Game & Fish '13/'14 Property Maintenance	500,000			(500,000)		0		0		0	0	0
Game & Fish '13/'14 Dam Maintenance	500,000			(500,000)		0		0		0	0	0
Game & Fish '13/'14 Preventative Maintenance	30,000			(30,000)		0		0		0	0	0
Game & Fish '14 Black Canyon Dam	0			0	327,200	327,200	327,200	327,200	327,200	327,200	0	0
Lottery '13 Fire Alarm Replacement	156,300			(156,300)		0		0		0	0	0
Parks - Capital Projects	0					0		0	1,000,000	1,000,000	1,000,000	1,000,000
TOTAL - CAPITAL SPENDING CHANGES	\$264,579,800	\$0	\$0	\$946,100	\$8,696,700	\$274,222,600	\$9,324,100	\$274,850,000	\$10,324,100	\$275,850,000	\$1,000,000	\$1,627,400
TOTAL - OPERATING & CAPITAL SPENDING	\$3,352,995,200	\$15,042,500	\$18,769,800	(\$8,454,300)	\$131,163,600	\$3,475,704,500	\$140,007,000	\$3,484,547,900	\$143,557,000	\$3,488,097,900	\$3,550,000	\$12,393,400
FUND TRANSFERS												

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APF/DOA - Automation Projects Fund/ Arizona Department of Administration												
APF/DOA - Automation Operations from DOA					5,500,000	5,500,000	8,130,000	8,130,000	8,130,000	8,130,000	0	2,630,000
APF/DOA - State Web Portal from DOA					4,400,000	4,400,000	4,000,000	4,000,000	4,000,000	4,000,000	0	(400,000)
APF/DOA - IT Fund from DOA					600,000	600,000	345,000	345,000	345,000	345,000	0	(255,000)
APF/DOA - Inmate Store Proceeds Fund from ADC					5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	0	0
APF/DOA - Revolving Fund from ADC					2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	0	0
APF/DOA - Other Fund Charges					17,013,600	17,013,600	17,013,600	17,013,600	17,013,600	17,013,600	0	0
APF/DOA - Education Learning & Accountability Fund						0	1,600,000	1,600,000	1,600,000	1,600,000	0	1,600,000
APF/DEQ - Emission Fund from DEQ						0	10,000,000	10,000,000	5,000,000	5,000,000	(5,000,000)	5,000,000
						0		0		0	0	0
DOC - Department of Corrections						0		0		0	0	0
DOC - Corrections Fund to Building Renewal					750,000	750,000	750,000	750,000	750,000	750,000	0	0
DOC - Prison Construction & Operations to Building Renewal					6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	0	0
DOC - State Charitable to Building Renewal					1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	0	0
TOTAL - FUND TRANSFERS	\$0	\$0	\$0	\$0	\$43,513,600	\$43,513,600	\$57,088,600	\$57,088,600	\$52,088,600	\$52,088,600	(\$5,000,000)	\$8,575,000

1/ Represents FY 2014 Baseline cost above FY 2013 Baseline estimate.

**SPECIAL SESSION FLOOR AMENDMENT CHANGES TO INTRODUCED BILLS
(INTRODUCED BILLS = SENATE ENGROSSED REGULAR SESSION)**

HB 2006/SB 1004 - BUDGET PROCEDURES - SB 1485

Statewide

1. Removes a new proposed session law provision clarifying that Capital Outlay Stabilization Fund (COSF) rent must be paid only for buildings for which ADOA provides operational and/or maintenance services.

Arizona Department of Administration

2. As new permanent law, exempt Web Portal Fund distributions to the Highway User Revenue Fund from legislative appropriation.
3. As new permanent law, make the Automation Projects Fund subject to legislative appropriation retroactive to July 1, 2013.
4. As session law, provide ADOA the FY 2014 appropriation authority to spend remaining balances above \$5,300,000 million from the Automation Projects Fund, as of the last day of FY 2013.

HB 2005/SB 1005 - CRIMINAL JUSTICE - SB 1490

Attorney General - Department of Law

5. Removes a new proposed session law to permit the Attorney General to use Consumer Protection - Consumer Fraud Revolving Fund for cross-border prosecution activities.

Department of Economic Security

6. As new permanent law, adds provisions for Child Protective Services. The major new provisions require the Department of Economic Security (DES) to (1) develop an alternate response for designated reports, (2) allow the reporting of instances of child abuse and neglect electronically, (3) add surreptitious viewing of a minor as a reportable offense, and (4) allow the Office of Child Welfare Investigations to employ research analysts and peace officers. The role of the Office of Child Welfare Investigations in Child Protective Services is also defined further.

Board of Executive Clemency

7. As permanent law, amends introduced bill by permitting members of the Board of Executive Clemency who are working on an hourly basis to receive health, dental, and life insurance benefits effective after December 31, 2013.

State Treasurer

8. Removes a new proposed session law provision requiring counties report on their Justice of the Peace expenses as it duplicates an existing report.

HB 2004/SB 1006 - ENVIRONMENT - SB 1491

Arizona State Parks Board

9. As permanent law, continue the Arizona State Parks Board until July 1, 2023.

HB 2002/SB 1008 - GOVERNMENT - SB 1489

Arizona Commerce Authority

10. As session law, allow monies from the Arizona Competes Fund to be used for a loan not to exceed \$2,000,000 in Navajo County in FY 2014.

Department of Housing

11. Delete proposed repeal of Housing Commission.

Phoenix Convention Center

12. Eliminate proposed permanent law repeal of requirements relating to the Phoenix Convention Center expansion. This restores current statutory language which requires: 1) An Auditor General comparison of General Fund monies for Convention Center debt service to the General Fund revenues generated by the expansion project; and 2) Withholding of scheduled distributions from Phoenix for any negative difference in these 2 amounts.

Statewide

13. As permanent law, repeal the requirement that state employees work regularly for at least 90 days before becoming eligible for state employee benefits.

HB 2010/SB 1009 - HEALTH & WELFARE

Arizona Department of Administration

14. Removes language allowing ADOA to use the Long Term Care System Fund for distribution to counties for operational expenses in FY 2014.

AHCCCS

Rates and Services

15. As permanent law, set AHCCCS ambulance reimbursement rates at 68.59% of the DHS approved rates from 10/1/13 to 9/30/14, 74.74% from 10/1/14 to 9/30/15, and 80% thereafter.
16. As permanent law, provide AHCCCS coverage for the well exams which were eliminated in Laws 2010, 7th Special Session, Chapter 10.
17. As new session law, allow AHCCCS to notwithstanding coverage exclusions in order to cover outpatient health services, medical supplies, durable medical equipment, and prosthetic devices under certain conditions. Require AHCCCS to submit a report by January 1, 2016 on cost savings.

Hospitals

18. Makes a technical change to disproportionate share hospital payments language.
19. Deletes proposed permanent law changes regarding health care provider prices.
20. As session law, allow Phoenix Children's Hospital to continue to participate in the Safety Net Care Pool (SNCP) program through December 31, 2017 if approved by the federal government. Limits the growth of supplemental payments from SNCP and disproportionate share hospital payments to 3% annually.

Medicaid Expansion

21. Removes the proposed January 1, 2017 Medicaid expansion repeal. As session law, repeals the expansion if 1) the federal match rate is less than 80%, 2) the Federal Affordable Care Act is repealed, or 3) the maximum hospital assessment is less than sufficient to cover costs.
22. Clarifies the adult populations which are eligible for Medicaid under the expansion.
23. As permanent law, increases Medicaid eligibility for children aged 6-18 to 133% FPL.
24. As session law, adds intent statement regarding purposes of the Medicaid expansion.
25. As permanent law, allows children in the foster care system and qualified for Medicaid as of their 18th birthday to continue to qualify for Medicaid coverage until age 26.

Hospital Assessment

26. Removes the proposed January 1, 2017 hospital assessment repeal. As session law, repeals the assessment if 1) the federal match rate is less than 80%, 2) the Federal Affordable Care Act is repealed, or 3) the maximum hospital assessment is less than sufficient to cover costs.
27. Adds hospital discharges as potential revenue for the hospital assessment. (Previously, the assessment could only be collected on hospital revenue or bed days.)
28. As session law, state that it is the intent of the Legislature that the hospital assessment is to be used for the benefit of hospitals for the purpose of providing health care for persons eligible for the assessment.
29. As session law, adds intent statement regarding purposes of the hospital assessment.
30. Makes other technical corrections to language defining the level of the assessment.

Reports

31. As session law, adds that the Circuit Breaker and Outcomes Study Committee shall assess the impact of restoration and assessment on health outcomes, hospital uncompensated care, and hospital profitability. Requires report on these issues by January 1, 2016.
32. As session law, require AHCCCS to submit a report by December 31, 2013 on the cost, reimbursement, and utilization of air ambulances for AHCCCS enrollees.

Continuation

33. As permanent law, continue AHCCCS through July 1, 2023. Current law terminates AHCCCS on July 1, 2013. Retroactive to July 1, 2013.

Other

34. Adds the following cost sharing requirements if approved by the federal government: 1) a premium of up to 2% of a person's household income, 2) a \$200 copay for non-emergency use of an emergency room if a person is not admitted to the hospital, and 3) a \$200 copay for non-emergency use of an emergency room if there is a community health center, rural health center, or urgent care center within 20 miles of the hospital.
35. As permanent law, repeals Healthcare Group on January 1, 2014. Repeals the Healthcare Group Fund on January 1, 2015.
36. As session law, prohibits AHCCCS from enrolling new members or businesses in Healthcare Group, retroactive to August 1, 2013.
37. As permanent law, allow AHCCCS to deposit monies recovered from first party payors and statewide recovery audit contractors into the Third Party Liability Fund. Changes the name of the Third Party Liability Fund to Third Party Liability and Recovery Audit Fund.

Department of Economic Security

38. Deletes a provision that continues to require recipients of Temporary Assistance for Needy Families (TANF) Cash Benefits to pass a drug test in order to be eligible for benefits if the Department of Economic Security (DES) has reasonable cause to believe that the recipient uses illegal drugs. (Still in Government BRB.)

