STATE OF ARIZONA

JANICE K. BREWER
GOVERNOR

EXECUTIVE OFFICE

July 1, 2009

The Honorable Ken Bennett
Secretary of State
Executive Tower, 7th Floor
1700 West Washington
Phoenix, AZ 85007

Dear Secretary of State Bennett:

Today I signed Senate Bill 1188, the 2009-10 General Appropriations Act, while at the same time exercising my line item veto authority with respect to several specific items of appropriation.

My signature on the bill, setting aside the line item actions I have taken, reflects my view that a shutdown of government services is not in the best interests of our State and its citizens. I believe that the public interest would not be well served by a complete veto or a broader set of line item vetoes. In addition, given the legislature's unconstitutional delay in delivering the bills and the timing problems which have ensued, I am unable to exercise my Constitutional authority to let the Act, net of my line item vetoes, go into law without my signature.

While I am compelled to accept the bulk of the Act, I cannot agree to all of it. Specifically, I have line item vetoed the following items of appropriation for the reasons outlined below:

A. Agency Lump Sum Reductions. Senate Bill 1188 makes lump sum reductions for several important agencies. These agencies have already suffered significant across the board reductions over the last two years and are simply not in a position to sustain additional reductions without compromising their missions. Further, the lack of willingness to implement the full and complete compromise agreed to by my office, the Speaker of the House and the Senate President leaves me no option but to strike some of these reductions. While I recognize reductions are in order, the magnitude of what has been sent to me, absent some counterbalancing measures, is an unacceptable hit to critical agencies. I remain open to further negotiations.

1. Page 45, lines 18-32 (Dept. of Economic Security lump sum reduction)

1700 WEST WASHINGTON STREET, PHOENIX, ARIZONA 85007
602-542-4331 • FAX 602-542-7602

2. Page 53, lines 29-40 (Dept. of Environmental Quality lump sum reduction)
   Page 54, lines 1-13 (DEQ continued)
3. Page 68, lines 36-43 (Dept. of Health Services lump sum reduction)
   Page 69, lines 1-6 (DHS continued)
4. Page 102, lines 16-18 (ASU – Main Campus lump sum reduction)
5. Page 103, lines 17-19 (ASU – East Campus lump sum reduction)
6. Page 104, lines 19-21 (ASU – West Campus lump sum reduction)
7. Page 105, lines 22-24 (NAU lump sum reduction)
8. Page 106, lines 28-29 (U of A lump sum reduction)
9. Page 107, lines 11-12 (U of A Health Sciences Center lump sum reduction)
   Page 107, lines 20-21 (U of A totals)
10. Page 108, lines 1-18 (University lump sum reduction and lump sum reduction deferral)

B. Legislative Attempts to Appropriate Federal Funds. These actions do not fall within the authority of the legislature.

1. Page 127, lines 26-43 Arizona Board of Regents and Arizona Community Colleges
2. Page 128, lines 1-43
   a. lines 1-6, continuation of B.1. above
   b. lines 7-19, K-12 education
   c. lines 20-43 Higher education
3. Page 129, lines 1-13 continuation from B.2.c. above

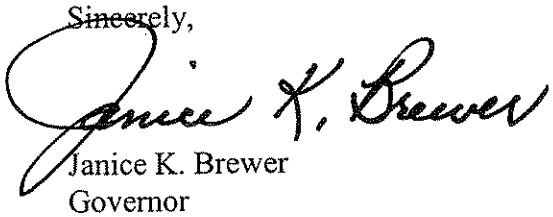
C. Underfunded K-12 Budget. I have stated throughout my time in office that I am unwilling to agree to a K-12 Budget that does not adequately meet the needs of our public education system. While the extreme fiscal condition of our state makes some reductions necessary, the cuts enacted by the legislature in Senate Bill 1188 are significantly greater than those advanced in my budget. The possibility of revenues from the temporary sales tax would have helped mitigate the impacts of the proposed cuts to K-12 schools. Furthermore, the federal stimulus funds will be woefully inadequate to offset the impacts of these reductions for FY 2010, creating the specter of even larger unmitigated cuts for FY 2011 and beyond. Consequently, I am eliminating the proposed appropriation to K-12 in hopes that I can work with the legislature to enact an acceptable level of funding for the upcoming fiscal year.

1. Page 46, lines 31-43 Formula Programs
2. Page 47, line 15 Additional State Aid
   Page 47, line 17 Other State Aid
   Page 47, lines 18-21 Total and Fund Source lines

D. VLT Transfer. I am vetoing the transfer of $76,783,600 in VLT monies to the State General Fund which is being done instead of the normal distribution to the State Highway Fund.

1. Page 125, lines 11-17

Sincerely,



Janice K. Brewer
Governor

cc: The Honorable Robert Burns
The Honorable Kirk Adams

Senate Engrossed

FILED
KEN BENNETT
SECRETARY OF STATE

State of Arizona
Senate
Forty-ninth Legislature
First Regular Session
2009

CHAPTER 11

SENATE BILL 1188

AN ACT

AMENDING LAWS 2008, CHAPTER 285, SECTION 24, AS AMENDED BY LAWS 2009, CHAPTER 1, SECTION 1; AMENDING LAWS 2008, CHAPTER 287, SECTION 48; AMENDING LAWS 2009, FIRST SPECIAL SESSION, CHAPTER 1, SECTION 5, AS AMENDED BY LAWS 2009, CHAPTER 1, SECTION 4; MAKING TRANSFERS AND APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS; PROVIDING FOR CERTAIN REPORTING REQUIREMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Laws 2008, chapter 285, section 24, as amended by Laws 2009, chapter 1, section 1, is amended to read:

Sec. 24. Transfer of fund monies to the state general fund; fiscal year 2008-2009

A. On or before June 30, 2009, the following amounts from the funds or sources indicated are transferred to the state general fund for the purposes of providing adequate support and maintenance for agencies of this state:

1. State board of accountancy:
   Board of accountancy fund - $1,016,700.
2. Acupuncture board of examiners:
   Acupuncture board of examiners fund - $88,300.
3. Department of administration:
   Certificate of participation fund - $750,000.
   Construction insurance fund - $11,628,800.
   Motor vehicle pool revolving fund - $4,793,500.
   Retiree accumulated sick leave fund - $7,597,300.
   Emergency telecommunication services revolving fund - $25,085,500.
   Capital outlay stabilization fund - $1,500,000.
   Risk management revolving fund - $16,337,000.
   Special employee health insurance trust fund - $453,800.
4. Arizona department of agriculture:
   Agricultural consulting and training fund - $250,000.
   Pesticide fund - $25,000.
   Seed law fund - $15,000.
5. State board of appraisal:
   Board of appraisal fund - ~~$590,000~~ $30,000.
6. Attorney general - department of law:
   Anti-racketeering revolving fund - $302,100.
   Prosecuting attorney council fund - $95,000.
7. Board of barbers:
   Board of barbers fund - $406,000.
8. State board of chiropractic examiners:
   Board of chiropractic examiners fund - $66,800.
9. Department of commerce:
   Commerce and economic development commission fund - $1,100,000.
   Greater Arizona development authority revolving fund - $2,000,000.
   Job training fund - $10,300,000.
   Military installation fund - $3,000,000.
10. Registrar of contractors:
   Registrar of contractors fund - $2,000,000.
   Residential contractors' recovery fund - $6,600,000.

11. Corporation commission:
    Utility regulation revolving fund - $2,632,600.
    Securities regulatory and enforcement fund - $1,200,000.
    Investment management regulatory and enforcement fund - $500,000.
    Public access fund - $339,300.
12. State department of corrections:
    Transition office fund - $339,600.
    Transition program drug treatment fund - $100,000.
    Alcohol abuse treatment fund - $1,300,000.
13. Board of cosmetology:
    Board of cosmetology fund - $1,803,800.
14. Arizona criminal justice commission:
    Criminal justice enhancement fund - $100,000.
    State aid to county attorneys fund - $1,550,000.
    State aid to indigent defense fund - $1,550,000.
15. Commission for the deaf and the hard of hearing:
    Telecommunication fund for the deaf - $1,044,600.
16. State board of dental examiners:
    Dental board fund - $1,489,000.
17. Department of economic security:
    Spinal and head injuries trust fund - $395,200.
    Special administration fund - $2,900,000.
    Public assistance collections fund - $186,900.
    Utility assistance fund - $550,000.
18. Department of education:
    Special education fund - $4,234,000.
    Internal services fund - $500,000.
    Assistance for education - $100,000.
    Golden rule special plate fund - $274,600.
19. Department of emergency military affairs:
    State armory property fund - $44,600.
20. Department of environmental quality:
    Air quality fund - $1,100,000.
    Indirect cost recovery fund - $2,000,000.
    Recycling fund - $3,000,000.
    Water quality assurance revolving fund - $4,000,000.
    Underground storage tank revolving fund - $12,000,000.
    Emissions inspection fund - $2,500,000.
    Solid waste fee fund - $400,000.
    Voluntary vehicle repair and retrofit program fund - $750,000.
    Water quality fee fund - $850,000.
21. Department of financial institutions:
    Arizona escrow guaranty fund - $450,000.
    Receivership revolving fund - $500,000.

22. State board of funeral directors and embalmers:
Board of funeral directors and embalmers fund - $491,700.
23. Arizona game and fish department:
Watercraft licensing fund - $2,000,000.
Off-highway vehicle fund - $200,000.
Game and fish publications revolving fund - $100,000.
24. Government information technology agency:
State web portal fund - $100,000.
25. Department of health services:
Intergovernmental agreements fund - $1,000,000.
Emergency medical services operating fund - $1,000,000.
Indirect cost fund - $4,000,000.
Substance abuse services fund - $750,000.
Internal services fund - $50,000.
Vital records electronic systems fund - $100,000.
Hearing and speech professionals fund - $25,000.
Poison control fund - $4,600.
Arizona medical board fund - $25,800.
Prescription drug advisory council - $10,000.
26. Arizona department of housing:
Housing program fund - $583,700.
Housing trust fund - $8,237,400.
27. Industrial commission of Arizona:
Industrial commission administrative fund - $10,000,000.
28. Department of insurance:
Insurance examiners' revolving fund - $750,000.
29. Judiciary:
Juvenile delinquent reduction fund - $5,500,000.
Drug treatment and education fund - $500,800.
Arizona lengthy trial fund - $750,000.
30. Juvenile corrections:
Criminal justice enhancement fund - $150,000.
31. Department of liquor license and control:
Liquor license special collections fund - $670,000.
32. Arizona state lottery commission:
State lottery fund - $4,543,600.
33. Naturopathic physicians board of medical examiners:
Naturopathic physicians board of medical examiners fund - $618,000.
34. State board of nursing:
Board of nursing fund - $1,004,900.
35. Board of occupational therapy examiners:
Occupational therapy fund - $239,500.
36. State board of optometry:
Board of optometry fund - $185,600.

37. Arizona board of osteopathic examiners:
Board of osteopathic examiners fund - $541,100.
38. Arizona state parks board:
Off-highway vehicle recreation fund - $1,086,000.
State lake improvement fund - $6,353,500.
39. Arizona state board of pharmacy:
Board of pharmacy fund - $549,700.
40. State board for private postsecondary education:
Board for private postsecondary education fund - $142,400.
41. State board of psychologist examiners:
Board of psychologist examiners fund - $563,000.
42. Department of public safety:
Automated fingerprint identification system fund - $500,000.
Arizona deoxyribonucleic acid (DNA) identification system fund - $2,500,000.
Arizona highway patrol fund - $2,000,000.
Records processing fund - $301,600.
43. Arizona department of racing:
Arizona breeders award fund - $113,500.
County fairs racing betterment fund - $200,000.
44. State real estate department:
Condominium recovery fund - $5,000.
Recovery fund - $202,500.
45. Department of revenue:
Liability setoff fund - $850,000.
46. Structural pest control commission:
Structural pest control commission fund - $554,900.
47. State board of technical registration:
Technical registration fund - $978,700.
48. Office of tourism:
Tourism fund - $4,500,000.
49. Department of transportation:
Economic strength project fund - $1,000,000.
Motor vehicle liability insurance enforcement fund - $4,000,000.
State aviation fund - $18,300,000.
Transportation department equipment fund - $3,100,000.
Vehicle inspection and title enforcement fund - $1,750,000.
50. Veterinary medical examining board fund - $609,500.
51. Department of water resources:
Arizona water banking fund - $5,500,000.
52. Budget stabilization fund - $20,000,000.

B. Agencies listed shall reduce expenditures from the listed funds accordingly in order to ensure a sufficient fund balance for these fund transfers.

C. The fund transfers in this section shall be made as soon as is practicable to avoid a shortfall in each fund. On or before September 1, 2008, the governor's office of strategic planning and budgeting shall report to the joint legislative budget committee on any fund transfers that have not been fully made as of August 15, 2008. For each fund transfer not fully made as of September 1, 2008, the report shall list when the fund transfer will be completed or additional steps required, in addition to those authorized under subsection D, to make the full fund transfer.

D. Notwithstanding any other law, to provide for effective continuity of state operations a budget unit may request a temporary cash transfer from one of its own funds to another of its own funds from the state comptroller to accommodate a temporary cash flow issue. The state comptroller shall coordinate all activity with the governor's office of strategic planning and budgeting and shall notify the joint legislative budget committee staff of any cash transfers pursuant to this section. This notice shall include a monthly cash flow of all funds involved and shall include a plan for returning the monies to their original fund. All monies temporarily used shall be returned to the original fund no later than June 30, 2009. The state comptroller shall file a final report on all activity under this provision with the joint legislative budget committee staff and the governor's office of strategic planning and budgeting no later than August 1, 2009.

Sec. 2. Laws 2008, chapter 287, section 48 is amended to read:

Sec. 48. <u>Reduction in school district state aid apportionment; fiscal year 2008-2009; appropriations in fiscal year 2009-2010</u>

A. Notwithstanding any other law, the state board of education shall defer until ~~July 1, 2009~~ FISCAL YEAR 2009-2010 $602,627,700 of the basic state aid and additional state aid payment that otherwise would be apportioned to school districts under law on May 15, 2009 and June 15, 2009. The funding deferral required by this subsection does not apply to charter schools.

B. The sum of $602,627,700 is appropriated in fiscal year 2009-2010 from the state general fund to the state board of education and the superintendent of public instruction for basic state aid and additional state aid entitlement for fiscal year 2009-2010. This appropriation shall be disbursed BY THE CLOSE OF BUSINESS on ~~July 1~~ AUGUST 29, 2009 to the several counties for the school districts in each county in amounts equal to the reductions in apportionment of basic state aid and additional state aid that are required pursuant to subsection A for fiscal year 2008-2009. IF SUFFICIENT MONIES ARE NOT AVAILABLE, THE STATE BOARD OF EDUCATION AND THE SUPERINTENDENT OF PUBLIC INSTRUCTION MAY ALLOCATE THE $602,627,700 IN TWO PAYMENTS OF APPROXIMATELY EQUAL AMOUNTS BETWEEN JULY 1, 2009 AND AUGUST 29, 2009 WITH THE ENTIRE AMOUNT TO BE ALLOCATED BY THE CLOSE OF BUSINESS ON AUGUST 29, 2009.

C. The sum of $886,200 is appropriated in fiscal year 2009-2010 from the state general fund to the state board of education and the superintendent of public instruction for any costs to school districts that may be associated with the reductions in apportionment of basic state aid and additional state aid for fiscal year 2008-2009 that are required pursuant to subsection A. This appropriation shall be disbursed BY THE CLOSE OF BUSINESS on ~~July 1~~ AUGUST 29, 2009 to the several counties for the school districts in each county and shall be allocated based on the per cent of the total $602,627,700 deferred payment for fiscal year 2008-2009 that is attributable to each individual school district.