Department of Health Services

39. Deletes ongoing session law that requires counties to pay 50% of the cost of care of sexually violent of persons at the Arizona State Hospital in FY 2014. As session law, state that it is the intent of the Legislature that DHS set the percentage rate at a level that would increase the state share of the cost by \$1,800,000 in FY 2014.
40. As session law, state that it is the intent of the Legislature that DHS may increase behavioral health service provider rates up to 3% beginning on October 1, 2013.
41. As session law, extend DHS exemption from rulemaking from July 1, 2013 to April 30, 2014 for reducing regulatory costs, promotion of behavioral health organizations and facilitating licensure of integrated behavioral health programs until April 30, 2014.

Arizona Medical Board

42. Deletes a provision requiring applicants to submit certain employment and licensure information.

HB 2007/SB 1003 - HIGHER EDUCATION - SB 1488

Community Colleges

43. As session law, adds language that the Community Colleges capital funding is as specified in the General Appropriations bill rather than the suspension of all funding in the introduced bill.

HB 2003/SB 1007 - K-12 EDUCATION - SB 1487

Department of Education

44. As permanent law, amend statutory per pupil amounts for District Additional Assistance to prevent funding shifts among districts.
45. Make conforming changes relative to the elimination of CORL and Soft Capital and creation of District Additional Assistance, rather than deferring those changes to next session.
46. Delete proposed new permanent law requiring ADE to contract with an independent third party to review and evaluate Education Learning and Accountability (ELAS) implementation plans and evaluate ELAS implementation. Also delete permanent law requiring JLBC review and approval of ELAS plan and evaluation, authorizing ELAS user fees, and establishing a subaccount for ELAS user fees, grants and donations.
47. Delete proposed session law requiring a 3-year \$9,000,000 English Language Learner pilot program funded from the Arizona Structured English Immersion Fund. Instead, transfer \$10,000,000 from this fund to the state General Fund.
48. As session law, stipulate that \$100,000 of the \$3,646,400 School Safety Program appropriation for FY 2014 is to be used for a pilot program on school emergency readiness and establish requirements for the pilot program.
49. As permanent law, establish a new Performance Incentive Fund for school district and charter school performance funding and require ADE to distribute monies in the fund beginning in FY 2015 based on achievement and improvement on the assigned achievement profile pursuant to A.R.S. §15-241. Limit eligibility for performance funding only to school districts and charter schools that receive an achievement profile pursuant to A.R.S. §15-241, Subsection G, which typically would exclude accommodation schools, alternative schools and extremely small schools.

Technical Changes

50. Delete retroactivity clause that is not needed.
51. As session law, reduce the Joint Technological Education Districts (JTED) budget limits along with state aid for JTEDs that are funded at 91% for FY 2014.
52. As session law, reduce Charter Additional Assistance funding to school districts with charter schools that do not receive state aid by the amount that would be reduced under the continuing \$15,656,000 statewide Charter Additional Assistance suspension if they did qualify for state aid for FY 2014 and reduce budget limits accordingly. (Conforms to current practice for corresponding District Additional Assistance reductions.)

School Facilities Board

53. As permanent law, rather than as session law for 3 years only, increase district bonding authority to 10% for non-unified and 20% for unified districts.
54. Delete session law permitting new school facilities funding in FY 2014 only for projects approved before January 1, 2013, (Thatcher and Benson) and replace with a comparable General Appropriations footnote.
55. As permanent law, change to September 1 (from October 15 currently) the deadline for school districts to report to the School Facilities Board annual information required for administration of the Building Renewal Grant Fund and New School Facilities formula.

HB 2009/SB 1001 - REVENUE - SB 1486

Arizona Commission on the Arts

56. As session law, appropriate \$1,000,000 of Budget Stabilization Fund interest income in FY 2014 to the continuously appropriated Arts Fund. Introduced bill had 50% of interest to Arts on an ongoing basis.

Automobile Theft Authority

57. Removes proposed new session law limiting Automobile Theft Authority fees to no more than 110% of its appropriation.

Department of Financial Institutions

58. As session law, permit the agency to spend up to \$850,000 from the Receivership Revolving Fund in FY 2014 for information technology upgrades.

Arizona State Parks Board

59. As session law, appropriate \$1,000,000 from Budget Stabilization Fund interest income to the State Parks Revenue Fund in FY 2014. That funding is further appropriated in FY 2014 for State Parks capital improvement projects, subject to review by the Joint Committee on Capital Review. Introduced bill had 50% of interest to Parks on an ongoing basis.

Department of Racing

60. As session law, revises the intent statement regarding the level of FY 2014 Department of Racing fee adjustments from \$2,062,000 to \$2,600,000.

Revenues - Data Center TPT Provisions

61. As permanent law, establishes state and municipal retail transaction privilege tax exemptions, as well as use tax exemptions for equipment purchased by the owner, operator or co-location tenants of computer data centers, if they meet certain requirements as determined by the Arizona Commerce Authority. Newly constructed data centers in urban areas must make a minimum investment of \$50,000,000 (\$25,000,000 in rural areas) during a five year period of time to receive the tax exemptions.
62. Certified computer data centers may receive state and municipal retail transaction privilege tax exemptions, as well as use tax exemptions for a period of 10 years beginning on the date that the owner or operator filed the form for certification. If the computer data center is further certified as a sustainable redevelopment project, they may receive tax exemptions for a period of 20 years. In order to be certified as a sustainable redevelopment project, the computer data center must occupy a facility that meets one of the following criteria: a) was at least 50% vacant for 6 of the 12 months before the acquisition of the facility; b) attains certification under a green building assessment and certification program.
63. A computer data center facility may be divided into 1 or more data centers for the purposes of qualifying for the tax exemptions.
64. Existing data centers may receive the same exemptions for future equipment purchases if they have already made an investment of \$250,000,000 over the past 6 years. However, existing data centers would not receive tax exemptions for any equipment purchases made prior to the effective date of the legislation.
65. To receive any tax exemptions, data centers are prohibited from generating, providing or selling electricity for resale purposes.

Revenues - Foster Care Tax Credit

66. As permanent law, increases the maximum individual income tax credit, from \$200 to \$400 for individual filers and from \$400 to \$800 for married or joint filers, for contributions made to qualifying charitable organizations that serve foster children.

HB 2001/SB 1010 - GENERAL APPROPRIATIONS ACT PROVISIONS - SB 1483

Statewide

67. Increase transfers into the Automation Projects Fund by \$5,400,000 from the General Fund and \$8,575,000 from Other Funds. Appropriates \$7,000,000 to ADOA from the Automation Projects Fund for ADE's technology project, the Arizona Education Learning and Accountability System (AELAS). Additionally appropriates \$1,975,000 to ADOA from the Automation Projects Fund for costs associated with a transition in the state web portal contract. Additionally, appropriates \$5,000,000 to ADOA from the Automation Projects Fund for E-Licensing projects by DEQ. This increases the total amount appropriated from the Automation Projects Fund for information technology and automation projects in FY 14 by \$13,975,000, from \$52,763,000 to \$66,738,000.
68. As session law, limit the amount reduced from state agency premiums for the self-insured state employee health insurance program and from state budgets in FY 2013 to no more than \$(19,381,500). The original FY 2013 budget included a limit of \$(25,000,000).

AHCCCS

69. In addition to appropriating monies from the Phoenix Access to Care Assessment, also appropriates monies from other political subdivision hospital assessments in FY 2013.

Arizona Department of Administration

- 70. As session law, appropriate \$3,727,300 in FY 2013 from the Risk Management Revolving Fund to the Department of Administration to reimburse the federal government for prior year fund balances and disallowed costs related to Attorney General and IT charges. Additionally, any agreement to reimburse the federal government related to excess balances in the Health Insurance Trust Fund (HITF) or interest payments made on the HRIS COP must first be reviewed by JLBC
- 71. Remove appropriations of \$850,000 for Graham County and \$400,000 for Navajo County from the Long Term Care System Fund in FY 2014 to the department for maintenance of county services.

Department of Economic Security

- 72. Remove \$100,000 appropriation from the Domestic Violence Shelter Fund in FY 2014 to the department for a facility that provides a crisis response team to assist victims of domestic violence in Yuma County.

Department of Health Services

- 73. Remove \$5,100,000 appropriation from the Health Research Fund in FY 2014 through FY 2019 to the department for distributing to a non-profit medical research institute for biomedical research.

Arizona State Retirement System

- 74. As session law, appropriate \$151,000 from the Arizona State Administration Account Fund in FY 2014 for statewide information technology charges.

Commission on Uniform State Laws

- 75. As session law, appropriate \$75,000 from the General Fund in FY 2014 for dues payments and travel expenses.

MAJOR FOOTNOTE CHANGES

AHCCCS

- 76. Expands footnote to include the appropriation of and reporting requirements for other political subdivision hospital assessments in FY 2014.

Attorney General

- 77. Clarifies proposed new footnote on \$500,000 capital postconviction prosecution appropriation to state that the transition plan is only for Maricopa County-related cases.

Department of Economic Security

- 78. Removes proposed new footnote designating \$3,000,000 from the Long Term Care System Fund for a 10% foster care rate increase.

Arizona Department of Education

- 79. Adds footnote requiring at least 25% of school safety appropriation to be used for security hardware.
- 80. Deletes footnote regarding Performance Pay program.
- 81. As session law, amend K-12 rollover language in the FY 2013 General Appropriation Act in order to reduce the rollover by \$21,900,000, exempt districts with fewer than 600 pupils from the rollover, and require the State Board of Education to make the FY 2013 rollover payment by July 12, 2013 rather than by August 29, 2013. Make corresponding changes for FY 2014.

Department of Health Services

- 82. Adds footnote requiring that monies in the Mental Health First Aid line item to be spent on training Mental Health First Aid instructors.

Department of Public Safety

83. Adds footnote requiring DPS to compile a report on a plan to consolidate the Arizona Counterterrorism Information Center with another governmental entity.

Arizona State Retirement System

84. As session law, exempt \$1,390,000 of Arizona State Retirement System automation expenses from lapsing.

School Facilities Board

85. Adds a footnote stipulating that New School Facilities funding for FY 2014 is for projects approved before January 1, 2013 (Thatcher and Benson).

SPECIAL SESSION BUDGET RECONCILIATION BILL SUMMARY

The budget would include the enactment of statutory changes associated with its funding amount. Deleted FY 2013 Budget Reconciliation Bill (BRB) provisions are shown with strike-through text.

BUDGET PROCEDURES - SB I004/HB 2006

	<u>Section</u>
Statewide	
1. As session law, continue to not withstand A.R.S. § 35-121 to permit annual budgets for all departments.	8
2. As session law, change the FY 2014 Capital Outlay Stabilization Fund (COSF) rental rate charged by the Arizona Department of Administration (ADOA) from \$13.82/square foot to \$13.08/square foot for rentable office space and from \$5.01/square foot to \$4.74/square foot for rentable storage space.	7
3. As permanent law, annually require all Executive Branch agencies to submit a 5-year strategic plan. (Previously, strategic plans only applied to statutory annual budget units.) Eliminate Appropriations Committee review of strategic plans.	1
4. As session law, continue to require unrestricted Federal Funds to be deposited in the General Fund for the payment of essential government services.	6
5. As permanent law, change the pro-rata assessment on Personal Services for the State Personnel System agencies from 1.1% to 0.86%.	3
6. As session law, exempt agencies that were added to the State Personnel System in FY 2013 from paying the required pro rata assessment in FY 2013.	9
7. As permanent law, repeal the Strategic Program Area Review (SPAR) process.	4
Arizona Department of Administration	
8. As permanent law, make the Automation Projects Fund subject to legislative appropriation, retroactive to July 1, 2013.	2, 10
9. As permanent law, no longer exempt web portal administrative expenses from appropriation. Specify that State Web Portal revenues for deposit into the Highway User Revenue Fund, pursuant to A.R.S. § 28-446, are not subject to legislative appropriation.	5
10. As session law, provide the Department of Administration the FY 2014 appropriation authority to spend certain Automation Projects Fund remaining balances as of June 30, 2013.	10

CRIMINAL JUSTICE - SB I005/HB2005

Attorney General - Department of Law

11. As permanent law, raise the non-lapsing cap for the Collections Enforcement Revolving Fund from \$100,000 to \$500,000. This provision had previously been in session law.	5
12. As session law, permit the Attorney General to use State Aid to Indigent Defense Fund for capital postconviction prosecution activities in FY 2014.	17

State Department of Corrections

13. As session law, continue to permit the department to award contracts for remaining 1,000 beds from 2,000-bed Request for Proposals issued by the department on February 2, 2012 only with legislative authorization.	16
14. As session law, continue to require the department to report actual FY 2013, estimated FY 2014, and requested FY 2015 expenditures as delineated in the prior year when the department submits its FY 2015 budget request pursuant to A.R.S. § 35-113.	10

15. As session law, continue to allow 2 ADC special funds to be used for general operations.	11
16. As permanent law, annually transfer \$2,500,000 of Corrections Fund revenue to DOC Building Renewal Fund.	6, 7
Department of Economic Security	
17. As new permanent law, adds provisions for Child Protective Services. The major new provisions require the Department of Economic Security (DES) to (1) develop an alternate response for designated reports, (2) allow the reporting of instances of child abuse and neglect electronically, (3) add surreptitious viewing of a minor as a reportable offense, and (4) allow the Office of Child Welfare Investigations to employ research analysts and peace officers. The role of the Office of Child Welfare Investigations in Child Protective Services is also defined further.	1, 2, 9
Board of Executive Clemency	
18. As permanent law, restrict Board of Executive Clemency members, excluding the Chairman, from receiving paid leave or other benefits (previously a session law provision), retroactive to June 30, 2013. As permanent law, continue those conditions after December 31, 2013, but permit board members to receive medical and life insurance benefits after that date.	4,18
Judiciary	
19. As session law, continue to suspend county non-supplanting requirements associated with funding for probation services, criminal case processing, and alternative dispute resolution programs and require the counties to report on reductions in county funding as a result of the elimination of the non-supplanting provisions.	14
20. As session law, continue to suspend the requirement of 50% reimbursement to counties for grand jury expenses and for state-funded representation of indigent defendants in first-time capital post conviction relief proceedings and reimburse only the amount provided in the General Appropriation Act.	15
Department of Public Safety	
21. As session law, continue to suspend the schedule established by A.R.S. § 28-6537 governing the level of Highway User Revenue Fund (HURF) and State Highway Fund revenues available to fund DPS's Highway Patrol costs.	12
22. As permanent law, require monies deposited into the Gang and Immigration Intelligence Team Enforcement Mission (GIITEM) Fund to be distributed as soon after July 1 of every year as practicable. Also, as permanent law, allow monies distributed from the GIITEM Subaccount to be used to purchase safety equipment. As session law, require prior JLBC review of FY 2014 expenditures from the GIITEM Subaccount.	8, 13
Treasurer, State	
23. As permanent law, limit Justice of the Peace salary reimbursement to appropriated amount.	3

ENVIRONMENT - SB 1006/HB 2004

Department of Environmental Quality

24. As session law, continue to allow the department to utilize up to \$6,531,000 from a combination of the Underground Storage Tank (UST) Fund and the Regulated Substance Fund in FY 2014 for department administrative expenses. 5
25. As session law, continue to decrease the General Fund appropriation to the Water Quality Assurance Revolving Fund from \$15,000,000 to \$7,000,000. 8
26. ~~As session law, allow \$1,800,000 of the department's Emissions Inspection Fund monies to be spent on the Safe Drinking Water Program in FY 2013.~~

Arizona Navigable Stream Adjudication Commission

27. As session law, continue to allow up to \$80,000 from the Risk Management Revolving Fund to be spent for the commission's unpaid legal obligations. 7

Arizona State Parks Board

28. As session law, continue to allow the use of \$692,100 from the Off-Highway Vehicle Recreation Fund for agency operating costs. 4
29. As permanent law, continue the Arizona State Parks Board until July 1, 2023. 1,2,9,10,11

Department of Water Resources

30. As session law, continue to allow the department's Water Protection Fund Commission to spend up to \$336,000 on administrative functions out of their unobligated balances in FY 2014. 3
31. As session law, continue to allow the department non-municipality special fee authority, including an intent clause that limits additional revenue up to \$100,200. 6

GOVERNMENT - SB 1008/HB 2002

Office of Administrative Hearings

32. ~~As session law, continue to suspend the requirement that the office hear appealed actions and contested cases within 60 days of the filing.~~

Arizona Commerce Authority

33. As session law, allow monies from the Arizona Competes Fund to be used for a loan not to exceed \$2,000,000 in Navajo County in FY 2014. 12

Corporation Commission

34. As permanent law, eliminate the requirement that in order to offer same day and next day services, all expedited services must be processed within a minimum of 5 business days and all other documents and services must be filed within 30 business days. 2, 3, 5, 15

Department of Economic Security

35. As session law, continue to require recipients of Temporary Assistance for Needy Families (TANF) Cash Benefits to pass a drug test in order to be eligible for benefits if the Department of Economic Security (DES) has reasonable cause to believe that the recipient uses illegal drugs. 14

Department of Emergency and Military Affairs

36. ~~As session law, continue the \$(1,100,000) reduction to the Governor's Emergency Fund deposit in FY 2013.~~ Provision not continued in FY 2014, which will increase spending by \$1,100,000.

Arizona Exposition & State Fair Board

37. As permanent law, increase Revolving Fund cap to \$60,000 for non-fair events and \$400,000 for fair events. 1

Massage Therapy, Board of

38. As session law, transfer any unexpended monies in a subaccount previously used by the Board of Massage Therapy to the newly-created Board of Massage Therapy Fund established by Laws 2013, Chapter 108. 10

Secretary of State

39. As permanent law, establish the Museum Gift Shop Revolving Fund, which consists of proceeds from the sale of goods and gifts at the State Capitol Museum. 7

40. As session law, suspend the requirement that the Secretary of State register Professional Employer Organizations pursuant to A.R.S. § 23-563, until June 30, 2023. Retroactive to June 30, 2013. 9

Technical Registration, Board of

41. As session law, phase-in licensing cycle for alarm system installers. Retroactive to May 1, 2013. 11

Department of Veterans' Services

42. As permanent law, require the Department of Veterans' Services to submit an annual report on capital projects for which they have requested federal monies, the estimated construction start and end date, and the anticipated cost and fund source for ongoing operational costs. 8

Statewide

43. As permanent law, repeal the requirement that state employees work regularly for at least 90 days before becoming eligible for state employee benefits. 4, 6, 13

HEALTH & WELFARE - SB 1009/HB 2010

Arizona Department of Administration

44. ~~As session law, continue to prohibit implementation of a differentiated health insurance premium in FY 2013 based on the integrated or non-integrated status of the provider.~~

AHCCCS

Rates and Services

45. As session law, continue the FY 2010 risk contingency rate reduction for all managed care organizations. Continue to impose a reduction on funding for all managed care organizations administrative funding levels. 24

46. As session law, state that it is the intent of the Legislature that AHCCCS not increase capitation rates more than 3% in FY 2015 and FY 2016. 48

47. ~~As session law, continue to require AHCCCS to monitor contractor compliance and performance requirements in the provision of covered dental services to eligible members.~~

48. As permanent law, sets AHCCCS ambulance reimbursement rates at 68.59% of the Department of Health Services (DHS) approved rates from October 1, 2013 to September 30, 2014, 74.74% from October 1, 2014 to September 30, 2015, and 80% thereafter. 3, 25