D. Notwithstanding any provision of law, for fiscal year 2009-2010, if the governing board of a school district incurred interest expenses for registering warrants in fiscal year 2008-2009 or expects to incur interest expenses for registering warrants in fiscal year 2009-2010 pursuant to subsection A, the governing board may budget an estimated amount for those interest expenses. Any such amount is specifically exempt from the revenue control limit in fiscal year 2009-2010. If the budgeted estimate amount is greater than the amount received pursuant to subsection C, the governing board shall not expend more than the amount received pursuant to subsection C. If the budgeted estimate amount is less than the amount received pursuant to subsection C, the governing board may revise its budget during fiscal year 2009-2010 to include the actual amount received pursuant to subsection C and shall not expend more than the amount received pursuant to subsection C.

E. School districts shall include in the revenue estimates that they use for computing their tax rates for fiscal year 2008-2009 the monies that they will receive pursuant to subsection C.

Sec. 3. Laws 2009, first special session, chapter 1, section 5, as amended by Laws 2009, chapter 1, section 4, is amended to read:

Sec. 5. <u>Expenditure reductions; transfers; fiscal year 2008-2009</u>

A. Notwithstanding any other law, the following agencies shall reduce expenditures in the stated amounts and, on or before June 30, 2009, the following shall be transferred to the state general fund:

1. Arizona department of administration:

Admin - AFIS II collections fund - $400,000.

Air quality fund - $42,500.

Automation operations fund - $1,210,600.

Construction insurance fund - $672,800.

Co-op state purchasing fund - $54,600.

Corrections fund - $137,600.

Capital outlay stabilization fund - $1,300,000.

Motor vehicle pool fund - $876,600.

Personnel division fund - $935,600.

Special services revolving fund - $108,600.

State surplus materials fund - $213,400.
Telecommunications fund - $530,800.
2. Department of agriculture:
Designated fund - $33,600.
3. Attorney general:
Collection enforcement revolving fund - $248,200.
4. Department of commerce:
Commerce and economic development commission fund - $153,500.
Commerce workshops fund - $25,800.
GADA revolving fund - $27,800.
Arizona job training fund - $925,000.
Military installation fund - $286,100.
5. Corporation commission:
Investment management regulatory and enforcement fund - $46,400.
Securities regulatory and enforcement fund - $197,300.
6. State department of corrections:
Alcohol abuse treatment fund - $30,000.
Indirect cost recovery fund - $61,200.
State DOC revolving transition fund - $170,500.
7. Arizona criminal justice commission:
State aid to indigent defense fund - $49,600.
8. Commission for the deaf and the hard of hearing:
Telecommunication fund for the deaf - $272,100.
9. Drug and gang prevention resource center:
Drug and gang prevention resource center fund - $44,700.
10. Department of economic security:
Domestic violence shelter fund - $120,000.
Long-term care system fund - $1,434,000.
Public assistance collections fund - $25,800.
Special administration fund - $78,700.
Spinal and head injuries trust fund - $148,000.
11. Arizona department of education:
Education internal services fund - $426,000.
Education production revolving fund - $108,500.
English learner classroom personnel fund - $11,100.
12. Department of environmental quality:
Air quality fund - $317,400.
Indirect cost recovery fund - $637,400.
Monitoring assistance fund - $37,000.
Recycling fund - $116,300.
Solid waste fee fund - $75,200.
Underground storage tank fund - $1,910,600.
Voluntary vehicle repair and retrofit program fund - $52,300.

13. Arizona exposition and state fair board:
Arizona exposition and state fair fund - $815,000.
14. Department of financial institutions:
Revolving fund - $60,400.
15. Arizona game and fish department:
Off-highway vehicle recreation fund - $37,100.
Watercraft licensing fund - $198,700.
16. Office of the governor:
County fairs livestock and agricultural promotion fund - $60,300.
Prevention of child abuse fund - $31,500.
17. Government information technology agency:
Information technology fund - $184,100.
18. Department of health services:
Emergency medical services operating fund - $299,200.
Indirect cost fund - $453,800.
Newborn screening program fund - $340,300.
Substance abuse services fund - $125,000.
Vital records electronic systems revolving fund - $25,000.
19. Department of housing:
Housing program fund - $227,500.
Housing trust fund - $3,229,500.
20. Industrial commission:
Industrial commission special fund - $1,404,100.
21. Department of insurance:
Insurance examiners' revolving fund - $241,200.
Captive insurance regulatory and supervision fund - $25,500.
22. Judiciary - supreme court:
Alternative dispute resolution fund - $37,300.
Court appointed special advocate fund - $172,500.
Criminal justice enhancement fund - $152,700.
Public defender training fund - $35,500.
23. Judiciary - superior court:
Criminal justice enhancement fund - $440,000.
Drug treatment and education fund - $197,400.
Judicial collection enhancement fund - $171,100.
24. Department of juvenile corrections:
Criminal justice enhancement fund - $34,300.
Indirect cost recovery fund - $37,000.
25. State land department:
Fire suppression fund - $1,000,000.
26. Arizona state library, archives and public records:
Records services fund - $33,800.
27. Arizona state lottery commission:
State lottery fund - $440,800.

28. Parents commission on drug education and prevention:
Drug treatment and education fund - $248,600.
29. Arizona state parks board:
Heritage fund - $1,909,300.
Off-highway vehicle recreation fund - $118,400.
Reservation surcharge revolving fund - $27,600.
State lake improvement fund - $207,500.
State parks enhancement fund - $413,000.
30. Commission for postsecondary education:
Early graduation scholarship fund - $28,900.
31. Department of public safety:
Board of fingerprinting fund - $30,000.
Public safety equipment fund - $125,000.
Records processing fund - $175,400.
32. Residential utility consumer office:
Residential utility consumer office revolving fund - $122,000.
33. Department of revenue:
Estate and unclaimed property fund - $170,200.
34. Department of transportation:
Economic strength project fund - $50,000.
Arizona highways magazine fund - $323,900.
Motor vehicle liability insurance enforcement fund - $121,000.
Transportation department equipment fund - $1,607,700.
~~35. Department of veterans' services:~~
~~Military installation fund - $1,729,100.~~
~~36.~~ 35. Department of water resources:
Water protection fund - $175,600.
Arizona water banking fund - $387,300.
Arizona water quality fund - $28,100.
Assured and adequate water supply fund - $56,200.
Augmentation and conservation assistance fund - $99,800.
Indirect cost recovery fund - $81,700.
Well administration and enforcement - $39,400.
~~37.~~ 36. Department of weights and measures:
Air quality fund - $78,400.

B. The fund transfers in this section shall be made as soon as is practicable to avoid a shortfall in each fund. On or before March 15, 2009, the governor's office of strategic planning and budgeting shall report to the joint legislative budget committee on any fund transfers that have not been fully made as of February 28, 2009. For each fund transfer not fully made as of March 1, 2009, the report shall list when the fund transfer will be completed or additional steps required to make the full fund transfer.

Sec. 4. Subject to applicable laws, the sums or sources of revenue set forth in this act are appropriated for the fiscal years indicated and only from the funding sources listed for the purposes and objects specified and the performance measures are indicated as legislative intent. If monies from funding sources in this act are unavailable, no other funding source shall be used.

Sec. 5. BOARD OF ACCOUNTANCY

	2009-10
FTE positions	13.0
Lump sum appropriation	$ 2,350,100
Fund sources:	
Board of accountancy fund	$ 2,350,100
Performance measures:	
Average calendar days to resolve a complaint	180
Average calendar days to renew a license	1
Customer satisfaction rating (Scale 1-8)	7.0

Sec. 6. ACUPUNCTURE BOARD OF EXAMINERS

	2009-10
FTE positions	1.0
Lump sum appropriation	$ 129,200
Fund sources:	
Acupuncture board of examiners fund	$ 129,200
Performance measures:	
Average calendar days to resolve a complaint	125
Average calendar days to renew a license	5
Customer satisfaction rating (Scale 1-8)	7.5

Sec. 7. DEPARTMENT OF ADMINISTRATION

	2009-10
State general fund	
FTE positions	228.8
Operating lump sum appropriation	$ 19,214,300
ENSCO	2,867,300
County attorney immigration enforcement	2,430,000
Arizona financial information system	1,120,500
Statewide telecommunications management contract lease payment	851,800
Utilities	625,700
Lump sum reduction	(9,897,700)
Total - general fund	$ 17,211,900

Performance measures:

Per cent of ADOA services receiving a good (6) or better rating from customers, based on annual survey (Scale 1-8)	85
Per cent of procurement plan award dates met for the RFP process	77
Customer satisfaction with establishing contracts (Scale 1-8)	6.9
Customer satisfaction with administering contracts (Scale 1-8)	6.7
Customer satisfaction rating for the operation of AFIS (Scale 1-8)	7.5
Average capitol police response time to emergency calls (in minutes and seconds)	1:52

The department may collect an amount of not to exceed $1,762,600 from other funding sources, excluding federal funds, to recover pro rata costs of operating AFIS II. Any amounts left unspent from the Arizona financial information system line item shall revert to the state general fund.

The $2,430,000 appropriated to the county attorney immigration enforcement line item shall be distributed as follows: $1,430,000 to each county attorney of a county in this state with a population of one million five hundred thousand or more persons and $500,000 to each county attorney of a county in this state with a population of eight hundred thousand or more persons but less than one million five hundred thousand persons, and the remainder of the monies shall be distributed as equally as possible to each county attorney of counties in this state with a population of less than eight hundred thousand persons. County attorneys may enter into agreements with county sheriffs or other law enforcement agencies or jurisdictions for the purposes of implementing section 23-212, Arizona Revised Statutes. These appropriations are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Air quality fund

Lump sum appropriation	$ 850,100
Lump sum reduction	(85,000)
Total - air quality fund	$ 765,100

Performance measures:

Customer satisfaction with all travel reduction services (Scale 1-8)	6.7

The amounts appropriated for the state employee transportation service subsidy shall be used for up to a one hundred per cent subsidy of charges payable for transportation service expenses as provided in section 41-786, Arizona Revised Statutes, of nonuniversity state employees in a vehicle emissions control area as defined in section 49-541, Arizona Revised Statutes, of a county with a population of more than four hundred thousand persons.

Capital outlay stabilization fund	
FTE positions	28.9
Operating lump sum appropriation	$ 5,590,700
Utilities	7,349,900
Relocation	60,000
Offset to state general fund reduction	5,200,700
Lump sum reduction	(1,616,900)
Total - capital outlay stabilization fund	$ 16,584,400

Performance measures:

Customer satisfaction rating for building maintenance (Scale 1-8)	7.7

Monies in the relocation line item are exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until December 31, 2010.

Corrections fund	
FTE positions	6.6
Lump sum appropriation	$ 732,300
Lump sum reduction	(121,700)
Total - corrections fund	$ 610,600

The intent of the legislature is for the amount appropriated from the corrections fund to be expended solely for the oversight of construction projects benefiting the state department of corrections or the department of juvenile corrections.

Motor vehicle pool revolving fund	
FTE positions	19.0
Lump sum appropriation	$ 12,726,800
Lump sum reduction	(1,351,400)
Total - motor vehicle pool revolving fund	$ 11,375,400

Performance measures:

Customer satisfaction with short-term (day use) vehicle rental (Scale 1-8)	7.8

It is the intent of the legislature that the department not replace vehicles until an average of 120,000 miles, or more.

Telecommunications fund	
FTE positions	18.0
Lump sum appropriation	$ 3,178,100
Lump sum reduction	(1,268,500)
Total - telecommunications fund	$ 1,909,600

Performance measures:

Customer satisfaction rating for the wide area network (MAGNET) (Scale 1-8)	6.4
Customer satisfaction rating for statewide telecommunications management contract services (Scale 1-8)	6.0

Telecommunications fund - infrastructure improvements account

Lump sum appropriation	$ 4,713,700

Automation operations fund

FTE positions	152.4
Lump sum appropriation	$ 24,087,500
Lump sum reduction	(3,401,500)
Total - automation operations fund	$ 20,686,000

Performance measures:

Customer satisfaction rating for mainframe services based on annual survey (Scale 1-8)	7.0

The appropriation for the automation operations fund is an estimate representing all monies, including balance forward, revenue and transfers during fiscal year 2009-2010. These monies are appropriated to the department of administration for the purposes established in section 41-711, Arizona Revised Statutes. The appropriation shall be adjusted as necessary to reflect receipts credited to the automation operations fund for automation operation center projects. Expenditures for all additional automation operation center projects above the $24,087,500 appropriation shall be subject to review by the joint legislative budget committee, following approval of the government information technology agency. Expenditures for each additional project shall not exceed the specific revenues of that project.

Risk management fund

FTE positions	96.0
Operating lump sum appropriation	$ 8,729,900
Risk management losses and premiums	45,371,300
Workers' compensation losses and premiums	30,112,300
External legal services	5,592,200
Nonlegal related expenditures	3,153,900
Lump sum reduction	(581,300)
Total - risk management fund	$ 92,378,300

Performance measures:

Workers' compensation incidence rates/100 FTE positions	4.1
Customer satisfaction with self-insurance (Scale 1-8)	7.5

Personnel division fund	
FTE positions	124.0
Operating lump sum appropriation	$ 14,064,000
Human resources information solution certificate of participation	4,354,000
Lump sum reduction	(2,628,700)
Total - personnel division fund	$ 15,789,300
Performance measures:	
Customer satisfaction with employee training (Scale 1-8)	6.1
Special employee health insurance trust fund	
FTE positions	39.0
Operating lump sum appropriation	$ 5,187,300
Employee wellness program	300,000
Lump sum reduction	(251,100)
Total - special employee health insurance trust fund	$ 5,236,200
Performance measures:	
Customer satisfaction with benefit plans (Scale 1-8)	6.2
State surplus materials revolving fund	
FTE positions	16.0
Operating lump sum appropriation	$ 1,258,000
State surplus property sales proceeds	3,000,000
Lump sum reduction	(488,000)
Total - state surplus materials revolving fund	$ 3,770,000
Federal surplus materials revolving fund	
FTE positions	7.0
Lump sum appropriation	$ 449,300
Total appropriation - department of administration	$191,479,800
Fund sources:	
State general fund	$ 17,211,900
Other appropriated funds	174,267,900

Sec. 8. OFFICE OF ADMINISTRATIVE HEARINGS

	2009-10
FTE positions	13.0
Lump sum appropriation	$ 1,014,200

Fund sources:	
State general fund	$ 999,700
Healthcare group fund	14,500
Performance measures:	
Average days from request for hearing to transmission of decision to the agency	87
Evaluations rating the administrative law judge "excellent" or "good" in impartiality	98

The office of administrative hearings shall enter into interagency service agreements to provide services pursuant to title 41, chapter 6, article 10, Arizona Revised Statutes.