49. As permanent law, reset the inpatient hospital prospective per diem rates to the amounts payable for those services on October 1, 2011. This language partially replaces language in the FY 2013 budget allowing AHCCCS to continue a 5% reduction in payments for institutional and noninstitutional services in the contract year beginning October 1, 2012.	6
50. As session law, allow AHCCCS not to adjust outpatient hospital fee schedules by inflation in the contract year beginning October 1, 2012.	
51. As permanent law, continue to provide coverage for 5 types of transplants which were restricted by Laws 2010, 7 th Special Session, Chapter 10. Laws 2011, Chapter 31 effectively lifted the restriction but that provision is set to expire on December 31, 2013.	7
52. As permanent law, provide AHCCCS coverage for the well exams which were eliminated by Laws 2010, 7 th Special Session, Chapter 10.	7
53. As session law, allow AHCCCS to notwithstand coverage exclusions in order to cover outpatient health services, medical supplies, durable medical equipment, and prosthetic devices under certain conditions. Require AHCCCS to submit a report by January 1, 2016 on cost savings.	40
<i>Counties</i>	
54. As session law, set FY 2014 county Arizona Long Term Care System (ALTCS) contributions at \$244,696,100.	16
55. As session law, set the County Acute Care contribution at \$47,851,000. This amount includes an inflation indexing of the Maricopa County contribution as required by Laws 2005, Chapter 328.	21
56. As session law, require AHCCCS to transfer any excess monies back to the counties by December 31, 2014 if the counties' proportion of state match exceeds the proportion allowed in order to comply with the Federal Affordable Care Act.	20
57. As session law, continue to require the collection of \$2,646,200 in the Disproportionate Uncompensated Care pool contributions from counties other than Maricopa. Exclude these contributions from county expenditure limitations.	22
58. As session law, continue to exclude Proposition 204 administration costs from county expenditure limitations.	23
<i>Hospitals</i>	
59. As session law, establish FY 2014 disproportionate share (DSH) distributions to the Maricopa Special Healthcare District, the Arizona State Hospital, private qualifying disproportionate share hospitals, and Yuma Regional Medical Center. Continue to cap the DSH payments from the Maricopa Special Health Care District at \$89.9 million and set the DSH payment to the Arizona State Hospital at \$26.7 million and private hospitals at \$9.3 million. Allow Maricopa Special HealthCare District to use uncompensated care expenditures above \$89.9 million for the Safety Net Care Pool.	19
60. As session law, continue to permit local governments, tribal governments, and universities to contribute state match monies for disproportionate share hospital payments in FY 2014.	19
61. As session law, extend hospitals' authority to partner with political subdivisions to provide coverage for individuals who no longer qualify for Proposition 204 from September 30, 2013 to December 31, 2013.	14
62. As session law, allow Phoenix Children's Hospital to continue to participate in the Safety Net Care Pool (SNCP) program through December 31, 2017 if approved by the federal government. Limits the growth of supplemental payments from the SNCP and disproportionate share hospital payments to 3% annually.	15
<i>Erroneous Payments</i>	
63. As session law, continue to state that it is the intent of the Legislature that AHCCCS comply with the Federal False Claims Act, achieve the maximum savings as possible under the federal act, and continue to consider best available technologies to consider fraud.	47
64. As session law, continue to permit AHCCCS to recover erroneous Medicare payments made due to errors by the federal Social Security Administration. Subject to legislative appropriation, any credits received may be used to pay for the AHCCCS program in the year they are received.	26
<i>Available Funding</i>	
65. As session law, continue to state that it is the intent of the Legislature that AHCCCS implement a program within its available appropriation.	46
<i>Medicaid Expansion</i>	
66. As permanent law, increase Medicaid eligibility for children aged 6-18 to 133% FPL.	4

67. As permanent law, expands Medicaid eligibility for adults whose household's modified adjusted gross income is between 100% and 133% of the federal poverty level (FPL). As permanent and session law, discontinues eligibility if a) the federal matching rate for adults from 100%-133% FPL or childless adults is less than 80%, b) if the maximum amount that can be assessed and still retain the same federal match rate, along with any other appropriated monies, is insufficient to pay for the newly eligible adult populations, or c) the Federal Affordable Care Act is repealed.	5, 38, 52
68. As permanent law, defines "modified adjusted gross income."	4
69. As session law, appropriates sufficient expenditure authority funds to AHCCCS for implementing a program for the Proposition 204 and adult expansion populations.	50
70. As permanent law, allow children in the foster care system and qualified for Medicaid as of their eighteenth birthday to continue to qualify for Medicaid coverage until age 26.	4
71. As session law, adds intent statement regarding purposes of expanded Medicaid coverage.	45
<i>Hospital Assessment</i>	
72. As permanent law, require the AHCCCS Director to establish an assessment on hospital revenue, discharges, or bed days for the purpose of funding the state match portion of the Proposition 204 and adult expansion populations beginning January 1, 2014. Provides guidance and requirements for the process of designing the assessment. As permanent and session law, repeals the hospital assessment if: 1) The federal matching rate for adults from 100%-133% FPL or childless adults is less than 80%; 2) The Affordable Care Act is repealed; or 3) The maximum amount that can be assessed and still retain a federal match, along with any other appropriated monies, is insufficient to pay for the newly eligible adult populations.	5, 10, 35, 52
73. As permanent law, establish the non-appropriated Hospital Assessment Fund.	5
74. As permanent law, prohibit municipalities from imposing a hospital assessment beginning on January 1, 2014.	1, 51
75. As session law, states that it is the intent of the Legislature that 1) The requirement that the hospital assessment is subject to approval by the federal government does not adopt federal law by reference, 2) That the requirement that AHCCCS establish a hospital assessment does not delegate legislative taxing authority to AHCCCS, and 3) That it is the intent of the Legislatures that the hospital assessment is to be used for the benefit of hospitals for the purpose of providing health care for persons eligible for the assessment	44
76. As session law, adds intent statement regarding purposes of hospital assessment.	45
77. As permanent law, allow AHCCCS to suspend or revoke, in whole or part, the license of any health care institution for failure to comply with the assessment.	2
<i>Reports</i>	
78. As session law, require a report from AHCCCS on utilization of emergency departments for non-emergency use by AHCCCS enrollees.	31
79. As session law, require AHCCCS and DHS to submit a joint report by January 1, 2014 on hospital costs and charges.	37
80. As session law, creates the Medicaid Federal Circuit Breaker and Outcomes Study Committee to evaluate the potential impact on the AHCCCS program if Federal Funding decreases. The Study Committee shall also assess the potential impact of restoring Medicaid coverage and the hospital assessment. Requires reports on these issues by October 1, 2014 and January 1, 2016.	39
81. As session law, require AHCCCS to report annually from 2013 - 2017 on the change in uncompensated hospital costs and hospital profitability.	41
82. As session law, require AHCCCS to report annually from 2014 - 2017 on the amount contributed for the assessment by each hospital and the estimated payments each hospital received.	41
83. As session law, require AHCCCS to submit a report by December 31, 2013 on the cost, reimbursement, and utilization of air ambulances for AHCCCS enrollees.	34
<i>Continuation</i>	
84. As permanent law, continue AHCCCS through July 1, 2023. Current law terminates AHCCCS on July 1, 2013. Retroactive to July 1, 2013.	11, 12, 53, 54

Other

- 85. As session law require AHCCCS to pursue the maximum cost sharing allowable under federal law for AHCCCS enrollees. If approved by the federal government, charge the adult expansion population a premium of up to 2% of their income, a co-pay of \$200 for non-emergency use of the emergency room if the person is not admitted to the hospital, and a co-pay of \$200 for an emergency room if there is a community health center, rural health center, or urgent care center within 20 miles of the hospital. Exempts AHCCCS from rulemaking for 1 year. 36
- 86. As permanent law, repeals Healthcare Group on January 1, 2014. Repeals the Healthcare Group Fund on January 1, 2015. 8
- 87. As session law, prohibits AHCCCS from enrolling new members or businesses in Healthcare Group, retroactive to August 1, 2013. 42
- 88. As permanent law, allow AHCCCS to deposit monies recovered from first party payors and statewide recovery audit contractors into the Third Party Liability Fund. Changes the name of the Third Party Liability Fund to Third Party Liability and Recovery Audit Fund. 9

Department of Economic Security

- 89. As session law, continue to permit DES to reduce income eligibility levels for all child care programs. Require DES to report to the JLBC within 15 days of any change in levels. 30
- 90. As session law, continue to allow use of the Long Term Care System Fund for any DES operational or programmatic expenses in FY 2014. 28
- 91. As session law, evaluate reporting requirements for child protective services and make recommendations for adding, eliminating, and consolidating reports. 32
- 92. As session law, require the Auditor General to evaluate certain expenditures for children support services. 33

Department of Health Services

- 93. As session law, allow DHS to set the percentage of the cost of care reimbursed by counties for the treatment and confinement for sexually violent persons in FY 2014. State that it is the intent of the legislature that DHS set the percentage rate at a level that would increase the state share of the cost by \$1,800,000 in FY 2014. Allow counties to use any source of county revenue to make the transfers and exempt county contributions from county expenditure limitations. 17
- 94. As session law, continue to require all cities and counties to pay 100% of cost of Restoration to Competency treatment in FY 2014. Allow counties to use any source of county revenue to make the transfers. 18
- 95. As session law, continue to notwithstanding A.R.S. § 36-773 to permit DHS to use Tobacco Tax and Health Care Fund - Health Research Account for Alzheimer's disease research. 27
- 96. As session law, transfer any unexpended monies in the Hearing and Speech Professionals Fund to the Health Services Licensing Fund. 29
- 97. As session law, exempts DHS from rulemaking for purposes of this act for 1 year after the effective date of this act. 43
- 98. As session law, appropriates sufficient expenditure authority funds to DHS for implementing a program for Proposition 204 and adult expansion populations. 50
- 99. As session law, state that it is the intent of the Legislature that DHS may increase behavioral health service provider rates up to 3% beginning on October 1, 2013. 49
- 100. As session law, extend DHS exemption from rulemaking from July 1, 2013 to April 30, 2014 for reducing regulatory costs, promotion of behavioral health organizations and facilitating licensure of integrated behavioral health programs. 13, 55