Sec. 9. DEPARTMENT OF AGRICULTURE

	2009-10
FTE positions	226.2
Operating lump sum appropriation	$ 14,883,900
Agricultural employment relations board	23,300
Animal damage control	65,000
Red imported fire ant	23,200
Agricultural consulting and training pari-mutuel	128,500
Lump sum reduction	(2,487,900)
Total appropriation - department of agriculture	$ 12,636,000
Fund sources:	
State general fund	$ 9,281,000
Aquaculture fund	9,200
Arizona protected native plant fund	194,700
Citrus, fruit and vegetable revolving fund	1,087,000
Commercial feed fund	300,300
Dangerous plants, pests and diseases fund	40,000
State egg inspection fund	897,800
Fertilizer materials fund	306,100
Livestock custody fund	79,400
Pesticide fund	386,200
Seed law fund	54,300
Performance measures:	
Per cent of industry stakeholders rating the department's quality of communication excellent or good	95
Per cent of meat and poultry product tests in compliance with bacteria, drug and chemical residue requirements	95

Per cent of inspections within the state interior resulting in pest interceptions	7.0
Overall customer satisfaction rating for laboratory services (per cent)	98

Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

	2009-10
Administration	
FTE positions	3,044.4
Operating lump sum appropriation	$ 70,082,400
DOA data center charges	5,717,500
Indian advisory council	232,900
DES eligibility	55,688,300
DES title XIX pass-through	357,800
Healthcare group administration and reinsurance	6,164,900
Office of administrative hearings	271,300
KidsCare - administration	6,690,900
Proposition 204 - AHCCCS administration	9,402,900
Proposition 204 - DES eligibility	43,585,700
Total appropriation and expenditure authority - administration	$198,194,600
Fund sources:	
State general fund	$ 85,207,000
Budget neutrality compliance fund	2,993,500
Children's health insurance program fund	5,087,100
Health care group fund	6,164,900
Expenditure authority	98,742,100
Performance measures:	
Per cent of applications processed on time	95
Customer satisfaction rating for eligibility determination clients (Scale 1-8)	7.0

The amounts appropriated for the department of economic security eligibility line item shall be used for intergovernmental agreements with the department of economic security for the purpose of eligibility determination and other functions. The general fund share may be used for eligibility determination for other programs administered by the division of benefits and medical eligibility based on the results of the Arizona random moment sampling survey.

Acute care	
Capitation	$2,391,405,000
Reinsurance	129,621,800
Fee-for-service	514,455,500
Medicare premiums	104,550,000
Graduate medical education	42,075,300
Dual eligible part D copay subsidy	1,029,700
Disproportionate share payments	30,350,000
Critical access hospitals	1,700,000
Breast and cervical cancer	1,699,600
Ticket to work	6,944,300
Proposition 204 - capitation	2,146,078,300
Proposition 204 - reinsurance	81,730,000
Proposition 204 - fee-for-service	209,821,500
Proposition 204 - medicare premiums	33,051,400
Proposition 204 - county hold harmless	4,825,600
KidsCare - children	119,507,800
Rural hospital reimbursement	12,158,100
Medicare clawback payments	31,925,600
Total appropriation and expenditure authority - acute care	$5,862,929,500
Fund sources:	
State general fund	$1,611,099,400
Children's health insurance program fund	92,621,900
Tobacco tax and health care fund - medically needy account	53,738,100
Tobacco products tax fund - emergency health services account	23,331,800
Expenditure authority	4,082,138,300
Performance measures:	
Per cent of AHCCCS children receiving well child visits in the first 15 months of life (EPSDT)	60
Per cent of AHCCCS children's access to primary care provider	85
Per cent of AHCCCS women receiving annual cervical screening	60
Member satisfaction as measured by percentage of enrollees that choose to change health plans	2.0

The $30,350,000 appropriation for disproportionate share payments for fiscal year 2009-2010 made pursuant to section 36-2903.01, subsection P, Arizona Revised Statutes, includes $4,202,300 for the Maricopa county health care district and $26,147,700 for private qualifying disproportionate share hospitals.

Of the $4,825,600 appropriated for the proposition 204 county hold harmless line item, $234,200 is allocated to Graham county, $3,817,800 to Pima county, $234,400 to Greenlee county, $159,700 to La Paz county, $214,800 to Santa Cruz county and $164,700 to Yavapai county to offset a net loss in revenue due to the implementation of proposition 204, and shall be used for indigent health care costs.

Long-term care	
Program lump sum appropriation	$1,266,710,000
Medicare clawback payments	22,956,300
Dual eligible part D copay subsidy	470,300
Board of nursing	209,700
Total appropriation and expenditure authority - long-term care	$1,290,346,300
Fund sources:	
State general fund	$ 181,129,200
Expenditure authority	1,109,217,100
Performance measures:	
Per cent of members utilizing home and community based services (HCBS)	67
Per cent of ALTCS eligibility as measured by quality control sample	99

Any federal funds that the Arizona health care cost containment system administration passes through to the department of economic security for use in long-term administration care for the developmentally disabled shall not count against the long-term care expenditure authority above.

The county portion of the fiscal year 2009-2010 nonfederal portion of the costs of providing long-term care system services is included in the expenditure authority fund source.

Agencywide lump sum reduction	$(27,054,200)
Fund sources:	
State general fund	$ (16,381,000)
Expenditure authority	(10,673,200)
Lump sum reduction deferral	$(344,201,700)
Fund sources:	
State general fund	$(117,889,100)
Expenditure authority	(226,312,600)
Total appropriation and expenditure authority - Arizona health care cost containment system	$6,980,214,500

Appropriated fund sources:	
State general fund	$1,743,165,500
Children's health insurance program fund	97,709,000
Budget neutrality compliance fund	2,993,500
Health care group fund	6,164,900
Tobacco products tax fund - emergency health services account	23,331,800
Tobacco tax and health care fund - medically needy account	53,738,100
Expenditure authority	$5,053,111,700
Performance measures:	
Per cent of people under age 65 that are uninsured	18

Before making fee-for-service program or rate changes that pertain to fee-for-service rate categories, the Arizona health care cost containment system administration shall report its expenditure plan for review by the joint legislative budget committee.

The Arizona health care cost containment system administration shall report to the joint legislative budget committee by March 1 of each year on the preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum shall be no more than two per cent. Before implementation of any changes in capitation rates, the Arizona health care cost containment system administration shall report its expenditure plan for review by the joint legislative budget committee. Before the administration implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the administration shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of $500,000 or greater for a given fiscal year, the administration shall submit the policy changes for review by the joint legislative budget committee.

The lump sum reduction may not be taken against the appropriation made for rural hospital reimbursement.

It is the intent of the legislature that the Arizona health care cost containment system administration make the reductions associated with the agencywide lump sum reduction against administrative functions and, to the extent possible, not against programmatic functions.

Sec. 11. BOARD OF APPRAISAL

		2009-10
FTE positions		4.5
Lump sum appropriation	$	621,800
Fund sources:		
Board of appraisal fund	$	621,800
Performance measures:		
Average calendar days to resolve a complaint		130
Customer satisfaction rating (Scale 1-8)		7.5

Sec. 12. ARIZONA COMMISSION ON THE ARTS

		2009-10
FTE positions		10.5
Operating lump sum appropriation	$	667,700
Community service projects		1,263,100
Lump sum reduction		(1,630,800)
Total appropriation - Arizona commission on the arts	$	300,000
Fund sources:		
State general fund	$	300,000
Performance measures:		
Customer satisfaction rating (Scale 1-8)		7.5

Sec. 13. ATTORNEY GENERAL - DEPARTMENT OF LAW

		2009-10
FTE positions		601.9
Operating lump sum appropriation	$	51,995,000
State grand jury		179,000
Victims' rights		3,277,400
Risk management interagency service agreement		9,771,500
Lump sum reduction		(6,629,100)
Total appropriation - attorney general - department of law	$	58,593,800
Fund sources:		
State general fund	$	19,336,700
Antitrust enforcement revolving fund		239,900
Attorney general legal services cost allocation fund		6,076,300
Collection enforcement revolving fund		3,550,800
Consumer fraud revolving fund		3,784,400
Interagency service agreements fund		13,378,800
Risk management revolving fund		8,982,500
Victims' rights fund		3,244,400

Performance measures:

Solicitor general - number of days to respond to a request for a legal opinion	42
Customer satisfaction rating for client agencies (Scale 1-8)	7.2
Per cent of victims' rights award recipients satisfied with the victims' rights program	98

The $179,000 appropriated in fiscal year 2009-2010 for state grand jury expenses is for costs incurred pursuant to section 21-428, subsection C, Arizona Revised Statutes. It is the intent of the legislature that state grand jury expenses be limited to the amount appropriated and that a supplemental appropriation will not be provided.

The attorney general shall notify the president of the senate, the speaker of the house of representatives and the joint legislative budget committee before entering into a settlement of $100,000 or more that will result in the receipt of monies by the attorney general or any other person. The attorney general shall not allocate or expend these monies until the joint legislative budget committee reviews the allocations or expenditures. Settlements that pursuant to statute must be deposited in the state general fund need not be reviewed by the joint legislative budget committee. This paragraph does not apply to actions under title 13, Arizona Revised Statutes, or other criminal matters.

In addition to the $13,378,800 appropriated from the interagency service agreements fund in fiscal year 2009-2010, an additional $800,000 and 11 FTE positions are appropriated from the interagency service agreements fund in fiscal year 2009-2010 for new or expanded interagency service agreements. The attorney general shall report to the joint legislative budget committee whenever an interagency service agreement is established that will require expenditures from the additional amount. The report shall include the name of the agency or entity with which the agreement is made, the dollar amount of the contract by fiscal year and the number of associated FTE positions.

Sec. 14. AUTOMOBILE THEFT AUTHORITY

	2009-10
FTE positions	6.0
Lump sum appropriation	$ 673,300
Automobile theft authority grants	5,293,400
Reimbursable programs	50,000
Lump sum reduction	(40,600)
Total appropriation - auto theft authority	$ 5,976,100
Fund sources:	
Automobile theft authority fund	$ 5,976,100

Performance measures:

Felony auto theft arrests by auto theft task force	330
Per cent of stolen vehicles recovered (calendar year)	67.0
Number of vehicles stolen statewide (calendar year)	55,000
Customer satisfaction rating (Scale 1-3, 1 highest)	1.0

The automobile theft authority shall submit a report to the joint legislative budget committee for review before expending any monies for the reimbursable programs line item. The agency shall also show sufficient funds collected to cover the expenses indicated in the report.

Automobile theft authority grants shall be awarded with consideration given to areas with greater automobile theft problems and shall be used to combat economic automobile theft operations.

The automobile theft authority shall pay eighty per cent of the personal services and employee related expenses for city and county sworn officers who participate in the Arizona vehicle theft task force.

Sec. 15. BOARD OF BARBERS

		2009-10
FTE positions		4.0
Lump sum appropriation	$	328,200
Fund sources:		
Board of barbers fund	$	328,200

Performance measures:

Average calendar days to resolve a complaint	21
Average calendar days to renew a license	2
Customer satisfaction rating (Scale 0-100)	90

Sec. 16. BOARD OF BEHAVIORAL HEALTH EXAMINERS

		2009-10
FTE positions		17.0
Lump sum appropriation	$	1,367,200
Fund sources:		
Board of behavioral health examiners fund	$	1,367,200

Performance measures:

Average days to resolve a complaint	570
Average days to renew a license	17
Customer satisfaction rating (Scale 1-8)	6.3

Sec. 17. STATE CAPITAL POSTCONVICTION PUBLIC DEFENDER OFFICE

		2009-10
FTE positions		7.0
Lump sum appropriation	$	680,600
Fund sources:		
State general fund	$	680,600
Performance measures:		
Number of factual and legal investigations completed for individual cases		5

Sec. 18. STATE BOARD FOR CHARTER SCHOOLS

		2009-10
FTE positions		10.0
Lump sum appropriation	$	823,900
Fund sources:		
State general fund	$	823,900
Performance measures:		
Customer satisfaction survey (Scale 1-8)		6.4

Sec. 19. STATE BOARD OF CHIROPRACTIC EXAMINERS

		2009-10
FTE positions		5.0
Lump sum appropriation	$	474,800
Fund sources:		
Board of chiropractic examiners fund	$	474,800
Performance measures:		
Average calendar days to renew a license		22
Per cent of complaints resolved within 180 days with no hearing required		23
Per cent of survey responses that indicate that staff was knowledgeable and courteous in public communications		100

Sec. 20. DEPARTMENT OF COMMERCE

		2009-10
FTE positions		66.9
Operating lump sum appropriation	$	4,289,900
Arizona trade office in Sonora		25,000
International trade offices		1,716,600
Economic development matching funds		104,000
Main street		130,000
REDI matching grants		45,000
Rural economic development		340,100
Advertising and promotion		659,200
CEDC commission		196,500

National law center/free trade	200,000
Oil overcharge administration	184,900
Minority and women owned business	129,600
Small business advocate	127,000
Apprenticeship services	189,900
Lump sum reduction	(3,360,200)
Total appropriation - department of commerce	$ 4,977,500
Fund sources:	
State general fund	$ 1,780,000
Bond fund	144,700
CEDC fund	2,601,200
Oil overcharge fund	184,900
State lottery fund	266,700
Performance measures:	
Number of workers trained	25,000
Per cent of job training fund monies distributed to small businesses	25
Customer satisfaction rating for business development program (percentage rating services as good or excellent)	88

Of the $2,601,200 appropriated from the CEDC fund in fiscal year 2009-2010, $250,000 shall be utilized for implementation of cross-industry business/infrastructure development projects and related project coordination in support of regional technology councils and high technology clusters operating in Arizona.

The department of commerce may use monies appropriated from the state general fund, bond fund, CEDC fund and state lottery fund to administer programs that attract and retain jobs in this state and to pay for associated direct, indirect and other costs.

Sec. 21. ARIZONA COMMUNITY COLLEGES

	2009-10
Equalization aid	
Cochise	$ 7,841,800
Graham	17,465,400
Navajo	6,624,000
Yuma/La Paz	2,938,300
Total - equalization aid	$ 34,869,500
Operating state aid	
Cochise	$ 7,430,300
Coconino	2,678,500
Gila	601,000
Graham	4,350,000

Maricopa	45,293,500
Mohave	3,596,000
Navajo	3,432,900
Pima	15,826,700
Pinal	4,939,000
Yavapai	4,122,800
Yuma/La Paz	4,799,600
Total - operating state aid	$ 97,070,300
Rural county reimbursement subsidy	$ 1,000,000
Total appropriation - Arizona community colleges	$132,939,800
Fund sources:	
State general fund	$132,939,800
Performance measures:	
Number of applied baccalaureate programs collaboratively developed with universities	13

Of the $1,000,000 appropriated to the rural county reimbursement subsidy line item, Apache county will receive $523,500, Greenlee county $188,700 and Santa Cruz county $287,800.

The appropriated monies shall not be used to implement the centennial scholars program.

Sec. 22. REGISTRAR OF CONTRACTORS

	2009-10
FTE positions	144.8
Operating lump sum appropriation	$ 10,524,500
Office of administrative hearings costs	1,002,300
Incentive pay	113,700
Information management system	506,500
Lump sum reduction	(1,912,400)
Total appropriation - registrar of contractors	$ 10,234,600
Fund sources:	
Registrar of contractors fund	$ 10,234,600
Performance measures:	
Average calendar days from receipt of complaint to jobsite inspection	25
Per cent of licensing customers indicating they received excellent service	93
Per cent of inspections customers indicating they received excellent service	89

Any transfer to or from the amount appropriated for the office of administrative hearings costs line item shall require review by the joint legislative budget committee.

Sec. 23. CORPORATION COMMISSION

	2009-10
FTE positions	308.3
Operating lump sum appropriation	$ 27,782,900
Corporation filings, same day service	400,400
Utilities audits, studies, investigations and hearings	380,000*
Lump sum reduction	(3,144,900)
Total appropriation - corporation commission	$ 25,418,400
Fund sources:	
State general fund	$ 3,794,900
Arizona arts trust fund	51,100
Investment management regulatory and enforcement fund	762,200
Public access fund	4,122,300
Securities regulatory and enforcement fund	3,258,400
Utility regulation revolving fund	13,429,500
Performance measures:	
Average turnaround time in days for processing of regular corporate filings	21.8
Average turnaround time in days for processing of expedited corporate filings	4
Number of months required to review applications received by securities division	1.5
Customer satisfaction rating for corporations program (Scale 1-8)	7.5

The $400,400 appropriated from the public access fund for the corporation filings, same day service line item shall revert to the public access fund at the end of fiscal year 2009-2010 if the commission cannot process all expedited services within five business days and all regular services within thirty business days in accordance with sections 10-122, 10-3122 and 29-851, Arizona Revised Statutes.

The corporation commission corporations division shall provide a report by the end of fiscal year 2009-2010 to the joint legislative budget committee on the total number of filings received by the corporations division pursuant to the services listed in sections 10-122, 10-3122 and 29-851, Arizona Revised Statutes, the total number of filings processed by the corporations division and the amount of time, in business days, to process each type of service.

1 Sec. 24. DEPARTMENT OF CORRECTIONS

	2009-10
FTE positions	9,755.9
Correctional officer personal services	$118,560,700
Health care personal services	41,393,000
All other personal services	66,727,000
Employee-related expenditures	171,194,000
Personal services and employee-related expenditures for overtime/compensatory time	13,420,100
Health care all other operating expenditures	90,274,400
Non-health care all other operating expenditures	125,866,200
Total - operating budget	$627,435,400
Fund sources:	
State general fund	$612,406,200
State education fund for correctional education	580,200
Alcohol abuse treatment fund	599,300
Penitentiary land fund	198,700
State charitable, penal and reformatory institutions land fund	1,240,500
Corrections fund	380,500
Transition office fund	180,000
Transition program drug treatment fund	600,000
Prison construction and operations fund	11,250,000
County jail beds	$ 866,200
Fund sources:	
State general fund	$ 866,200
New state prison beds	$ 16,064,100
Fund sources:	
State general fund	$ 16,064,100
Private prison per diem	$ 93,464,300
Fund sources:	
State general fund	$ 62,990,000
Corrections fund	28,674,300
Penitentiary land fund	1,000,000
Prison construction and operations fund	800,000
Provisional beds	$103,549,800

Fund sources:	
State general fund	$ 99,493,600
Prison construction and operations fund	3,000,000
Penitentiary land fund	1,056,200
Lump sum appropriation	$185,085,800
Fund sources:	
Federal government services stabilization fund	$185,085,800
Lump sum reduction	$(25,922,500)
Fund sources:	
State general fund	$(25,849,600)
Corrections fund	(37,200)
State education fund for correctional education	(35,700)
Performance measures:	
Escapes from secure facilities	0
Number of inmates receiving GED	2,956
Number of inmate random positive urinalysis results	1,721

Twenty-five per cent of land earnings and interest from the state charitable, penal and reformatory institutions land fund shall be distributed to the state department of corrections in compliance with the enabling act and the Constitution of Arizona to be used for the support of state penal institutions.

One hundred per cent of land earnings and interest from the penitentiary land fund shall be distributed to the state department of corrections in compliance with the enabling act and the Constitution of Arizona to be used for the support of state penal institutions.

Before the expenditure of any state education fund for correctional education receipts in excess of $544,500, the state department of corrections shall report the intended use of the monies to the director of the joint legislative budget committee.

Before altering its bed capacity by closing state-operated prison beds or canceling or not renewing contracts for privately-operated prison beds, the state department of corrections shall submit a bed plan detailing the proposed bed closures for review by the joint legislative budget committee.

The personal services and employee-related expenditures for overtime/compensatory time line item includes monies for personal services and employee-related expenditure costs from overtime and compensatory time payouts accrued by department employees in fiscal year 2009-2010.

Before placing any additional inmates in out-of-state provisional beds, the department shall place inmates in all available prison beds in facilities that are located in Arizona and that house Arizona inmates, unless the out-of-state provisional beds are of a comparable security level and price.

Any transfer to or from the amounts appropriated for county jail beds, new state prison beds, personal services and employee-related expenditures for overtime/compensatory time, private prison per diem or provisional beds line items shall require review by the joint legislative budget committee.

A monthly report comparing state department of corrections expenditures for the month and year-to-date as compared to prior year expenditures shall be forwarded to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee by the thirtieth of the following month. The report shall include at least each line item of appropriation and the main components of all other operating expenditures. The report shall include an estimate of potential shortfalls, potential surpluses that may be available to offset these shortfalls and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation.

State department of corrections personnel in the correctional officer series who receive a geographic stipend shall not retain the geographic stipend associated with that facility when transferring to other department facilities.

It is the intent of the legislature that the personnel reduction of $12,267,700, included in the lump sum reduction special line item would be achieved through attrition and, to the extent possible, not reduce the number of filled correctional officer positions.

It is the intent of the legislature that the department contract with county jails for the purposes of housing inmates committed to the department if the county agrees to contract at a per diem rate that shall not exceed $50.00.

Sec. 25. COSMETOLOGY BOARD

	2009-10
FTE positions	24.5
Lump sum appropriation	$ 1,747,800
Fund sources:	
Board of cosmetology fund	$ 1,747,800
Performance measures:	
Average calendar days to resolve a complaint	150
Average calendar days to renew a license	10
Customer satisfaction rating (Scale 1-8)	7.6

Sec. 26. ARIZONA CRIMINAL JUSTICE COMMISSION

	2009-10
FTE positions	8.0
Operating lump sum appropriation	$ 1,649,400
Rural state aid to county attorneys	157,700
Rural state aid to indigent defense	150,100
State aid to county attorneys	1,052,500
State aid to indigent defense	999,200
Victim compensation and assistance	4,100,000
Lump sum reduction	(1,220,600)
Total appropriation - Arizona criminal justice commission	$ 6,888,300
Fund sources:	
Criminal justice enhancement fund	736,600
Victim compensation and assistance fund	4,100,000
State aid to county attorneys fund	1,052,500
State aid to indigent defense fund	999,200
Performance measures:	
Number of grants awarded in a timely manner to victim services providers	42
Customer satisfaction rating (Scale 1-10)	9.2

All victim compensation and assistance receipts received by the Arizona criminal justice commission in excess of $4,100,000 in fiscal year 2009-2010 are appropriated to the crime victims program. Before the expenditure of any victim compensation and assistance receipts in excess of $4,100,000 in fiscal year 2009-2010, the Arizona criminal justice commission shall submit the intended use of the monies for review by the joint legislative budget committee.

Notwithstanding any other law, the amount appropriated for rural state aid to county attorneys and rural state aid to indigent defense shall be allocated to counties with populations of less than five hundred thousand persons.

All state aid to indigent defense fund receipts received by the Arizona criminal justice commission in excess of $999,200 in fiscal year 2009-2010 are appropriated to the state aid to indigent defense program. Before the expenditure of any state aid to indigent defense receipts in excess of $999,200 in fiscal year 2009-2010, the Arizona criminal justice commission shall submit the intended use of the monies for review by the joint legislative budget committee.

All state aid to the county attorneys fund receipts received by the Arizona criminal justice commission in excess of $1,052,500 in fiscal year 2009-2010 are appropriated to the state aid to the county attorney program. Before the expenditure of any state aid to the county attorney fund receipts in excess of $1,052,500, the Arizona criminal justice commission shall submit

1 the intended use of the monies for review by the joint legislative budget
2 committee.
3 Sec. 27. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

	2009-10
Administration/statewide	
FTE positions	70.5
Lump sum appropriation	$ 4,707,700
Fund sources:	
State general fund	$ 4,707,700
Phoenix day school for the deaf	
FTE positions	155.2
Operating lump sum appropriation	$ 8,698,200
School bus replacement	738,000
Total - Phoenix day school for the deaf	$ 9,436,200
Fund sources:	
State general fund	$ 4,409,200
Arizona state schools for the deaf and the blind fund	5,027,000
Tucson campus	
FTE positions	295.8
Lump sum appropriation	$ 16,997,600
Fund sources:	
State general fund	$ 10,383,000
Arizona state schools for the deaf and the blind fund	6,614,600
Regional cooperatives	
FTE positions	11.0
Lump sum appropriation	$ 1,447,600
Fund sources:	
State general fund	$ 1,008,700
Arizona state schools for the deaf and the blind fund	438,900
Preschool/outreach programs	
FTE positions	54.7
Lump sum appropriation	$ 4,118,000
Fund sources:	
State general fund	$ 1,503,100
Arizona state schools for the deaf and the blind fund	2,614,900
Lump sum reduction	$(2,597,100)
Fund sources:	
State general fund	$(2,597,100)
Total appropriation - Arizona state schools for the deaf and the blind	$ 34,110,000

Fund sources:	
State general fund	$ 19,414,600
Arizona state schools for the deaf and the blind fund	14,695,400
Performance measures:	
Per cent of parents rating overall quality of services as "good" or "excellent" based on annual survey	98
Per cent of students in grade 5 meeting or exceeding state academic standards in:	
Reading	4
Writing	14
Math	0
Per cent of students in high school meeting or exceeding state academic standards in:	
Reading	28
Writing	28
Math	24

Before the expenditure of any Arizona state schools for the deaf and the blind fund monies in excess of $14,695,400 in fiscal year 2009-2010, the joint legislative budget committee shall review the intended use of the funds.

Sec. 28. COMMISSION FOR THE DEAF AND THE HARD OF HEARING

	2009-10
FTE positions	15.0
Lump sum appropriation	$ 4,401,800
Fund sources:	
Telecommunication fund for the deaf	$ 4,401,800
Performance measures:	
Average number of days to issue a voucher	2
Customer satisfaction rating with the voucher program (Scale 1-8)	7.8

Sec. 29. STATE BOARD OF DENTAL EXAMINERS

	2009-10
FTE positions	11.0
Lump sum appropriation	$ 1,102,800
Fund sources:	
Dental board fund	$ 1,102,800
Performance measures:	
Average calendar days to resolve a complaint	124
Average calendar days to renew a license	10
Customer satisfaction rating (Scale 1-5)	5

Sec. 30. DRUG AND GANG PREVENTION RESOURCE CENTER

	2009-10
FTE positions	6.3
Lump sum appropriation	$ 571,800
Fund sources:	
Drug and gang prevention resource center fund	$ 235,200
Intergovernmental agreements and grants	336,600
Performance measures:	
Customer satisfaction rating of agencies served by the center (Scale 1-8)	7.3

Sec. 31. DEPARTMENT OF ECONOMIC SECURITY

	2009-10
Administration	
FTE positions	302.5
Operating lump sum appropriation	$ 33,342,400
Fund sources:	
State general fund	$ 26,540,900
Federal child care and development fund block grant	823,600
Federal temporary assistance for needy families block grant	4,271,400
Public assistance collections fund	407,800
Spinal and head injuries trust fund	39,500
Statewide cost allocation plan fund	1,000,000
Federal Reed act grant	259,200
Finger imaging	$ 738,800
Fund sources:	
State general fund	$ 461,300
Federal temporary assistance for needy families block grant	277,500
Attorney general legal services	$ 1,042,000
Fund sources:	
State general fund	$ 747,900
Federal child care and development fund block grant	17,300

Federal temporary assistance for needy families block grant	168,000
Public assistance collections fund	108,800
Triagency disaster recovery	$ 271,500
Fund sources:	
Risk management fund	$ 271,500

In accordance with section 35-142.01, Arizona Revised Statutes, the department of economic security shall remit to the department of administration any monies received as reimbursement from the federal government or any other source for the operation of the department of economic security west building and any other building lease-purchased by the state of Arizona in which the department of economic security occupies space. The department of administration shall deposit these monies in the state general fund.

In accordance with section 38-654, Arizona Revised Statutes, the department of economic security shall transfer to the department of administration for deposit in the special employee health insurance trust fund any unexpended state general fund monies at the end of each fiscal year appropriated for employer health insurance contributions.

<u>Developmental disabilities</u>

FTE positions	1,921.9
Operating lump sum appropriation	$ 46,396,500
Fund sources:	
State general fund	$ 17,883,400
Expenditure authority	28,513,100
Case management - title XIX	$ 42,509,800
Fund sources:	
State general fund	$ 14,471,500
Expenditure authority	28,038,300
Home and community based services - title XIX	$650,550,900
Fund sources:	
State general fund	$226,852,000
Expenditure authority	423,698,900
Institutional services - title XIX	$ 15,873,000
Fund sources:	
State general fund	$ 5,430,900
Expenditure authority	10,442,100
Medical services	$142,813,300
Fund sources:	
State general fund	$ 48,904,800
Expenditure authority	93,908,500
Arizona training program at Coolidge - title XIX	$ 17,018,800

Fund sources:	
State general fund	$ 5,783,200
Expenditure authority	11,235,600
Medicare clawback payments	$ 2,456,100
Fund sources:	
State general fund	$ 2,456,100
Case management - state-only	$ 4,496,000
Fund sources:	
State general fund	$ 4,496,000
Home and community based services - state-only	$ 36,697,500
Fund sources:	
State general fund	$ 35,849,400
Long-term care system fund	848,100
Institutional services - state-only	$ 294,900
Fund sources:	
State general fund	$ 294,900
Arizona training program at Coolidge - state-only	$ 566,400
Fund sources:	
State general fund	$ 566,400
State-funded long-term care services	$ 26,383,300
Fund sources:	
State general fund	$ 762,900
Long-term care system fund	25,620,400
Developmental disabilities non-title XIX reduction	$(7,459,100)
Fund sources:	
State general fund	$(7,459,100)
Autism training and oversight	$ 200,000
Fund sources:	
Tobacco tax and healthcare - health research account	$ 200,000
Children's autism intensive behavioral treatment services	$ 1,800,000
Fund sources:	
State general fund	$ 1,800,000
Children's autism intensive early intervention services for toddlers	$ 500,000
Fund sources:	
State general fund	$ 500,000

1 Performance measures:
2 Per cent of consumer satisfaction with
3 case management services 99
4 Per cent of relatives and caregivers
5 of consumers stating the services
6 received meet the consumers needs 95
7 Per cent of relatives and caregivers
8 of consumers satisfied with the
9 providers and services received 95
10 It is the intent of the legislature that any available surplus monies
11 for developmental disability programs be applied toward the waiting list,
12 unless there are insufficient monies to annualize these costs in the
13 subsequent year. The children's waiting list shall receive first priority.
14 The amount appropriated for developmental disabilities shall be used to
15 provide for services for nontitle XIX eligible clients. The amount shall not
16 be used for other purposes, unless a transfer of monies is reviewed by the
17 joint legislative budget committee.
18 The department of economic security shall report all new placements
19 into a state-owned ICF-MR or the Arizona training program at Coolidge campus
20 in fiscal year 2009-2010 to the president of the senate, the speaker of the
21 house of representatives, the chairpersons of the senate and house of
22 representatives appropriations committees and the director of the joint
23 legislative budget committee and the reason why this placement, rather than a
24 placement into a privately run facility for the developmentally disabled, was
25 deemed as the most appropriate placement. The department shall also report
26 if no new placements were made. This report shall be made available by July
27 15, 2010.
28 All monies in the long-term care system fund unexpended and
29 unencumbered at the end of fiscal year 2009-2010 revert to the state general
30 fund, subject to approval by the Arizona health care cost containment system
31 administration.
32 The department shall report to the joint legislative budget committee
33 by March 1 of each year on preliminary actuarial estimates of the capitation
34 rate changes for the following fiscal year along with the reasons for the
35 estimated changes. For any actuarial estimates that include a range, the
36 total range from minimum to maximum shall be not more than two per cent.
37 Before implementation of any changes in capitation rates for the long-term
38 care program, the department of economic security shall report for review the
39 expenditure plan to the joint legislative budget committee. Before the
40 department implements any changes in policy affecting the amount,
41 sufficiency, duration and scope of health care services and who may provide
42 services, the department shall prepare a fiscal impact analysis on the
43 potential effects of this change on the following year's capitation rates.
44 If the fiscal analysis demonstrates that these changes will result in
45 additional state costs of $500,000 or greater for a given fiscal year, the

department shall submit the policy changes for review by the joint legislative budget committee.