HIGHER EDUCATION - SB 1003/HB 2007

Arizona Community Colleges

101. As session law, continue to suspend capital outlay funding formula for FY 2014 and specify the funding in the General Appropriations bill. 3

Universities

102. As session law, continue to suspend the statutory requirement that the state provide a 2:1 ratio of state funding to student fees deposited into Arizona Financial Aid Trust (AFAT). 4
103. As permanent law, require the Arizona Board of Regents (ABOR) to report projected outstanding lease-purchase and bond balances for the upcoming budget year to the Directors of the JLBC Staff and the Governor’s Office of Strategic Planning and Budgeting (OSPB) by November 1 of the current year. 1
104. As permanent law, modify ABOR’s current student enrollment report (A.R.S. § 15-1626) to delineate between out-of-state and in-state full-time equivalent students (FTE). 1
105. As permanent law, require recipients of WICHE scholarship funding to repay 100% of financial aid if they fail to fulfill the requirement to work in Arizona after graduation. 2

K-12 EDUCATION - SB 1007/HB 2003

Department of Education

Formula Requirements

106. As permanent law, increase the base level (A.R.S. § 15-901B2), the transportation funding levels (A.R.S. § 15-945A5) and the charter school “Additional Assistance” amounts (A.R.S. § 15-185B4) by 1.8%. 3, 14, 23

Funding Formula Changes

107. As session law, continue to fund state aid for Joint Technological Education Districts (JTEDs) in FY 2014 at 91% of the formula requirement for JTEDs with more than 2,000 students and reduce budget limits accordingly. Would fund smaller JTEDs at 100% (previously 91%). 46
108. As permanent law, eliminate CORL and the Soft Capital Allocation (SCA) and consolidate the 2 allocations into one per pupil allocation titled “District Additional Assistance.” The per pupil allocation would be equivalent to the combined FY 2013 permanent law funding level (but notwithstanding in FY 2014 -- see below). 2, 3, 4, 6, 7, 8, 9, 13, 15, 16, 17, 18, 19, 20, 21, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37
109. As session law, address transition issues pertaining to the elimination of CORL and Soft Capital funding with respect to existing fund balances, current CORL overrides and correction of past over expenditures. 49, 50, 51, 57
110. As session law, continue to reduce school districts’ Additional Assistance funding by \$238,985,500 and reduce budget limits accordingly. As session law, continue to reduce District Additional Assistance funding to school districts that do not receive state aid in FY 2014 by the amount that would be reduced if they did qualify for state aid for FY 2014 and reduce budget limits accordingly. 52
111. As session law, continue to reduce Charter Additional Assistance by \$15,656,000. 54
112. As session law, reduce Charter Additional Assistance funding to school districts with charter schools that do not receive state aid by the amount that would be reduced under the continuing \$15,656,000 statewide Charter Additional Assistance suspension if they did qualify for state aid for FY 2014 and reduce budget limits accordingly. (Conforms to current practice for corresponding District Additional Assistance reductions.) 54

113. As session law, continue to cap total District Additional Assistance reductions for school districts with fewer than 1,100 students at \$5,000,000.	53
114. As permanent law, amend statutory language for computing state aid for accommodation schools to conform to current practice.	20
<i>Other</i>	
115. As permanent law, repeal the Early Graduation Scholarship Program and transfer remaining balance to the Commission for Postsecondary Education IGA and ISA Fund for a 1-year continuation of the Special Postsecondary Education Grant (SPEG) Program.	1, 11, 12, 13, 14
116. As permanent law, require the Arizona Department of Education (ADE) to report by November 30 of each year the amount budgeted for school district budget overrides by district and type of override for the current fiscal year.	5
117. As session law, continue to require community colleges and universities to transfer \$6 per pupil to ADE by December 1, 2013 for deposit into the Education Learning and Accountability Fund.	47
118. As permanent law, repeal provision requiring reimbursement of county assessor costs for now-repealed Homeowner's Rebate affidavit process.	45
119. As session law, transfer \$10,000,000 from the Arizona Structured English Immersion Fund to the General Fund.	56
120. As session law, stipulate that \$100,000 of the \$3,646,400 School Safety Program appropriation for FY 2014 is to be used for a pilot program on school emergency readiness and establish requirements for the pilot program.	55
121. As permanent law, establish a new Performance Incentive Fund for school district and charter school performance funding and require ADE to distribute monies in the fund beginning in FY 2015 based on achievement and improvement on the assigned achievement profile pursuant to A.R.S. §15-241. Limit eligibility for performance funding only to school districts and charter schools that receive an achievement profile pursuant to A.R.S. §15-241, Subsections G and H, which typically would exclude accommodation schools, alternative schools and extremely small schools.	22
School Facilities Board	
122. As permanent law, make accommodation schools ineligible for new construction and building renewal grant funding.	43, 44
123. As permanent law, repeal the Building Renewal Fund formula. This provision had previously been an annual session law suspension. Previous database requirements retained in a new section.	9, 10, 16, 34, 38, 39, 40, 41, 42, 43, 44
124. As permanent law, increase district bonding authority to 10% for non-unified districts and 20% for unified districts.	35, 58
125. As session law, allow the board to refinance lease-purchase in FY 2014, subject to JCCR review.	48
126. As permanent law, use actual rather than projected enrollment counts to determine eligibility for New School Construction. Requires SFB determination by March 1 of each year.	41, 44
127. As permanent law, change to September 1 (from October 15 currently) the deadline for school districts to report to the School Facilities Board annual information required for administration of the Building Renewal Grant Fund and New School Facilities formula.	38

REVENUE - SB 1001/HB 2009

Department of Agriculture

128. As session law, continue fee raising authority and an exemption relating to establishing fees for the Department of Agriculture in FY 2014. The bill continues an intent clause that limits additional revenues to \$357,000.	12
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Arizona Commission on the Arts

129. As session law, appropriate \$1,000,000 of Budget Stabilization Fund interest income in FY 2014 to the continuously appropriated Arts Fund.	17
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Community Colleges

130. As permanent law, direct 5% of all transaction privilege tax revenues collected from all sources located on an Indian reservation, up to \$875,000 annually, to be allocated to a technical college located on the Indian reservation. . 4

Registrar of Contractors

131. As permanent law, continue to allow 14% of prior fiscal year revenues from the Residential Contractors' Recovery Fund to be used for employee and contracted services, equipment, and for operational costs, rather than 10% of the fund balance. This provision had previously been an annual session law suspension. 1

Counties

132. As session law, allow counties with a population below 200,000 in the 2010 decennial census to use any source of county revenue to meet a county fiscal obligation for FY 2014. Requires counties using this authority to report to the Director of the JLBC on the intended amount and sources of funds by October 1, 2013. In prior years, these provisions applied to all counties. 14

Department of Financial Institutions

133. As session law, permit the agency to spend up to \$850,000 from the Receivership Revolving Fund in FY 2014 for information technology upgrades. 16

Department of Insurance

134. As session law, continue to not withstand the provision that fees collected by the department fall between 95% and 110% of the department's appropriation. 13

Arizona State Parks Board

135. As session law, appropriate \$1,000,000 from Budget Stabilization Fund interest income to the State Parks Revenue Fund in FY 2014. That funding is further appropriated in FY 2014 for State Parks capital improvement projects, subject to review by the Joint Committee on Capital Review. 17, 18

Office of Pest Management

136. As session law, continue fee raising authority and an exemption relating to establishing fees for the Office of Pest Management in FY 2014. The bill continues an intent clause that limits additional revenues to \$525,000. 11

Department of Racing

137. As session law, continue the FY 2013 rulemaking exemption relating to establishing fees for the Department of Racing until the end of FY 2014. The bill revises the intent clause that the fee adjustment is to raise \$2,600,000 in revenue (up from \$2,062,000 in FY 2013). 10

Radiation Regulatory Agency

138. As session law, continue fee raising authority and an exemption relating to establishing fees for the Radiation Regulatory Agency in FY 2014. The bill continues an intent clause that limits additional revenues to \$561,000. 11

Revenues - Data Center TPT Provisions

- 139. As permanent law, establishes state and municipal retail transaction privilege tax exemptions, as well as use tax exemptions for the owner, operator or co-location tenants of computer data centers, if they meet certain requirements as determined by the Arizona Commerce Authority. Newly constructed data centers in urban areas must make a minimum investment of \$50,000,000 (\$25,000,000 in rural areas) during a 5-year period of time to receive the tax exemptions. 2, 3, 5, 6, 7, 8, 15
- 140. Certified computer data centers may receive state and municipal retail transaction privilege tax exemptions, as well as use tax exemptions for a period of 10 years beginning on the date that the owner or operator filed the form for certification. If the computer data center is further certified as a sustainable redevelopment project, they may receive tax exemptions for a period of 20 years. In order to be certified as a sustainable redevelopment project, the computer data center must occupy a facility that meets one of the following criteria: a) Was at least 50% vacant for 6 of the 12 months before the acquisition of the facility; b) Attains certification under a green building assessment and certification program. 2, 3, 5, 6, 7, 8
- 141. A computer data center facility may be divided into 1 or more data centers for the purposes of qualifying for the tax exemptions. 2
- 142. Existing data centers may receive the same exemptions for future equipment purchases if they have already made an investment of \$250,000,000 over the past 6 years. However, existing data centers would not receive tax exemptions for any equipment purchases made prior to the effective date of the legislation. 2
- 143. To receive any tax exemptions, data centers are prohibited from generating, providing or selling electricity for resale purposes. 2

Revenues - Foster Care Tax Credit

- 144. As permanent law, increases the maximum individual income tax credit, from \$200 to \$400 for individual filers and from \$400 to \$800 for married or joint filers, for contributions made to qualifying charitable organizations that serve foster children. 9