Prior to the implementation of any developmentally disabled or long term care statewide provider rate adjustments not already specifically authorized by the legislature, court mandates or changes to federal law, the department shall submit a report for review by the joint legislative budget committee. The report shall include, at a minimum, the estimated cost of the provider rate adjustment and the ongoing source of funding for the adjustment, if applicable.

For fiscal year 2009-2010, the department of economic security shall not increase reimbursement rates for community service providers and independent service agreement providers contracting with the division of developmental disabilities.

Benefits and medical eligibility	
FTE positions	574.0
Operating lump sum appropriation	$ 40,657,000
Fund sources:	
State general fund	$ 25,716,800
Federal temporary assistance for needy families block grant	14,940,200
Temporary assistance for needy families cash benefits	$121,873,400
Fund sources:	
State general fund	$ 41,242,700
Federal temporary assistance for needy families block grant	80,630,700
Tribal pass-through funding	$ 5,192,300
Fund sources:	
State general fund	$ 5,192,300
Tuberculosis control payments	$ 32,200
Fund sources:	
State general fund	$ 32,200
Performance measures:	
Per cent of cash benefits issued timely	96.0
Per cent of total cash benefits payments issued accurately	95.0
Per cent of total food stamps payments issued accurately	96.0
Per cent of clients satisfied with family assistance administration	90.0

The operating lump sum appropriation may be expended on Arizona health care cost containment system eligibility determinations based on the results of the Arizona random moment sampling survey.

Any transfer to or from the $121,873,400 appropriated for temporary assistance for needy families cash benefits requires review by the joint legislative budget committee.

Of the amount appropriated for temporary assistance for needy families cash benefits, $500,000 reflects appropriation authority only to ensure sufficient cashflow to administer cash benefits for tribes operating their own welfare programs. The department shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting staff before the use of any of the $500,000 appropriation authority.

Child support enforcement	
FTE positions	863.8
Operating lump sum appropriation	$ 49,513,700
Fund sources:	
State general fund	$ 7,958,600
Child support enforcement administration fund	12,220,000
Expenditure authority	29,335,100
Genetic testing	$ 360,000
Fund sources:	
State general fund	$ 122,400
Expenditure authority	237,600
County participation	$ 8,645,200
Fund sources:	
Child support enforcement administration fund	$ 1,384,100
Expenditure authority	7,261,100
Attorney general legal services	$ 9,901,400
Fund sources:	
State general fund	$ 887,500
Child support enforcement administration fund	2,426,500
Expenditure authority	6,587,400
Performance measures:	
Total IV-D collections	$371,500,000
Ratio of current IV-D support collected and distributed to current IV-D support due	50.4

1 Aging and community services	
2 FTE positions	109.6
3 Operating lump sum appropriation	$ 7,296,100
4 Fund sources:	
5 State general fund	$ 7,048,500
6 Federal temporary assistance	
7 for needy families block	
8 grant	247,600
9 Adult services	$ 18,977,700
10 Fund sources:	
11 State general fund	$ 18,977,700
12 Aging and community services -	
13 25% reduction	$(5,568,700)
14 Fund sources:	
15 State general fund	$(5,568,700)
16 Community and emergency	
17 services	$ 5,424,900
18 Fund sources:	
19 Federal temporary assistance	
20 for needy families block	
21 grant	$ 5,424,900
22 Coordinated hunger	$ 2,014,600
23 Fund sources:	
24 State general fund	$ 1,514,600
25 Federal temporary assistance	
26 for needy families block	
27 grant	500,000
28 Coordinated homeless	$ 2,804,900
29 Fund sources:	
30 State general fund	$ 1,155,400
31 Federal temporary assistance	
32 for needy families block	
33 grant	1,649,500
34 Domestic violence prevention	$ 16,647,400
35 Fund sources:	
36 State general fund	$ 7,626,700
37 Federal temporary assistance	
38 for needy families block	
39 grant	6,620,700
40 Domestic violence shelter fund	2,400,000
41 Performance measures:	
42 Adult protective services investigation	
43 per cent rate	100

1 The department of economic security shall report to the joint
2 legislative budget committee on the amount of state and federal monies
3 available statewide for domestic violence funding by December 15, 2009. The
4 report shall include, at a minimum, the amount of monies available and the
5 state fiscal agent receiving those monies.

6 Children, youth and families	
7 FTE positions	1,616.7
8 Operating lump sum appropriation	$102,378,000
9 Fund sources:	
10 State general fund	$ 64,056,100
11 Children and family services	
12 training program fund	209,600
13 Federal temporary assistance	
14 for needy families block	
15 grant	38,112,300
16 Adoption services	$ 55,244,600
17 Fund sources:	
18 State general fund	$ 35,942,200
19 Federal temporary assistance	
20 for needy families block	
21 grant	19,302,400
22 Adoption services - family	
23 preservation projects	$ 700,000
24 Fund sources:	
25 Federal temporary assistance	
26 for needy families block	
27 grant	$ 700,000
28 Attorney general legal	
29 services	$ 12,168,800
30 Fund sources:	
31 State general fund	$ 12,116,600
32 Federal temporary assistance	
33 for needy families block	
34 grant	52,200
35 Child abuse prevention	$ 826,900
36 Fund sources:	
37 Child abuse prevention fund	$ 826,900
38 Children support services	$ 71,082,400
39 Fund sources:	
40 State general fund	$ 40,403,300
41 Child abuse prevention fund	750,000

Federal temporary assistance for needy families block grant	29,929,100
Comprehensive medical and dental program	$ 2,057,000
Fund sources:	
State general fund	$ 2,057,000
Child protective services appeals	$ 732,300
Fund sources:	
State general fund	$ 732,300
CPS emergency placement	$ 5,186,500
Fund sources:	
State general fund	$ 2,180,100
Federal temporary assistance for needy families block grant	3,006,400
Family support reduction	$(6,290,000)
Fund sources:	
State general fund	$(6,290,000)
Education and training vouchers	$ 700,000
Fund sources:	
State general fund	$ 700,000
Family builders program	$ 5,200,000
Fund sources:	
Federal temporary assistance for needy families block grant	$ 5,200,000
Foster care placement	$ 23,362,600
Fund sources:	
State general fund	$ 17,139,500
Federal temporary assistance for needy families block grant	6,223,100
Healthy families	$ 10,750,000
Fund sources:	
State general fund	$ 5,715,800
Federal temporary assistance for needy families block grant	5,034,200
Homeless youth intervention	$ 400,000
Fund sources:	
Federal temporary assistance for needy families block grant	$ 400,000
Independent living maintenance	$ 2,136,000
Fund sources:	
State general fund	$ 2,136,000
Intensive family services	$ 1,985,600

Fund sources:	
State general fund	$ 1,985,600
Joint substance abuse - Arizona families in recovery succeeding together	$ 7,224,500
Fund sources:	
State general fund	$ 5,224,500
Federal temporary assistance for needy families block grant	$ 2,000,000
Permanent guardianship subsidy	$ 8,935,300
Fund sources:	
State general fund	$ 7,192,300
Federal temporary assistance for needy families block grant	1,743,000
CPS residential placement	$ 17,710,000
Fund sources:	
State general fund	$ 6,543,400
Federal temporary assistance for needy families block grant	11,166,600
Performance measures:	
Per cent of newly hired CPS specialists completing training within 7 months of hire	100
Per cent of children in out-of-home care who have not returned to their families or been permanently placed elsewhere for more than 24 consecutive months	19
Per cent of CPS reports responded to by CPS staff	100
Per cent of CPS original dependencies cases where court denied or dismissed the dependency	<1
Per cent of office of administrative hearings where CPS case findings are affirmed	90
Per cent of CPS complaints reviewed by the office of the ombudsman-citizens aide where allegations are reported as valid by the ombudsman	13
Average number of days spent in shelter placements	15
Number of children in shelter care more than 21 days	0
Number of children under 3 in shelter care	0
Number of children under 6 in group homes	0

Any transfer to or from the amounts appropriated for children support services, CPS emergency placement, CPS residential placement or foster care placement requires review by the joint legislative budget committee.

Of the amounts appropriated for children support services, CPS emergency placement, CPS residential placement and foster care placement, $22,613,100 is appropriated from the federal temporary assistance for needy families block grant to the social services block grant for deposit in the following line items in the following amounts:

Children support services	5,371,700
CPS emergency placement	2,333,700
CPS residential placement	9,833,300
Foster care placement	5,074,400

The department of economic security shall provide training to any new child protective services FTE positions before assigning to any of these employees any client caseload duties.

It is the intent of the legislature that the department of economic security use the funding in the division of children, youth and families to achieve a one hundred per cent investigation rate.

Employment and rehabilitation services	
FTE positions	559.9
Operating lump sum appropriation	$ 33,957,600
Fund sources:	
State general fund	$ 10,259,700
Federal child care and development fund block grant	10,839,300
Federal temporary assistance for needy families block grant	6,650,200
Workforce investment act grant	2,283,700
Special administration fund	74,400
Spinal and head injuries trust fund	613,800
Federal Reed act grant	3,236,500
JOBS	$ 13,247,900
Fund sources:	
State general fund	$ 1,715,200
Federal temporary assistance for needy families block grant	8,032,700
Workforce investment act grant	2,000,000
Special administration fund	1,500,000
Day care subsidy	$178,864,000

Fund sources:	
State general fund	$ 81,295,100
Federal child care and development fund block grant	82,485,800
Federal temporary assistance for needy families block grant	15,083,100
Transitional child care	$ 36,193,000
Fund sources:	
Federal child care and development fund block grant	$ 36,193,000
Vocational rehabilitation services	$ 4,719,100
Fund sources:	
State general fund	$ 4,514,400
Spinal and head injuries trust fund	204,700
Assistive technology	$ 200,000
Fund sources:	
State general fund	$ 200,000
Independent living rehabilitation services	$ 2,491,900
Fund sources:	
State general fund	$ 784,200
Spinal and head injuries trust fund	1,707,700
Workforce investment act - local governments	$ 48,040,600
Fund sources:	
Workforce investment act grant	$ 48,040,600
Workforce investment act - discretionary	$ 3,614,000
Fund sources:	
Workforce investment act grant	$ 3,614,000
Performance measures:	
Number of TANF recipients who obtained employment	18,000
Per cent of customer satisfaction with child care	95.0
Vocational rehabilitation individuals successfully rehabilitated	2,000

Of the $178,864,000 appropriated for day care subsidy, $115,199,900 is for a program in which the upper income limit is no more than one hundred sixty-five per cent of the federal poverty level.

The amounts appropriated for day care subsidy and transitional child care shall be used exclusively for child care costs unless a transfer of monies is reviewed by the joint legislative budget committee. Monies shall not be used from these appropriated amounts for any other expenses of the department of economic security unless a transfer of monies is reviewed by the joint legislative budget committee.

Monies in the child care subsidy and transitional child care line items shall be used to provide services only to residents of the state of Arizona who are citizens or legal residents of the United States or who are otherwise lawfully present in the United States.

The department of economic security shall use the $200,000 appropriated for assistive technology to contract with a third party to create a statewide clearinghouse for assistive technology to be distributed to Arizona school districts.

~~Lump sum FTE reduction~~	~~(352.0)~~
~~Agencywide lump sum reduction~~	~~$(119,586,100)~~
~~Fund sources:~~	
~~State general fund~~	~~$(129,808,500)~~
~~Child support enforcement administration fund~~	~~(796,900)~~
~~Domestic violence shelter fund~~	~~(480,000)~~
~~Long term care system fund~~	~~(2,972,600)~~
~~Federal TANF block grant~~	~~15,468,000~~
~~Public assistance collections fund~~	~~(92,200)~~
~~Special administration fund~~	~~(347,000)~~
~~Spinal and head injuries trust fund~~	~~(556,900)~~
~~Lump sum reduction deferral~~	~~$ (25,000,000)~~
~~Fund sources:~~	
~~State general fund~~	~~$ (25,000,000)~~

VETO

Performance measures:

Agencywide customer satisfaction rating (Scale 1-5)	3.8

The above appropriations are in addition to funds granted to the state by the federal government for the same purposes but shall be deemed to include the sums deposited in the state treasury to the credit of the department of economic security pursuant to section 42-5029, Arizona Revised Statutes.

A monthly report comparing total expenditures for the month and year-to-date as compared to prior year totals shall be forwarded to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee by the thirtieth of the following month. The report shall include an estimate of (1) potential shortfalls in entitlement programs, (2) potential federal and other funds, such as the statewide assessment for indirect costs, and any projected surplus in state supported programs that may be available to offset these shortfalls and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation, (3) shortfalls resulting from new leases or renegotiations of current leases and associated costs and (4) total expenditure authority of the child support enforcement program for the month and year-to-date as compared to prior year totals.

The department of economic security shall not operate more welfare offices than it operated in fiscal year 2005-2006.

It is the intent of the legislature that the department of economic security make the reductions associated with the agencywide lump sum reduction against administrative functions and, to the extent possible, not against programmatic functions.

Sec. 32. STATE BOARD OF EDUCATION AND SUPERINTENDENT OF PUBLIC INSTRUCTION

	2009-10
Administration	
FTE positions	72.5
Lump sum appropriation	$ 6,469,600
Fund sources:	
State general fund	$ 6,469,600

The lump sum appropriation includes $291,100 and 4 FTE positions for average daily membership auditing and $200,000 and 2 FTE positions for information technology security services.

~~Formula programs~~

FTE positions	29.0
Operating lump sum appropriation	$ 2,096,800
Basic state aid	$2,795,599,400
Fund sources:	
State general fund	$2,749,123,900
Permanent state school fund	46,475,500

VETO

The above appropriation provides basic state support to school districts for maintenance and operations funding as provided by section 15-973, Arizona Revised Statutes, and includes an estimated $46,475,500 in expendable income derived from the permanent state school fund and from state trust lands pursuant to section 37-521, subsection B, Arizona Revised Statutes, for fiscal year 2009-2010.

Receipts derived from the permanent state school fund and any other nonstate general fund revenue source that is dedicated to fund basic state aid will be expended, whenever possible, before expenditure of state general fund monies.

Except as required by section 37-521, Arizona Revised Statutes, all monies received during the fiscal year from national forests, interest collected on deferred payments on the purchase of state lands, the income from the investment of permanent funds as prescribed by the enabling act and the Constitution of Arizona and all monies received by the superintendent of public instruction from whatever source, except monies received pursuant to sections 15-237 and 15-531, Arizona Revised Statutes, when paid into the state treasury are appropriated for apportionment to the various counties in accordance with law. An expenditure shall not be made except as specifically authorized above.

~~Additional state aid~~	~~$ 366,586,000~~
Special education fund	35,237,700
~~Other state aid to districts~~	~~983,900~~
~~Total - formula programs~~	~~$3,200,503,800~~
~~Fund sources:~~	
~~State general fund~~	~~$3,154,028,300~~
~~Permanent state school fund~~	~~46,475,500~~
Nonformula programs	
FTE positions	149.4
Operating lump sum appropriation	$ 1,312,700
Achievement testing	10,236,900

VETO

Before making any changes to the achievement testing program that will increase program costs, the state board of education shall report the estimated fiscal impact of those changes to the joint legislative budget committee.

AIMS intervention; dropout prevention	5,050,000
School accountability	4,699,100
Adult education and GED	4,477,900
Chemical abuse	817,100
English learner administration	4,805,800

The appropriated amount is to be used by the department of education to provide English language acquisition services for the purposes of section 15-756.07, Arizona Revised Statutes, and for the costs of providing English language proficiency assessments, scoring and ancillary materials as prescribed by the department of education to school districts and charter schools for the purposes of title 15, chapter 7, article 3.1, Arizona Revised Statutes. The department of education may use a portion of the appropriated amount to hire staff or contract with a third party to carry out the purposes of section 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192, Arizona Revised Statutes, the superintendent of public instruction

also may use a portion of the appropriated amount to contract with one or more private attorneys to provide legal services in connection with the case of Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

Compensatory instruction fund deposit	10,000,000
Arizona structured English immersion fund	8,791,400
Extended school year	500,000
Family literacy	1,008,700
Gifted support	3,377,000
School safety program	6,718,900
Small pass-through programs	100,000

The appropriated amount includes $50,000 for the academic contest fund and $50,000 for the economic academic council.

State block grant for early childhood education	19,438,100
State block grant for vocational education	11,467,700
Vocational education extended year	600,000
Teacher certification	1,971,400

Monies collected by the department of education for teacher certification fees, as authorized by section 15-531, paragraphs 1 and 2, Arizona Revised Statutes, shall be deposited in a teacher certification fund for use in funding costs of the teacher certification program.

Parental choice for reading success	1,000,000
Optional performance incentive programs	120,000
Total - nonformula programs	$ 96,492,700

Fund sources:

State general fund	$ 87,303,600
Proposition 301 fund	7,000,000
Teacher certification fund	2,189,100

Performance measures:

Per cent of students tested who perform at or above the national norm on the norm-referenced test (grade 2)	
-- reading	49
-- math	54
Per cent of students tested who perform at or above the national norm on the norm-referenced test (grade 9)	
-- reading	54
-- math	53

Per cent of schools with at least 75% of students meeting or exceeding standards in:	
-- reading	37
-- writing	34
-- math	34
Per cent of Arizona high school students who enter grade 9 and graduate within 4 years	74
Per cent of students in grade 3 meeting or exceeding state academic standards in:	
-- reading	70
-- writing	77
-- math	72
Per cent of students in grade 5 meeting or exceeding state academic standards in:	
-- reading	69
-- writing	66
-- math	71
Per cent of students in grade 8 meeting or exceeding state academic standards in:	
-- reading	68
-- writing	77
-- math	62
Per cent of students in grade 12 meeting or exceeding state academic standards in:	
-- reading	40
-- writing	42
-- math	29
Per cent of students tested:	
-- norm-referenced test (grades 2 and 9)	94
-- AIMS	99
Per cent of Arizona schools receiving an underperforming label	10
Maximum number of days to process complete certification applications	14
Per cent of customers satisfied with certification services	94
State board of education	
FTE positions	11.0
Lump sum appropriation	$ 1,146,200
Fund sources:	
State general fund	$ 692,500
Teacher certification fund	453,700

1 Performance measures:
2 Per cent of parents who rate "A+" the public
3 school that their oldest school-age child
4 attends 9.0
5 The state board of education program may establish its own strategic
6 plan separate from that of the department of education and based on its own
7 separate mission, goals and performance measures.
8 Lump sum FTE reduction (20.0)
9 Lump sum reduction $(13,204,900)
10 Fund sources:
11 State general fund $(13,017,600)
12 Teacher certification fund (187,300)
13 The department shall not take its lump sum reduction against the
14 vocational education extended year line item.
15 Total appropriation - state board of
16 education and superintendent
17 of public instruction
18 $3,291,407,400
19 Fund sources:
20 State general fund $3,235,476,400
21 Proposition 301 fund 7,000,000
22 Permanent state school fund 46,475,500
23 Teacher certification fund 2,455,500
24 The department shall provide an updated report on its budget status
25 every two months for the first half of each fiscal year and every month
26 thereafter to the president of the senate, the speaker of the house of
27 representatives, the chairpersons of the senate and house of representatives
28 appropriations committees, the director of the joint legislative budget
29 committee and the director of the governor's office of strategic planning and
30 budgeting. Each report shall include, at a minimum, the department's current
31 funding surplus or shortfall projections for basic state aid and other major
32 formula-based programs and shall be due thirty days after the end of the
33 applicable reporting period.
34 Within fifteen days of each apportionment of state aid that occurs
35 pursuant to section 15-973, subsection B, Arizona Revised Statutes, the
36 department shall provide the joint legislative budget committee staff and the
37 governor's office of strategic planning and budgeting with an electronic
38 spreadsheet or database copy of data included in the apor55-1 report for that
39 apportionment for each school district and the char55-1 report for that
40 apportionment for each charter school.

Sec. 33. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

	2009-10
Administration	
FTE positions	13.9
Lump sum appropriation	$ 2,152,300
Military gift package postage	100,000
Total - administration	$ 2,252,300
Fund sources:	
State general fund	$ 2,252,300
Emergency management	
FTE positions	12.0
Operating lump sum appropriation	$ 1,078,100
Civil air patrol	54,700
Total - emergency management	$ 1,132,800
Fund sources:	
State general fund	$ 1,000,100
Emergency response fund	132,700
Military affairs	
FTE positions	66.2
Operating lump sum appropriation	$ 2,769,600
Guardsmen tuition reimbursement	1,446,000
Project challenge	1,770,100
National guard uniform allowance	250,000
Border security	928,800
Total - military affairs	$ 7,164,500
Fund sources:	
State general fund	$ 7,164,500
Lump sum FTE reduction	(10.0)
Lump sum reduction	$(2,403,800)
Fund sources:	
State general fund	$(2,403,800)
Total appropriation - department of emergency and military affairs	$ 8,145,800
Fund sources:	
State general fund	$ 8,013,100
Emergency response fund	132,700
Performance measures:	
Per cent of project challenge graduates either employed or in school	95
Customer satisfaction rating for communities served during disasters (Scale 1-8)	6.0

The department of emergency and military affairs appropriation includes $1,215,000 for service contracts. This amount is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that all fiscal year 2009-2010 monies remaining unexpended and unencumbered on October 31, 2010, revert to the state general fund.

It is the intent of the legislature that the department of emergency and military affairs submit a request to the United States department of defense on or before September 30, 2009 to allow the department of emergency and military affairs to conduct training exercises for Arizona national guard units at the Arizona-Mexico border. The department of emergency and military affairs shall report to the joint legislative budget committee on or before December 31, 2009 on the response of the United States department of defense to this request.

Sec. 34. DEPARTMENT OF ENVIRONMENTAL QUALITY

	2009-10
Administration	
FTE positions	144.6
Lump sum appropriation	$ 15,880,300
Fund sources:	
State general fund	$ 3,132,100
Indirect cost recovery fund	12,748,200
Air programs	
FTE positions	124.9
Air quality management and analysis	11,436,200
Emissions control contractor payment	27,639,600
Emissions control program - administration	4,231,100
Transfers to counties program	165,000
Maricopa, Pima and Pinal counties travel reduction plan	1,676,900
Total - air programs	$ 45,148,800
Fund sources:	
State general fund	$ 381,400
Air quality fund	5,227,500
Air permits administration fund	5,992,300
Emissions inspection fund	33,547,600
Waste programs	
FTE positions	48.4
Waste control and management	6,446,100
Underground storage tank program	22,000
Waste tire program	53,600
Total - waste programs	$ 6,521,700

Fund sources:	
State general fund	$ 1,149,700
Air quality fund	588,300
Hazardous waste management fund	795,000
Recycling fund	2,325,800
Solid waste fee fund	1,503,100
Underground storage tank revolving fund	22,000
Used oil fund	137,800
Water programs	
FTE positions	155.5
Arizona pollutant discharge elimination system	1,524,700
Drinking water regulation program	2,499,800
Surface water regulation program	1,137,100
Underground water regulation program	7,032,100
Total - water programs	$ 12,193,700
Fund sources:	
State general fund	$ 2,151,800
Water quality fee fund	5,887,000
Clean water revolving fund	4,154,900
WIFA	
Drinking water revolving loan program	845,100
Total - WIFA	$ 845,100
Fund sources:	
Clean water revolving fund	$ 845,100
~~Lump sum reduction~~	~~$(7,860,100)~~
~~Fund sources:~~	
~~State general fund~~	~~$(2,259,500)~~
~~Air permits administration fund~~	~~(339,900)~~
~~Air quality fund~~	~~(679,000)~~
~~Emissions inspection fund~~	~~(138,400)~~
~~Indirect cost recovery fund~~	~~(1,575,500)~~
~~Recycling fund~~	~~(2,325,800)~~
~~Solid waste fee fund~~	~~(260,200)~~
~~Water quality fee fund~~	~~(281,800)~~
~~Total appropriation - department of environmental quality~~	~~$ 72,729,500~~

VETO

VETO

~~Fund sources:~~	
State general fund	$ 4,555,500
Air permits administration fund	5,652,400
Air quality fund	5,136,800
Clean water revolving fund	5,000,000
Emissions inspection fund	33,409,200
Hazardous waste management fund	795,000
Indirect cost recovery fund	11,172,700
Solid waste fee fund	1,242,900
Underground storage tank revolving fund	22,000
Used oil fund	137,800
~~Water quality fee fund~~	~~5,605,200~~

Performance measures:

Per cent of contaminated sites closed requiring no further action (cumulative) versus known sites	84.5
Number of nonattainment areas exceeding national ambient air quality standards	5
Per cent of statutorily set permit timelines met through licensing time frames rule	100
Number of days per year exceeding national ambient air quality standards for ozone, carbon monoxide or particulates	0
Per cent of facilities from drinking water priority log assigned to enforcement staff	100
Customer satisfaction rating for citizens (Scale 1-8)	7.7

Of the monies appropriated to the Maricopa, Pima and Pinal counties travel reduction plan line item in fiscal year 2009-2010, $948,600 shall be allocated to Maricopa county, $373,000 shall be allocated to the Pima association of governments, $87,000 shall be allocated to Pinal county and $268,300 shall be allocated to Pima county.

When expenditures from the hazardous waste or environmental health reserves are authorized, the director of the department of environmental quality shall report the nature of the emergency and the authorized expenditure amount to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee.

Any transfer from the amount appropriated for the Arizona pollutant discharge elimination system line item shall require prior joint legislative budget committee review.

Pursuant to section 49-282, Arizona Revised Statutes, the department of environmental quality shall submit a fiscal year 2010-2011 budget for the water quality assurance revolving fund before September 1, 2009, for review by the senate and house of representatives appropriations committees.

The department of environmental quality shall report annually on the progress of WQARF activities, including emergency response, priority site remediation, cost recovery activity, revenue and expenditure activity and other WQARF-funded program activity. This report shall also include a budget for the WQARF program that is developed in consultation with the WQARF advisory board. The fiscal year 2009-2010 report shall be submitted to the joint legislative budget committee by September 1, 2009. This budget shall specify the monies budgeted for each listed site during fiscal year 2009-2010. In addition, the department and the advisory board shall prepare and submit to the joint legislative budget committee, by October 2, 2009, a report in a table format summarizing the current progress on remediation of each listed site on the WQARF registry. The table shall include the stage of remediation for each site at the end of fiscal year 2008-2009, whether the current stage of remediation is anticipated to be completed in fiscal year 2009-2010 and the anticipated stage of remediation at each listed site at the end of fiscal year 2009-2010, assuming fiscal year 2009-2010 funding levels. The department and advisory board may include other relevant information about the listed sites in the table.

The monies appropriated in the transfers to counties program line item are for use by Arizona counties to avoid being declared in nonattainment of particulate matter standards by establishing public notification and outreach programs, minimizing exposure to particulate matter concentrations, and abating and minimizing controllable sources of particulate matter through best available control measures. Of the monies in the transfers to counties program line item in fiscal year 2009-2010, $50,000 shall be used by Pima county for carbon monoxide monitoring as required by the Pima county limited maintenance plan with the United States environmental protection agency.

The department of environmental quality shall submit a written report detailing the maximum, minimum and average water quality permit processing times for fiscal year 2008-2009 by December 1, 2009, for review by the joint legislative budget committee. The fiscal year 2008-2009 data shall contain the year-to-date actual data and projected totals for each year. This report shall also include total number of staff hours devoted to water quality permit processing in fiscal year 2008-2009, the total costs to process these permits and the progress made in reducing water quality permit processing times.

Sec. 35. STATE BOARD OF EQUALIZATION

	2009-10
FTE positions	7.0
Lump sum appropriation	$ 556,800
Fund sources:	
State general fund	$ 556,800
Performance measures:	
Average calendar days to process a property tax appeal from receipt to issuance	28
Per cent of rulings upheld in tax courts	100
Customer satisfaction rating (Scale 1-8)	6.1

Sec. 36. BOARD OF EXECUTIVE CLEMENCY

	2009-10
FTE positions	15.0
Lump sum appropriation	$ 857,200
Fund sources:	
State general fund	$ 857,200
Performance measures:	
Customer satisfaction rating for victims (Scale 1-8)	6.0

Sec. 37. ARIZONA EXPOSITION AND STATE FAIR BOARD

	2009-10
FTE positions	184.0
Lump sum appropriation	$ 14,617,600
Fund sources:	
Arizona exposition and state fair fund	$ 14,617,600
Performance measures:	
Fair attendance	1,300,000
Per cent of guests rating state fair "good" or "excellent" based on annual survey	96

Sec. 38. DEPARTMENT OF FINANCIAL INSTITUTIONS

	2009-10
FTE positions	48.1
Lump sum appropriation	$ 3,131,600
Fund sources:	
State general fund	$ 3,131,600
Performance measures:	
Per cent of examinations reports mailed within 25 days of examiner's completion of exam procedures	21.0
Per cent of license applications approved within 45 days of receipt	53.0

Per cent of examinations receiving satisfactory rating	91.0
Average days from receipt to resolution of regular complaints	160.0
Per cent of complainants indicating they received "good" or better service when filing a complaint	80.0

The department of financial institutions shall assess and set fees to ensure that monies deposited in the state general fund will equal or exceed its expenditure from the state general fund.

Sec. 39. DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

	2009-10
FTE positions	49.0
Lump sum appropriation	$ 2,808,900
Fund sources:	
State general fund	$ 2,808,900
Performance measures:	
Per cent of manufactured homes complaints closed vs. complaints filed	98
Customer satisfaction rating (Scale 1-5)	4.7

Sec. 40. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS

	2009-10
FTE positions	4.0
Lump sum appropriation	$ 350,000
Fund sources:	
Board of funeral directors and embalmers fund	$ 350,000
Performance measures:	
Average calendar days to resolve a complaint	85
Average calendar days to renew a license	20
Customer satisfaction rating (Scale 1-8)	7.7

Sec. 41. GAME AND FISH DEPARTMENT

	2009-10
FTE positions	273.5
Operating lump sum appropriation	$ 32,850,300
Pittman - Robertson/Dingell - Johnson act	3,808,000
Performance incentive pay program	346,800*
Lower Colorado multispecies conservation	350,000
Watercraft grant program	250,000
Watercraft safety education program	1,175,000
Lump sum reduction	(1,410,900)
Total appropriation - game and fish department	$ 37,369,200

Fund sources:	
Game and fish fund	$ 34,899,100
Waterfowl conservation fund	43,400
Wildlife endowment fund	16,000
Watercraft licensing fund	2,080,800
Game, nongame, fish and endangered species fund	329,900
Performance measures:	
Per cent of the public surveyed rating watercraft safety as "good" or "excellent"	80
Per cent of anglers surveyed reporting they were satisfied with their angling experiences	81

In addition to the $3,808,000 for the Pittman - Robertson/Dingell - Johnson act line item, the lump sum appropriation includes $50,000 for cooperative fish and wildlife research which may be used for the purpose of matching federal and apportionment funds.