GENERAL APPROPRIATIONS ACT PROVISIONS - SB 1010/HB 2001

Arizona Department of Administration

- 145. As session law, appropriate \$3,727,300 in FY 2013 from the Risk Management Revolving Fund to the Department of Administration to reimburse the federal government for prior year fund balances and disallowed costs related to Attorney General and IT charges. Additionally, any agreement to reimburse the federal government related to excess balances in the Health Insurance Trust Fund (HITF) or interest payments made on the HRIS COP must first be reviewed by JLBC. 105
- 146. As session law, appropriate \$7,150,500 from the General Fund in FY 2014 to the department for distribution of \$550,000 to all counties except Maricopa and Pima for maintenance of essential county services. 114

AHCCCS

- 147. As session law, reduce the General Fund appropriation to the department in FY 2013 by \$(48,000,000) and increase the expenditure authority to the department by an equivalent amount for a one-time increase in tobacco settlement monies used for Proposition 204 services. 106
- 148. As session law, appropriates all monies for the Safety Net Care Pool program, KidsCare II, and the Phoenix Access to Care Assessment and other political subdivision hospital assessments in FY 2013. Requires AHCCCS to report on the amounts of the assessment and enrollees in the Phoenix Access to Care program. 107

Athletic Training Board

- 149. As session law, allow the board to expend \$431 of its FY 2014 appropriation for expenses incurred in FY 2012. 116

Arizona Commerce Authority

150. As session law, in accordance with statute (A.R.S. § 43-409), continue to allocate \$31,500,000 of General Fund withholding tax revenue to the Authority in FY 2014. 117

Department of Economic Security

151. As session law, continue the \$35,000,000 payment deferral to providers from FY 2014 to FY 2015. Appropriate \$35,000,000 in FY 2015 for these deferred payments. 128

Department of Education

152. As session law, continue to defer \$930,727,700 in Basic State Aid payments for FY 2014 until FY 2015, which reduces the rollover by \$21,900,000 by exempting districts with less than 600 students. Appropriate \$930,727,700 in FY 2015 for these deferred Basic State Aid payments. Allow the State Board of Education to make the rollover payment no later than July 12, 2014. 2, 109, 129

153. As session law, continue to require school districts to include in the FY 2014 revenue estimates that they use for computing their FY 2014 tax rates the rollover monies that they will receive for FY 2014 in July. 129

State Forester

154. As session law, appropriate \$100,000 from the General Fund in FY 2014 to the department for a study that examines the resource management plans of counties selected by the Arizona Natural Resources Review Council. 118

Department of Health Services

155. As session law, appropriate \$300,000 from the General Fund in FY 2014 to the department for distribution to hospitals to maintain emergency and trauma services in La Paz County. 119

Independent Redistricting Commission

156. As session law, appropriate \$1,100,000 from the General Fund in FY 2014 for the operating expenditures of the commission. 120

State Land Department

157. As session law, appropriate \$15,018,000 in FY 2013 from the Risk Management Revolving Fund to the Trust Land Management Fund for the purpose of repaying state trust land proceeds. 110

Occupational Therapy Examiners, Board of

158. As session law, allow the board to expend \$1,030 of its FY 2014 appropriation for expenses incurred in FY 2012. 116

Board of Respiratory Care Examiners

159. As session law, appropriate \$24,500 from Other Appropriated Funds in FY 2013 to the department for personal services costs. 111

Arizona State Retirement System

160. As session law, appropriate \$151,000 from the Arizona State Administration Account Fund in FY 2014 for statewide information technology charges. 121

State Treasurer

161. As session law, appropriate \$116,800 from the General Fund in FY 2013 to the department for payment of outstanding justice of the peace salary claims. 112

Commission on Uniform State Laws

162. As session law, appropriate \$75,000 from the General Fund in FY 2014 for dues payments and travel expenses. 122

Universities

163. As session law, continue the \$200,000,000 university wide payment deferral to the universities from FY 2014 to FY 2015. Appropriate \$200,000,000 in FY 2015 for these deferred payments. 130

Debt Service

164. As session law, appropriate \$84,119,800 from the General Fund to the Arizona Department of Administration in FY 2014 for a debt service payment on the 2010 sale and lease-back of state buildings. 123

165. As session law, in accordance with A.R.S. § 9-602, allocate \$20,449,000 of General Fund revenue for the payment of Phoenix Convention Center debt service. 124

Revenues

166. As session law, specify revenue and expenditure estimates for FY 2013, FY 2014, FY 2015, and FY 2016 in accordance with Laws 2012, Chapter 244. 137

167. As session law, continue to require the Executive branch to provide JLBC preliminary estimates of FY 2013 ending balances by September 15, 2013. Require JLBC Staff to report to JLBC by October 15, 2013 as to whether FY 2014 revenues and ending balance are expected to change by more than \$50,000,000 from budgeted projections. 137

Statewide - Funding Changes

168. As session law, appropriate \$67,800 from the General Fund and \$713,600 from Other Appropriated Funds in FY 2014 for state lease-purchase and rental rate adjustments. The JLBC Staff shall determine and ADOA shall allocate these amounts to individual agencies. 131

169. As session law, ex-appropriate a total of \$(1,605,400) from the General Fund and \$(1,200,000) from Other Appropriated Funds for reducing the pro rata assessment for the Human Resources Division (HRD) to 0.86%. 131

170. Appropriate \$327,100 from the General Fund and \$(2,000,000) from Other Appropriated Funds for FY 2014 adjustments to risk management rates, retaining FY 2013 charge for the Arizona Department of Transportation. 131

171. As session law, appropriate \$23,500,000 from the General Fund and \$16,500,000 from Other Appropriated Funds in FY 2014 to annualize and make permanent the retention pay bonus for uncovered employees in the FY 2013 budget. 131

172. As session law, decrease the amounts appropriated in FY 2013 from the General Fund to the Automation Projects Fund by \$(1,600,000) in FY 2014 and FY 2015, and \$(13,798,000) in FY 2016, for the replacement of the state's accounting and financial system, known as AFIS. These reductions will be offset by \$17,000,000 in charges from other funds that will also utilize the AFIS system. The amounts charged from these other funds are estimated to be 0.72% of estimated FY14 expenditures, equivalent to the percentage of state General Fund expenditures on AFIS. Additionally, the budget transfers \$7,100,000 from the General Fund and \$27,075,000 from other funds for other information technology projects for statewide purposes, DOR, ADC, DEQ and ADE. Including the AFIS replacement project, the budget appropriates a total of \$66,738,000 in FY 2014 from the Automation Projects Fund for information technology and automation projects. 1, 115, 126, 127

173. As session law, limit the amount reduced from state agency premiums for the self-insured state employee health insurance program and from state budgets in FY 2013 to no more than \$(19,381,500). The original FY 2013 budget included a limit of \$(25,000,000). 113

174. As session law, continue to specify FY 2014 individual agency charges totaling \$1,809,500 for general agency counsel provided by the Attorney General. 132

Statewide - Transfers

175. As session law, transfer \$68,000,000 from the Health Insurance Trust Fund to the General Fund in FY 2014. Transfer \$8,000,000 from 3 Arizona Department of Corrections fund into the Department of Corrections Building Renewal Fund in FY 2014. 125

Statewide - Other

176. As session law, continue to state legislative intent that all budget units receiving appropriations continue to report actual, estimated and requested expenditures in a format similar to prior years. 133
177. As session law, continue to require ADOA to compile a report on Full-Time Equivalent (FTE) Position usage in FY 2014 in all agencies and provide it to the JLBC Director by October 1, 2014. The Department of Economic Security, Universities, and Department of Environmental Quality are exempt from the report but are required to report separately. The report would be expanded from prior years by including non-appropriated fund sources. 134
178. As session law, continue to require each agency to submit a report to the JLBC Director by October 1, 2013 on the number of filled FTE Positions by fund source as of September 1, 2013. The report would be expanded from prior years by including non-appropriated fund sources. 135
179. As session law, continue to require ADOA to report monthly to the JLBC Director on agency transfers of spending authority from one expenditure class to another or between programs. 136

General

180. As session law, continue to define “*” as designating an appropriation exempt from lapsing. 138
181. As session law, continue to define “expenditure authority” as continuously appropriated monies included in individual line items of appropriations. 139
182. As session law, continue to define “review by the Joint Legislative Budget Committee” as a review by a vote of a majority of a quorum of the members. 140

MAJOR FOOTNOTE CHANGES SINCE FY 2013 BUDGET**Arizona Department of Administration**

183. Adds footnote to require counties to submit an annual report to the Arizona Department of Administration (ADOA) by October 1 on the use of County Attorney Immigration Enforcement monies; ADOA will report to the Directors of OSPB and JLBC by November 1 on the use of the funds.

AHCCCS

184. Adds a footnote requiring a quarterly report from the AHCCCS Administration on health insurance exchange interaction and eligibility modification.
185. Adds footnote that voluntary payments made from political subdivisions are included in the expenditure fund source in FY 2014.
186. Adds footnote that any supplemental payments to nursing facility receipts are appropriated in FY 2014 and these funds are included in the expenditure fund source.
187. Adds footnote that all KidsCare II receipts are appropriated in FY 2014.
188. Adds footnote that all Safety Net Care Pool receipts are appropriated in FY 2014.
189. Adds footnote that monies from the City of Phoenix Access to Care Assessment and other political subdivision hospital assessments are appropriated in FY 2014. Adds reporting requirements for assessment monies and enrollment expansion.
190. Adds footnote requiring AHCCCS to provide a report by August 1, 2013 on the interagency agreement with DHS for providing acute care services for persons enrolled in the Maricopa County Integrated Regional Behavioral Health Authority to the JLBC for review.

Attorney General

191. Replaces existing footnote requiring review of proposed settlements in excess of \$100,000. JLBC will now review quarterly settlement report required by Laws 2013, Chapter 143.

192. Adds footnote that the \$500,000 appropriated for capital postconviction prosecution in FY 2014 is a one-time appropriation and requires the Attorney General's Office to submit report to JLBC for its review by November 1, 2013 on the Office's plan to transition capital postconviction prosecution responsibilities for Maricopa County-related cases to Maricopa County.