The $300,000 from the game and fish fund and $46,800 from the watercraft licensing fund in fiscal year 2009-2010 for the performance incentive pay program line item shall be used for personal services and employee-related expenditures associated with the department's performance incentive pay program. This appropriation is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 42. DEPARTMENT OF GAMING

	2009-10
FTE positions	123.0
Operating lump sum appropriation	$ 8,653,900
Casino operations certification	1,972,700
Problem gambling	2,277,000
Joint monitoring system	233,300
Total appropriation - department of gaming	$ 13,136,900
Fund sources:	
Tribal-state compact fund	$ 1,972,700
Arizona benefits fund	10,864,200
State lottery fund	300,000
Performance measures:	
Per cent of gaming facilities reviewed for compact compliance	100
Per cent of vendor customers satisfied with process	96

If information technology authorization committee approval is required for the project investment justification for the joint monitoring system and the information technology authorization committee does not approve the project investment justification, monies for the joint monitoring system line

1 item shall not be spent and will revert to the instructional improvement
2 fund.
3 Sec. 43. ARIZONA GEOLOGICAL SURVEY

		2009-10
FTE positions		11.3
Lump sum appropriation	$	866,400
Fund sources:		
State general fund	$	866,400
Performance measures:		
Satisfaction with service provided (Scale 1-5)		4.7

Sec. 44. GOVERNMENT INFORMATION TECHNOLOGY AGENCY

		2009-10
FTE positions		23.0
Operating lump sum appropriation	$	7,815,100
Statewide information security and privacy office		870,300
Public safety communications		880,600
Lump sum reduction		(1,865,200)
Total appropriation - government information technology agency	$	7,700,800
Fund sources:		
State general fund	$	734,400
Information technology fund		3,066,400
State web portal fund		3,900,000
Performance measures:		
Per cent of information technology (IT) projects completed on schedule		96
Per cent of IT projects completed within budget		96
Per cent of agency IT managers rating GITA performance as excellent		60
Per cent of IT projects that are compliant with state enterprise architecture standards		90

Sec. 45. OFFICE OF THE GOVERNOR

		2009-10
Operating lump sum appropriation	$	6,784,900*
County fairs livestock and agricultural promotion fund		1,779,500
Total appropriation - office of the governor	$	8,564,400
Fund sources:		
State general fund	$	8,564,400

Included in the operating lump sum appropriation of $6,784,900 for fiscal year 2009-2010 is $10,000 for the purchase of mementos and items for visiting officials.

Sec. 46. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING

	2009-10
FTE positions	23.0
Lump sum appropriation	$ 1,899,600
Fund sources:	
State general fund	$ 1,899,600
Performance measures:	
Per cent of participants rating budget and planning training "good" or "excellent"	94

Sec. 47. DEPARTMENT OF HEALTH SERVICES

	2009-10
Administration	
FTE positions	432.8
Operating lump sum appropriation	$ 17,039,000
Fund sources:	
State general fund	$ 14,251,600
Capital outlay stabilization fund	1,578,000
Emergency medical services operating fund	209,400
Indirect cost fund	1,000,000
Assurance and licensure	$ 11,302,300
Fund sources:	
State general fund	$ 9,144,700
Federal child care and development fund block grant	829,200
Hearing and speech professionals fund	340,200
Nursing care institution resident protection revolving fund	38,000
Expenditure authority	950,200
Attorney general legal services	$ 444,900
Fund sources:	
State general fund	$ 394,900
Emergency medical services operating fund	50,000
Newborn screening program fund - indirect costs	$ 478,600
Fund sources:	
Newborn screening program fund	$ 478,600
Indirect cost fund	$ 8,075,700
Fund sources:	
Indirect cost fund	$ 8,075,700

Performance measures:	
Per cent of relicensure surveys completed on time:	
Child care facilities	97
Health care facilities	77
Per cent of complaint investigations initiated later than investigative guidelines:	
Child care facilities	0
Health care facilities	30
Public health	
FTE positions	245.1
Operating lump sum appropriation	$ 6,217,000
Fund sources:	
State general fund	$ 5,379,700
Emergency medical services operating fund	837,300
AIDS reporting and surveillance	$ 1,125,000
Fund sources:	
State general fund	$ 1,125,000
Alzheimer's disease research	$ 2,250,000
Fund sources:	
State general fund	$ 2,250,000
Arizona statewide immunization information system	$ 477,600
Fund sources:	
State general fund	$ 477,600
Community health centers	$ 13,481,400
Fund sources:	
State general fund	$ 8,981,400
Tobacco tax and health care fund - medically needy account	4,500,000
County tuberculosis provider care and control	$ 1,210,500
Fund sources:	
State general fund	$ 1,210,500
Diabetes prevention and control	$ 100,000
Fund sources:	
State general fund	$ 100,000
Direct grants	$ 460,300
Fund sources:	
State general fund	$ 460,300
EMS operations	$ 3,233,800

Fund sources:	
Emergency medical services operating fund	$ 3,233,800
Hepatitis C surveillance	$ 309,400
Fund sources:	
State general fund	$ 309,400
Laboratory services	$ 5,059,200
Fund sources:	
State general fund	$ 4,088,600
Environmental laboratory licensure revolving fund	970,600
Loan repayment	$ 750,000
Fund sources:	
State general fund	$ 100,000
Emergency medical services operating fund	650,000
Poison control centers funding	$ 1,950,000
Fund sources:	
State general fund	$ 1,950,000
Reimbursement to counties	$ 67,900
Fund sources:	
State general fund	$ 67,900
Renal and nonrenal disease management	$ 198,000
Fund sources:	
State general fund	$ 198,000
Scorpion antivenom	$ 150,000
Fund sources:	
State general fund	$ 150,000
Telemedicine	$ 260,000
Fund sources:	
State general fund	$ 260,000
Teratogen program	$ 60,000
Fund sources:	
State general fund	$ 60,000
Trauma advisory board	$ 405,400
Fund sources:	
Emergency medical services operating fund	$ 405,400
Vaccines	$ 6,132,900
Fund sources:	
State general fund	$ 6,132,900
Vital records maintenance	$ 499,700

Fund sources:	
Vital records electronic systems fund	$ 499,700
Public health appropriation	$ 1,000,000
Fund sources:	
Tobacco tax and health care fund - health research account	$ 1,000,000
Public health reduction	$(1,000,000)
Fund sources:	
State general fund	$(1,000,000)
Performance measures:	
Immunization rate among two-year-old children	84
Per cent of high school youth who smoked in the last month	18
Customer waiting time in vital records lobby (in minutes)	15

Of the $13,481,400 appropriated for community health centers, at least $564,000 shall be distributed to Yavapai county for county primary care programs.

The department of health services may use up to four per cent of the amounts appropriated for renal and nonrenal disease management, community health centers and telemedicine for the administrative costs to implement each program.

Monies appropriated for AIDS reporting and surveillance and renal and nonrenal disease management shall be used to provide services only to residents of the state of Arizona who are citizens or legal residents of the United States or who are otherwise lawfully present in the United States.

The appropriation for direct grants is to provide for local health work and a portion of the cost of employing one public health nurse and one sanitarian in counties with populations of less than five hundred thousand persons. The monies are to be divided equally among eligible counties on a nonmatching basis. All monies that are received by a county under this appropriation and that are not used for the prescribed purposes revert to the state general fund.

The $67,900 appropriated for reimbursement to counties is to provide matching monies to counties with populations of less than five hundred thousand persons for local health work on an equal matching basis and shall be distributed based on the proportion of funding each county received in fiscal year 2002-2003.

The department of health services shall require the screening of potential recipients of vaccines for private insurance coverage, eligibility for the federal vaccines for children program and eligibility for the state children's health insurance program. This requirement applies to vaccines purchased with state monies appropriated for the vaccines line item for both the federal 317 program and the state-only immunization program.

The department of health services shall distribute the entire appropriation for Alzheimer's disease research to grant recipients by September 30, 2009.

Family health	
FTE positions	96.8
Operating lump sum appropriation	$ 5,803,500
Fund sources:	
State general fund	$ 3,622,500
Expenditure authority	2,181,000
Adult cystic fibrosis	$ 105,200
Fund sources:	
State general fund	$ 105,200
Adult sickle cell anemia	$ 33,000
Fund sources:	
State general fund	$ 33,000
AHCCCS - children's rehabilitative services	$ 74,677,100
Fund sources:	
State general fund	$ 25,576,900
Expenditure authority	49,100,200
Breast and cervical cancer and bone density screening	$ 1,015,800
Fund sources:	
State general fund	$ 1,015,800
Child fatality review team	$ 246,300
Fund sources:	
Child fatality review fund	$ 99,100
Emergency medical services operating fund	147,200
Children's rehabilitative services	$ 3,587,000
Fund sources:	
State general fund	$ 3,587,000
County prenatal services grant	$ 1,033,600
Fund sources:	
State general fund	$ 1,033,600
Folic acid	$ 400,000

Fund sources:	
Tobacco tax and health care fund - medically needy account	$ 400,000
High risk perinatal services	$ 5,230,600
Fund sources:	
State general fund	$ 4,780,600
Emergency medical services operating fund	450,000
Medicaid special exemption payments	$ 1,659,500
Fund sources:	
State general fund	$ 568,400
Expenditure authority	1,091,100
Newborn screening program	$ 6,326,700
Fund sources:	
Newborn screening program fund	$ 6,326,700
Senior food programs	$ 500,000
Fund sources:	
State general fund	$ 500,000
Performance measures:	
Number of newborns screened under newborn screening program	101,810

The amounts appropriated for children's rehabilitative services and for AHCCCS - children's rehabilitative services are intended to cover all costs in full for contracts for the provision of services to clients, unless a transfer of monies is reviewed by the joint legislative budget committee.

The department of health services may transfer up to $350,000 in revenues from the indirect cost fund to the Arizona health care cost containment system administration for the purpose of meeting indirect cost state match requirements related to AHCCCS - children's rehabilitative services program.

Of the $5,230,600 appropriated for high risk perinatal services $583,000 shall be distributed to counties.

<u>Behavioral health</u>

FTE positions	166.0
Operating lump sum appropriation	$ 9,518,100
Fund sources:	
State general fund	$ 4,454,200
Expenditure authority	5,063,900
Arnold v. Sarn	$ 37,100,600
Fund sources:	
State general fund	$ 27,500,000
Expenditure authority	9,600,600
Children's behavioral health services	$ 8,851,800

Fund sources:	
State general fund	$ 8,851,800
Children's behavioral health state match for title XIX	$407,201,800
Fund sources:	
State general fund	$139,446,300
Expenditure authority	267,755,500
Court monitoring	$ 197,500
Fund sources:	
State general fund	$ 197,500
Dual eligible part D copay subsidy	$ 802,600
Fund sources:	
State general fund	$ 802,600
Medicaid special exemption payments	$ 23,096,500
Fund sources:	
State general fund	$ 7,909,400
Expenditure authority	15,187,100
Medicare clawback payments	$ 11,932,800
Fund sources:	
State general fund	$ 11,932,800
Mental health and substance abuse state match for title XIX	$121,065,400
Fund sources:	
State general fund	$ 41,458,800
Expenditure authority	79,606,600
Mental health nontitle XIX	$ 2,447,300
Fund sources:	
State general fund	$ 1,947,300
Tobacco tax and health care fund medically needy account	500,000
Proposition 204 - administration	$ 6,534,800
Fund sources:	
State general fund	$ 2,130,200
Expenditure authority	4,404,600
Proposition 204 - children's behavioral health services	$ 5,097,600
Fund sources:	
State general fund	$ 1,745,700
Expenditure authority	3,351,900
Proposition 204 - general mental health and substance abuse	$121,138,500

Fund sources:	
State general fund	$ 41,483,900
Expenditure authority	79,654,600
Proposition 204 - seriously mentally ill services	$233,660,900
Fund sources:	
State general fund	$ 80,017,200
Expenditure authority	153,643,700
Seriously mentally ill nontitle XIX	$ 61,116,700
Fund sources:	
State general fund	$ 30,191,900
Tobacco tax and health care fund medically needy account	30,924,800
Seriously mentally ill state match for title XIX	$231,174,000
Fund sources:	
State general fund	$ 79,165,500
Expenditure authority	152,008,500
Substance abuse nontitle XIX	$ 13,635,400
Fund sources:	
State general fund	$ 11,135,400
Substance abuse services fund	2,500,000
Contract compliance	$5,523,500
Fund sources:	
State general fund	$ 1,856,100
Expenditure authority	3,667,400
Performance measures:	
Per cent of RBHA title XIX clients satisfied with services	90
Per cent of title XIX population that is enrolled in a behavioral health service	12

The amount appropriated for children's behavioral health services shall be used to provide services for nontitle XIX eligible children. The amount shall not be used to pay for either federally or nonfederally reimbursed services for title XIX eligible children, unless a transfer of monies is reviewed by the joint legislative budget committee.

It is the intent of the legislature that the total amount available in the Arnold v. Sarn line item be used for the population covered by the Arnold v. Sarn lawsuit in counties with a population of two million or more persons and for seriously mentally ill persons that meet the same criteria as those covered by the Arnold v. Sarn lawsuit in counties with populations of less than two million persons.

It is the intent of the legislature that the per cent attributable to administration/profit for the regional behavioral health authority in Maricopa county is nine per cent of the overall capitation rate.

The department of health services shall report to the joint legislative budget committee thirty days after the end of each calendar quarter on the progress the department is making toward settling the Arnold v. Sarn lawsuit. The report shall include at a minimum the department's progress towards meeting the exit criteria and whether the department is in compliance with the exit criteria schedule.

Arizona state hospital	
FTE positions	877.7
Operating lump sum appropriation	$ 56,762,900
Fund sources:	
State general fund	$ 49,111,000
Arizona state hospital fund	6,501,900
Arizona state hospital land earnings fund	1,150,000
Arizona state hospital forensic unit debt service	$ 3,111,700
Fund sources:	
State general fund	$ 3,111,700
Community placement treatment	$ 6,704,800
Fund sources:	
State general fund	$ 5,574,100
Arizona state hospital fund	1,130,700
Sexually violent persons	$ 10,630,200
Fund sources:	
State general fund	$ 10,630,200
Electronic medical records	$ 300,000
Fund sources:	
State general fund	$ 300,000
Performance measures:	
Per cent of adult clients successfully placed in community who return for another stay within one year of discharge	6.0
~~Agencywide FTE positions reduction~~	~~(161.0)~~
Agencywide lump sum reduction	$(66,424,800)
Fund sources:	
State general fund	$(63,909,100)
Emergency medical services operating fund	(847,600)
Environmental lab licensure ~~revolving fund~~	~~(41,300)~~

VETO

VETO

~~Hearing and speech professionals~~	
fund	(20,900)
Indirect cost fund	(1,289,900)
Substance abuse services fund	(250,000)
Vital records electronic systems	
~~fund~~	~~(66,000)~~

The department shall report to the joint legislative budget committee by March 1 of each year on preliminary actuarial estimates of the capitation rate changes for the following fiscal year along with the reasons for the estimated changes. For any actuarial estimates that include a range, the total range from minimum to maximum shall be no more than two per cent. Before implementation of any changes in capitation rates for the AHCCCS - children's rehabilitative services line item and any title XIX behavioral health line items, the department of health services shall report its expenditure plan for review by the joint legislative budget committee. Before the department implements any changes in policy affecting the amount, sufficiency, duration and scope of health care services and who may provide services, the department shall prepare a fiscal impact analysis on the potential effects of this change on the following year's capitation rates. If the fiscal analysis demonstrates that these changes will result in additional state costs of $500,000 or greater for a given fiscal year, the department shall submit the policy changes for review by the joint legislative budget committee.