Corporation Commission

193. Adds footnote requiring the Corporation Commission and the General Accounting Office to report to the Directors of JLBC and OSPB by November 1, 2013 on expenditures from the Utilities Audit, Studies, Investigations, & Hearings line item.
194. Modifies footnote by removing the requirement that the Corporation Commission meet the 5-day expedited and 30-day regular service deadlines in order to begin offering a same-day corporation filing service.

State Department of Corrections

195. Modifies footnotes related to reporting requirements associated with the Department of Corrections adjusting bed capacity by adding requirement that reports cover budget year in addition to current and prior year.
196. Adds footnote requiring department to submit report to JLBC by October 1, 2013 on current uses of Transition Program Fund to permit the Legislature to consider returning use of monies to statutory purpose in FY 2015 budget.

Department of Economic Security

197. Modifies existing language so that administrative adjustments from the prior fiscal year do not count against the \$220,775,800 TANF Block Grant appropriation in FY 2014, including a requirement that the department report by September 1, 2013 how much of the FY 2013 reverted amount from the TANF Block Grant will be spent as administrative adjustment in FY 2014 and excluded from the total. The budget also makes a comparable adjustment in the existing FY 2013 footnote.
198. Deletes footnote indicating that \$500,000 of the amount appropriated for Temporary Assistance for Needy Families Cash Benefits reflects appropriation authority only to ensure sufficient cash flow to administer cash benefits for tribes operating their own welfare programs. The department does not require the float and has been spending the funding on benefits.
199. Adds footnote specifying 3% developmental disabilities provider rate increase.
200. Adds footnote requiring expenditure plan for Intensive Family Services to be submitted to JLBC for review prior to expenditure.
201. Adds footnote requiring JLBC review to the expenditure of funds in the Contingency Projects Special Line Item, specifying that the contingency monies are for Child Protective Services and Child Care.
202. Adds footnote specifying how monies for \$1,000,000 in Grandparent Stipends are to be used.

Department of Education

203. Adds footnote stipulating that the Basic State Aid appropriation includes \$82,000,000 for operating and capital needs.
204. Removes footnote permitting the department to use a portion of the appropriation for the Arizona Structured English Immersion Fund to fund a new English language proficiency assessment.
205. Adds footnote requiring at least 25% of school safety appropriation to be used for security hardware.

Board of Executive Clemency

206. Adds footnote requiring annual report on the total number and types of cases it reviews.

Department of Health Services

207. Deletes footnote allowing the agency to use IGA/ISA monies for state match for Medicaid.
208. Adds footnote requiring that monies in the Mental Health First Aid line item to be spent on training Mental Health First Aid instructors.

State Parks Board

209. Deletes footnote limiting out-of-state travel expenses from all sources of funding to \$5,000 yearly and requiring a report on such travel to the JLBC.

Department of Public Safety

210. Adds footnote requiring DPS to compile a report on a plan to consolidate the Arizona Counterterrorism Information Center with another governmental entity.

Arizona State Retirement System

211. As session law, adds a footnote exempting \$1,390,000 of Arizona State Retirement System automation expenses from lapsing.

School Facilities Board

212. Adds a footnote stipulating that New School Facilities funding for FY 2014 is for projects approved before January 1, 2013 (Thatcher and Benson).

Department of Water Resources

213. Adds footnote prohibiting transfers from the new Lower Colorado River Litigation Expenses line item without prior JLBC review.

Statewide

214. Modifies footnotes requiring agencies and ADOA to report on FTE Position utilization to include non-appropriated fund sources along with appropriated fund sources.

Capital - ADOT

215. Modifies footnote requiring report on prior, current, and upcoming fiscal year highway construction spending from all fund sources to require the department to jointly produce the report with the General Accounting Office; it also adds a requirement for review of the report's format by the Directors of JLBC and OSPB.

216. Adds footnote that formalizes an ADOT reporting requirement concerning capital outlay information.

217. Adds footnote that formalizes a reporting requirement related to ADOT debt.

NARRATIVE SUMMARY OF FY 2014 SPECIAL SESSION BUDGET PROPOSAL

General Fund Balances

- Given forecasted FY 2014 General Fund revenues of \$9.11 billion and spending of \$8.81 billion, the Special Session budget proposal has a projected FY 2014 balance of \$304 million.
- Under the 3-year budget projections, there would be ending balance of \$97 million in FY 2015 and \$101 million in FY 2016.
- The ending balance projections exclude the state's Budget Stabilization Fund reserve of \$450 million.

General Fund Revenues

- Projected FY 2014 revenues are \$9.11 billion. While base revenues are forecast to grow in FY 2014, one-time factors would reduce FY 2014 collections by \$(263) million compared to FY 2013.
 - ⇒ Based on JLBC's 4-sector consensus, base revenues are projected to grow by \$416 million, or 4.9%.
 - ⇒ A \$300 million increase in the beginning balance, from \$397 million at the beginning of FY 2013 to \$697 million at the start of FY 2014.
 - ⇒ The Proposition 100 1-cent sales tax increase approved by voters expires at the end of FY 2013, reducing FY 2014 revenues by \$(924) million.
 - ⇒ The state set-aside for urban revenue sharing formula distributions would grow from \$514 million to \$561 million, thereby reducing state revenue by \$(47) million.
 - ⇒ Previously enacted legislative changes would reduce state revenue by \$(47) million, primarily from a reduction in capital gains taxes and increased usage of a \$3,000 new job tax credit.
 - ⇒ Fund transfer revenue would decline by \$(23) million to a level of \$84 million. The primary transfer would be \$68 million from the State Employee Health Insurance Trust Fund.
 - ⇒ An increase of \$52 million due to a nonrecurring one-time cost in FY 2013.

General Fund Spending

- FY 2014 General Fund spending is projected to be \$8.81 billion, an increase of \$329.5 million, or 3.8%, increase above FY 2013. This estimate excludes the one-time deposit to the Budget Stabilization Fund in FY 2013.
- The entire FY 2014 state budget, including both appropriated and non-appropriated funds, is projected to be approximately \$30 billion.

Education

Department of Education

- ADE General Fund spending would increase by \$123.5 million, or 3.5%, including:
 - ⇒ \$66.5 million for 0.7% student growth plus 5.0% special education growth.
 - ⇒ \$(43.9) million adjustment for lower than projected prior year enrollment growth.
 - ⇒ \$90.4 million for a 1.8% inflation adjustment of per pupil base level, transportation and charter additional assistance.
 - ⇒ \$11.8 million for property tax and Homeowner's Rebate changes.
 - ⇒ \$(5.0) million for IT funds to ADOA.
 - ⇒ \$4.5 million for Adult Education.
 - ⇒ \$3.6 million for School Safety.
 - ⇒ \$2.4 million for Performance Funding with the intent to fund a \$35 million program in FY 2015.
 - ⇒ \$(7.1) million for third year of 5-year Career Ladder phase out.
 - ⇒ \$(3.0) million to eliminate one-time funding for innovative education grants.
 - ⇒ \$3.3 million for other adjustments

- ADE statutory changes would:
 - ⇒ As permanent law, increase district bonding authority to 10% for non-unified districts and 20% for unified districts.
 - ⇒ As permanent law, eliminate CORL and the Soft Capital Allocation (SCA) and consolidate the 2 allocations into one per pupil allocation titled “District Additional Assistance.” The per pupil allocation would be equivalent to the combined FY 2013 permanent law funding level (but notwithstanding in FY 2014).
 - ⇒ Reduce the “Rollover” by \$21.9 million in FY 2013. Exempts school districts with less than 600 students from the K-12 Rollover, requires Rollover payments to be made by July 12 rather than August 29, and requires equal amounts to be deferred each month.

School Facilities Board

- SFB spending would increase by \$19.4 million, or 11.2%, including:
 - ⇒ \$4.7 million for increased debt service associated with past lease-purchase agreements.
 - ⇒ New construction funding of \$672,000 would be used for the first year cost of constructing 2 new schools in the Thatcher and Benson districts.
 - ⇒ \$14 million for Building Renewal Grants.
- SFB statutory changes include:
 - ⇒ Elimination of 3 year window to project new school construction requirements.
 - ⇒ Elimination of the Building Renewal formula in lieu of a grant program. The current Building Renewal formula has a cost of \$260 million but has not been funded for several years.

Universities

- The Universities’ General Fund spending would increase by \$28.8 million, or 4.1%, including:
 - ⇒ \$15.3 million for parity funding as part of a multi-year plan to align Arizona State University’s and Northern Arizona University’s General Fund per student funding to that of the higher University of Arizona (UA) amount.
 - ⇒ \$8.0 million for UA’s Phoenix Biomedical Campus.
 - ⇒ \$5.0 million for new performance funding.
 - ⇒ \$500,000 for the UA Freedom Center.
- Total university enrollment is expected to be 128,655 full-time equivalent students in FY 2014, or 2.8% above FY 2013.

Community Colleges

- Community College General Fund spending would increase by \$297,700, or 0.4%, including:
 - ⇒ \$(2.6) million for statutory operating aid and equalization aid formula decreases.
 - ⇒ \$2.0 million for Capital Outlay State Aid.
 - ⇒ \$875,000 of Transaction Privilege Tax revenues collected from the Navajo Indian Reservation for Navajo Technical College.
- Enrollment decreased by (3,996) full-time equivalent students, or (2.7) %, for a total enrollment of 141,474.

Health and Welfare

Medicaid Agencies

- All 3 Medicaid agencies are adjusted for the following funding formula factors: enrollment changes, an increase in the federal match rate from 66.09% to 66.84%, and a 2% - 3% capitation rate increase.

AHCCCS

- AHCCCS’ General Fund spending would decrease by \$(64.2) million, or (4.6)%. The Budget Reconciliation Bill expands adult eligibility and authorizes a provider assessment, but does not modify the agency funding level in the General Appropriation Act. As a result, those savings are not incorporated into this estimate. The \$(64.2) million includes:
 - ⇒ \$(122.4) million for prior year enrollment savings.

- ⇒ \$58.2 million for new mandatory costs associated with the expansion of federal health care requirements. When combined with DHS costs (*see below*), the overall mandatory cost is \$74 million.
- AHCCCS enrollment is projected to grow to 1.39 million by June 2014. This level represents a caseload increase of 163,300, or 13.3%, above June 2013. The higher caseload includes the following 189,700 new recipients related to federal health care changes:
 - ⇒ 86,500 enrollees due to mandatory coverage provisions. Of this population 66,000 are currently eligible but not enrolled while 20,500 are children in families with income from 100-133% of the federal poverty level (FPL).
 - ⇒ 103,200 enrollees due to optional expansion of adult eligibility. Of this population, 79,100 of these individuals are childless adults from 0-100% FPL and 24,100 are adults from 100-133% FPL.

Medicaid Expansion/Assessment

- If adjusted for optional expansion and the assessment, AHCCCS General Fund spending would further decrease by \$(56) million. This amount includes:
 - ⇒ \$(2.2) million for costs of expanding adult eligibility that are more than offset by savings from a reduced state match of current childless adult costs.
 - ⇒ \$(53.8) million for a provider assessment that would replace the General Fund portion of costs for Prop 204 and adult expansion populations.

Department of Health Services

- DHS General Fund spending would decrease by \$(37.8) million, or (6.4)%, including:
 - ⇒ \$(57.6) million for formula adjustments.
 - ⇒ \$15.8 million for mandatory costs associated with federal health care legislation. This estimate does not include savings associated with Medicaid expansion and assessment.
 - ⇒ \$1.8 million to allow DHS to reduce the percentage of the cost of care reimbursement by counties for the treatment of sexually violent persons.
 - ⇒ \$1.4 million to shift Long Term Care Fund monies to the Department of Economic Security (DES).
 - ⇒ \$600,000 for ongoing Electronic Medical Records costs.
 - ⇒ \$250,000 for Mental Health First Aid.

Department of Economic Security

- DES General Fund spending would increase by \$69.9 million, or 11.3%, including:
 - ⇒ \$7.1 million for new FY 2014 Developmentally Disabled (DD) Medicaid formula changes. This would fund \$5.4 million for the annualization of the April 1, 2013 provider rate adjustment.
 - ⇒ \$10.0 million for a 3% DD capitation rate increase in FY 2014.
 - ⇒ \$13.0 million for Emergency and Residential Placement, providing for the backfill of one-time funds and caseload growth.
 - ⇒ \$12.9 million for 150 Child Protective Services staff. With the 50 staff authorized in a FY 2013 supplemental, total staffing would grow by 200 positions.
 - ⇒ \$4.8 million for Foster Care caseload growth and receiving homes.
 - ⇒ \$1.5 million plus matching Federal Funds to add 22 attorneys for Child Protective Services legal support.
 - ⇒ \$2.9 million for Adoption Services caseload growth.
 - ⇒ \$9.0 for Intensive Family Services and other Children Support Services.
 - ⇒ \$1.0 million to provide Grandparent Stipends for children in unlicensed kinship foster care.
 - ⇒ \$9.0 million to maintain the FY 2013 Child Care caseload level, as well as providing for Child Care caseload growth in Child Protective Services.
 - ⇒ \$(1.4) million to consolidate expenditures from the Long Term Care System Fund in DES.

Criminal Justice/Public Safety

Attorney General

- Attorney General Other Fund spending would increase by \$1.2 million, or 3.4%, including:
 - ⇒ \$500,000 for capital postconviction prosecution (Indigent Defense funds) to be used only for Maricopa County related cases.
 - ⇒ \$749,100 for victim services issues.

Department of Corrections

- Arizona Department of Corrections (ADC) General Fund spending would increase by \$8.4 million, or 0.9%, including:
 - ⇒ \$5.1 million and 6 FTE Positions for opening and monitoring 500 private medium-security beds in January 2014.
 - ⇒ \$(5.0) million for an inmate health care surplus based on capitation rates paid to private provider.
 - ⇒ \$8.3 million for the employer share of a retirement contribution increase.
 - ⇒ No funding for 500 state-operated maximum-security beds as construction delays will defer staffing until FY 2015.
- The total public and private population is projected to be 40,000. ADC would have a rated bed shortfall of (2,883) in June 2014. This shortfall would be offset by the availability of 5,000 temporary beds.

Department of Emergency and Military Affairs

- DEMA General Fund spending would increase by \$1.1 million, or 37.9%, for restoration of Governor's Emergency Fund expenditure authority to its full \$4.0 million.

Judiciary

- Judiciary General Fund spending would increase by \$512,000, or 0.5%. The \$512,000 includes:
 - ⇒ \$200,000 for additional resources for the Foster Care Review Board.
 - ⇒ \$98,000 for a new Superior Court judgeship in Mohave County.
 - ⇒ \$74,000 to fund an operating shortfall for the Gila River Water Master.
 - ⇒ \$50,000 for a new Deputy Clerk position in Division II of the Court of Appeals
 - ⇒ \$90,000 to fund a report on Arizona's Mental Health Courts.

Department of Public Safety

- DPS General Fund spending would increase by \$6.3 million, or 13.9%. The \$6.3 million includes:
 - ⇒ \$750,000 to backfill reduced Federal Funds for Arizona Counter Terrorism Information Center (ACTIC) operating costs.
 - ⇒ \$5.5 million to fund the Public Safety Personnel Retirement System (PSPRS) and the Arizona State Retirement System (ASRS) employer contribution increases.

State Employee Issues

FTE Positions

- The budget would decrease the Full-Time Equivalent (FTE) ceiling by (410.2) Positions in FY 2014, primarily due to the privatization of Department of Corrections Inmate Health Care Services.
- These adjustments would bring the total appropriated FTE Position ceiling to 48,868.2.

Employee Pay and Salary Issues

- The budget would increase by \$6.9 million from the General Fund to annualize and make permanent the October 2012 retention pay bonus from for uncovered employees. The total General Fund cost is \$23.5 million.
- Employer and employee retirement rates will increase in FY 2014 in all retirement systems. The budget includes funding for the employer share of these rate increases in the ADC and DPS budgets. All other agencies would absorb higher employer retirement cost (estimated at \$2.1 million).

- The budget eliminates \$(19.4) million in savings for a one-time payment holiday of state employee health insurance. The budget includes no change in funding for the employee or employer share of health insurance, as surplus health insurance funds are expected to cover any cost increase. The budget also eliminates the 90-day waiting period for new state employees to receive health insurance, but does not restore funding to agencies for this cost.

Local Issues

- The budget includes the following \$7.6 million General Fund adjustments for local governments, including:
 - ⇒ \$550,000 for all counties except Maricopa and Pima for a total of \$7.2 million.
 - ⇒ \$100,000 for State Forester Environmental County grant (for a total of \$175,000).
 - ⇒ \$100,000 for State Forester Resource Management plans.
- The budget includes an increase of \$47.4 million, or 9.2% for higher urban revenue sharing payments to city governments. Total funding would be \$561.0 million.

General Government

Automation

- The budget includes a decrease from the General Fund of \$(1.8) million in FY 2014 and FY 2015, and \$(13.8) million in FY 2016 from the multi-year appropriation to replace the state's financial accounting system. These reductions will be offset by contributions from Other Appropriated and Non-Appropriated Funds that will utilize the new system.
- The budget includes \$25.5 million from the General Fund and \$44.1 million from Other Funds for Information Technology projects, including:
 - ⇒ \$28.6 million for the first year of a 3-year project to replace the state's financial and accounting system.
 - ⇒ \$11.5 million for ADOA technology including:
 - \$2.7 million to improve and maintain the state's Data Center.
 - \$3.1 million for enhancing statewide data security.
 - \$1.0 million for enhancing enterprise architecture.
 - \$325,000 for projects related to E-Government.
 - \$2.5 million for project management of these Information Technology projects.
 - \$2.0 million for web portal transition costs.
 - ⇒ \$8.0 million for the replacement of ADC's Adult Inmate Management System (AIMS).
 - ⇒ \$4.9 million to enhance data security and encryption for the Department of Revenue.
 - ⇒ \$1.7 million for the second year of a 2-year project to update for the Department of Revenue's tax data base.
 - ⇒ \$5.0 million for Department of Environmental Quality E-Licensing Projects.
 - ⇒ \$7.0 million for the Department of Education's IT Project.

Payment Deferral

- The budget includes a \$21.9 million decline in budgeted payment deferrals or "rollovers." The budget defers \$1.2 billion in General Fund spending from FY 2014 to FY 2015, including:
 - ⇒ \$931 million of school district payments (a decline of \$22 million).
 - ⇒ \$200 million of payments to the University system.
 - ⇒ \$35 million of DES payments.

Revertments

- The budget includes an increase of \$76.2 million from the General Fund for the loss of one-time net revertments in FY 2013. Revertments are unspent appropriations offset by any administrative adjustments.
- In FY 2013, AHCCCS and DHS are expected to revert funding due to lower than expected caseloads, while ADE will revert funding due to an early disbursement of FY 2013 obligations in FY 2012.

Capital

- The budget includes \$30 million in FY 2014 as appropriated in the FY 2013 budget to complete 500 maximum-security prison beds operated by the Department of Corrections. This amount is an increase of \$10 million above the \$20 million appropriated in FY 2013 for this purpose.
- The budget adjusts rental rates to reflect the change from usable square feet to rentable square feet. This change generates an increase of \$697,800 to the Capital Outlay Stabilization Fund, but reflects no net General Fund impact. The budget also includes \$67,800 of General Fund monies for lease-purchase and privatized lease-to-own payments changes.
- The budget includes an increase of \$19.6 million from the General Fund for debt and lease-purchase payments in FY 2013. This increase includes:
 - ⇒ \$14.9 million related to financing payments for the expansion of the Phoenix Convention Center.
 - ⇒ \$4.7 million due to increased debt service associated with past SFB new construction lease-purchase agreements.
 - ⇒ \$(0.9) million to refinance prior year SFB transactions.