In addition to the appropriation for the department of health services, earnings on state lands and interest on the investment of the permanent land funds are appropriated to the state hospital in compliance with the enabling act and the Constitution of Arizona.

A monthly report comparing total expenditures for the month and year-to-date as compared to prior year totals shall be forwarded to the president of the senate, the speaker of the house of representatives, the chairpersons of the senate and house of representatives appropriations committees and the director of the joint legislative budget committee by the thirtieth of the following month. The report shall include an estimate of (1) potential shortfalls in programs, (2) potential federal and other funds, such as the statewide assessment for indirect costs, that may be available to offset these shortfalls, and a plan, if necessary, for eliminating any shortfall without a supplemental appropriation and (3) total expenditure authority of the month and year-to-date for seriously mentally ill state match for title XIX, seriously mentally ill nontitle XIX, children's behavioral health services, children's behavioral health state match for title XIX, mental health nontitle XIX, substance abuse nontitle XIX, seriously emotionally handicapped children and children's rehabilitative services.

Any transfer to or from the amounts appropriated for seriously mentally ill state match for title XIX, seriously mentally ill nontitle XIX, Arnold v. Sarn, vital records maintenance, folic acid, children's behavioral health services, children's behavioral health state match for title XIX, mental health nontitle XIX, substance abuse nontitle XIX, mental health and substance abuse state match for title XIX, children's rehabilitative services, AHCCCS - children's rehabilitative services, adult cystic fibrosis, adult sickle cell anemia, high risk perinatal services, county prenatal services grant, community placement treatment, dual eligible copay subsidy, sexually violent persons, county tuberculosis provider care and control, community health centers, vaccines, renal and nonrenal disease management, AIDS reporting and surveillance, telemedicine, university of Arizona poison center funding and poison control center funding shall require review by the joint legislative budget committee. The department may transfer monies between the amounts appropriated for proposition 204 children's behavioral health services, proposition 204 seriously mentally ill services and proposition 204 general mental health and substance abuse without review by the joint legislative budget committee but may not transfer monies to and from these line items to any other line item except as provided above without review by the joint legislative budget committee. The amounts appropriated for these items shall be used exclusively for contracts for the provision of services to clients unless a transfer of monies is reviewed by the joint legislative budget committee or unless otherwise permitted to be expended for administrative costs as specified in this act. Monies shall not be used from these appropriated amounts for any other expenses of the department of health services, unless a transfer of monies is reviewed by the joint legislative budget committee.

It is the intent of the legislature that the department of health services make the reductions associated with the agencywide lump sum reduction against administrative functions and, to the extent possible, not against programmatic functions.

The lump sum reduction may not be taken against the appropriation made for Alzheimer's disease research.

Sec. 48. ARIZONA HISTORICAL SOCIETY

	2009-10
FTE positions	53.9
Operating lump sum appropriation	$ 2,429,800
Field services and grants	65,000
Papago park museum	2,130,300
Lump sum reduction	(560,200)
Total appropriation - Arizona historical society	$ 4,064,900
Fund sources:	
State general fund	$ 3,870,700
Capital outlay stabilization fund	194,200

1 Performance measures:
2 Paid number of visitors 36,000
3 Customer satisfaction rating (Scale 1-8) 7.0
4 Sec. 49. PRESCOTT HISTORICAL SOCIETY
5 2009-10
6 FTE positions 14.0
7 Lump sum appropriation $ 692,000
8 Fund sources:
9 State general fund $ 692,000
10 Performance measures:
11 Paid number of visitors 26,600
12 Customer satisfaction rating (Scale 1-8) 7.9
13 Sec. 50. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS
14 2009-10
15 FTE positions 1.0
16 Lump sum appropriation $ 104,000
17 Fund sources:
18 Board of homeopathic and
19 integrated medicine
20 examiners' fund $ 104,000
21 Performance measures:
22 Average calendar days to resolve a complaint 134
23 Average calendar days to renew a license 52
24 Customer satisfaction rating (Scale 1-8) 7.0
25 Sec. 51. DEPARTMENT OF HOUSING
26 2009-10
27 FTE positions 11.0
28 Lump sum appropriation $ 944,800
29 Fund sources:
30 Housing trust fund $ 944,800
31 Performance measures:
32 Households assisted into homeownership 1,000
33 Affordable rental units assisted 2,000
34 Customer satisfaction rating (Scale 1-7) 6.1
35 Sec. 52. INDUSTRIAL COMMISSION OF ARIZONA
36 2009-10
37 FTE positions 279.0
38 Lump sum appropriation $ 16,614,900
39 Fund sources:
40 Industrial commission
41 administrative fund $ 16,614,900

1 Performance measures:
2 Average number of days to resolve a case
3 by the administrative law judge division 118
4 Per cent of workers' compensation claims
5 processed within five days 97
6 Elevator inspections conducted 5,847
7 Customer satisfaction rating for workers'
8 compensation program (Scale 1-8) 7.1
9 Sec. 53. DEPARTMENT OF INSURANCE
10 2009-10
11 FTE positions 95.5
12 Operating lump sum appropriation $ 6,731,700
13 Managed care and dental plan
14 oversight 638,000
15 Lump sum reduction (1,624,400)
16 Total appropriation - department of insurance $ 5,745,300
17 Fund sources:
18 State general fund $ 5,745,300
19 Performance measures:
20 Average calendar days to complete a
21 consumer complaint investigation 75
22 Per cent of survey licensees respondents
23 indicating "satisfied" or "better" 93
24 Per cent of consumer services survey
25 respondents indicating "satisfied"
26 or "better" 77
27 Average number of days to issue a license 42
28 It is the intent of the legislature that $294,000 in fiscal year
29 2009-2010 shall be for new agreements to prosecute fraud cases and shall be
30 funded by the department from revenues from fraud unit fees.
31 Sec. 54. ARIZONA JUDICIARY
32 2009-10
33 Supreme court
34 FTE positions 176.0
35 Operating lump sum appropriation $ 16,870,900
36 Automation 12,315,700
37 Case and cash management system 6,643,100
38 County reimbursements 208,800
39 Court appointed special advocate 3,551,200
40 Domestic relations 586,500
41 Foster care review board 2,430,400
42 Commission on judicial conduct 436,900
43 Judicial nominations and
44 performance review 323,300

Model court	447,600
Photo radar enforcement	4,056,600
State aid	6,039,200
Lump sum reduction	(1,836,000)
Total appropriation - supreme court	$ 52,074,200
Fund sources:	
State general fund	$ 16,145,300
Confidential intermediary and fiduciary fund	484,600
Court appointed special advocate fund	2,949,200
Criminal justice enhancement fund	3,662,300
Defensive driving school fund	5,327,100
Judicial collection enhancement fund	16,503,800
Photo enforcement fund	4,056,600
State aid to the courts fund	2,945,300
Performance measures:	
Per cent of defensive driving school instructors that are in compliance with the Arizona code of judicial administration and statutes (Scale 1-8)	7.6

By September 1, 2009, the supreme court shall report to the joint legislative budget committee on current and future automation projects coordinated by the administrative office of the courts. The report shall include a list of court automation projects receiving or anticipated to receive state monies in the current or next two fiscal years as well as a description of each project, number of FTE positions, the entities involved and the goals and anticipated results for each automation project. The report shall be submitted in one summary document. The report shall indicate each project's total multiyear cost by fund source and budget line item, including any prior year, current year and any future year expenditures.

Included in the appropriation for the supreme court program is $1,000 for the purchase of mementos and items for visiting officials.

The administrative office of the courts shall not transfer monies between the supreme court operating budget and the automation line item without review by the joint legislative budget committee.

Court of appeals	
FTE positions	134.5
Division I	$ 9,873,800
Performance measures:	
Customer satisfaction rating for settlement program (Scale 1-8)	7.6
Division II	$ 4,377,000

Performance measures:	
Customer satisfaction rating for settlement program (Scale 1-8)	7.8
Lump sum reduction	$ (485,600)
Total appropriation - court of appeals	$ 13,765,200
Fund sources:	
State general fund	$ 13,765,200

Of the 134.5 FTE positions for fiscal year 2009-2010, 97.8 FTE positions are for Division I and 36.7 FTE positions are for Division II.

Superior court

FTE positions	230.5
Judges compensation	$ 19,298,600
Adult standard probation	15,051,100
Adult intensive probation	11,330,500
Community punishment	2,861,300
Interstate compact	654,200
Sex offenders GPS monitoring	436,600
Drug court	1,013,600
Juvenile standard probation	4,724,200
Juvenile intensive probation	9,882,100
Juvenile treatment services	22,493,300
Juvenile family counseling	660,400
Juvenile crime reduction	5,197,800
Probation surcharge	3,421,500
Juvenile diversion consequences	10,160,300
Special water master	20,000
Lump sum reduction	(5,735,900)
Total appropriation - superior court	$101,469,600
Fund sources:	
State general fund	$ 88,964,500
Criminal justice enhancement fund	6,973,000
Drug treatment and education fund	500,000
Judicial collection enhancement fund	5,032,100
Performance measures:	
Customer satisfaction rating by states participating in the interstate compact (Scale 1-8)	7.0
Juvenile standard probation:	
Per cent of probationers successfully completing probation without a referral (a notice of misbehavior)	85

Juvenile intensive probation (JIPS):	
Per cent of probationers successfully completing probation without a referral (a notice of misbehavior)	61
Adult standard probation:	
Per cent of probationers exiting probation and not committed to county jail or prison	68
Adult intensive probation (AIPS):	
Per cent of probationers exiting intensive probation and not committed to county jail or prison	50

Of the 230.5 FTE positions, 174 FTE positions represent superior court judges. One-half of their salaries are provided by state general fund appropriations pursuant to section 12-128, Arizona Revised Statutes. This is not meant to limit the counties' ability to add judges pursuant to section 12-121, Arizona Revised Statutes.

Up to 4.6 per cent of the amounts appropriated for juvenile probation services - treatment services and juvenile diversion consequences may be retained and expended by the supreme court to administer the programs established by section 8-322, Arizona Revised Statutes, and to conduct evaluations as needed. The remaining portion of the treatment services and juvenile diversion consequences programs shall be deposited in the juvenile probation services fund established by section 8-322, Arizona Revised Statutes.

Receipt of state probation monies by the counties is contingent on the county maintenance of fiscal year 2003-2004 expenditure levels for each probation program. State probation monies are not intended to supplant county dollars for probation programs.

By November 1, 2009, the administrative office of the courts shall report to the joint legislative budget committee the fiscal year 2008-2009 actual, fiscal year 2009-2010 estimated and fiscal year 2010-2011 requested amounts for the following:

1. On a county-by-county basis, the number of authorized and filled case carrying probation positions and non-case carrying positions, distinguishing between adult standard, adult intensive, juvenile standard and juvenile intensive. The report shall indicate the level of state probation funding, other state funding, county funding and probation surcharge funding for those positions.

2. Total receipts and expenditures by county and fund source for the adult standard, adult intensive, juvenile standard and juvenile intensive line items, including the amount of personal services expended from each revenue source of each account.

3. The amount of monies from the adult standard, adult intensive, juvenile standard and juvenile intensive line items that the office does not distribute as direct aid to counties. The report shall delineate how the office expends these monies that are not distributed as direct aid to counties.

Total appropriation - Arizona judiciary	$167,309,000
Fund sources:	
State general fund	$118,875,000
Confidential intermediary and fiduciary fund	484,600
Court appointed special advocate fund	2,949,200
Criminal justice enhancement fund	10,635,300
Defensive driving school fund	5,327,100
Drug treatment and education fund	500,000
Judicial collection enhancement fund	21,535,900
Photo enforcement fund	4,056,600
State aid to the courts fund	2,945,300

Sec. 55. DEPARTMENT OF JUVENILE CORRECTIONS

	2009-10
FTE positions	1,050.7
Lump sum appropriation	$ 78,297,500
Fund sources:	
State general fund	$ 73,499,400
State charitable, penal and reformatory institutions land fund	1,749,600
Criminal justice enhancement fund	601,100
State education fund for committed youth	2,447,400
Performance measures:	
Escapes from DJC secure care facilities	0
Per cent of juveniles passing the GED language test	56
Per cent of juveniles who show progress in their primary treatment problem area	75
Per cent of juveniles returned to custody within 12 months of release	36

The department shall provide a travel stipend to all southwest regional juvenile correction complex staff whose residence is at least twenty miles from work.

Twenty-five per cent of land earnings and interest from the state charitable, penal and reformatory institutions land fund shall be distributed to the department of juvenile corrections, in compliance with section 25 of the enabling act and the Constitution of Arizona, to be used for the support of state juvenile institutions and reformatories.

Sec. 56. STATE LAND DEPARTMENT

	2009-10
FTE positions	209.9
Operating lump sum appropriation	$ 14,796,800
Natural resource conservation districts	650,000
CAP user fees	1,263,300
Environmental county grants	75,000
Inmate fire crews	1,208,700
Fire suppression operating expenses	2,713,200
Due diligence fund	500,000
Lump sum reduction	(5,767,000)
Total appropriation - state land department	$ 15,440,000
Fund sources:	
State general fund	$ 14,215,000
Environmental special plate fund	260,000
Due diligence fund	500,000
State parks heritage fund	465,000
Performance measures:	
Average land sales processing time (application to auction, in months)	20
Per cent of customers giving the department a rating above 4 (5 = very satisfied)	88
Total trust generated	$486,200,000
Total expendable fund earnings generated	$127,800,000
Total trust land sales	$130,000,000
Total number of trust land acres sold in Maricopa, Pima and Pinal counties	2,000
Total number of trust land acres sold in all other remaining counties	800

The appropriation includes $1,263,300 for central Arizona project user fees in fiscal year 2009-2010. For fiscal year 2009-2010, from municipalities that assume their allocation of central Arizona project water every dollar received as reimbursement to the state for past central Arizona water conservation district payments, one dollar reverts to the state general fund in the year that the reimbursement is collected.

Of the amount appropriated for natural resource conservation districts in fiscal year 2009-2010, $30,000 shall be used to provide grants to natural resource conservation districts environmental education centers.

Of the operating lump sum appropriation, the sum of $3,819,300 supplements planning and disposition funding and shall be used by the state land department for the sole purpose of the planning and disposition of state trust land as follows:

1. The employment of outside professional services.

2. At least two of the twelve FTE positions appropriated in the fiscal year 2005-2006 budget for the planning and disposition of state trust land located within five miles of the corporate boundaries of incorporated cities and towns having a population of less than one hundred thousand persons.

3. The state land commissioner shall provide for the disposition of state trust land in the most expeditious manner consistent with the fiduciary duties prescribed by the enabling act and the Constitution of Arizona. By October 1 of each year, the commissioner shall provide a report to the joint legislative budget committee on the planning, sale and lease of trust land in the preceding year. The report shall:

(a) Identify the number of acres that were added to a conceptual plan, added to a master plan or otherwise planned or prepared for disposition, sale and long-term commercial lease.

(b) Distinguish between urban and rural parcels.

(c) Indicate the value added or revenue received.

(d) List the resources used and dedicated to trust land planning and disposition, including FTE positions, contracts and appropriated and nonappropriated expenditures for each of the items included in the report.

(e) Include in the report an inventory of trust land prepared for sale, including the appraised value and totals for the fiscal year regarding:

(i) The amount of trust land sold.

(ii) The amount of trust land put under long-term commercial lease.

(iii) The amount of revenue collected from the sale of trust land.

(iv) The amount of revenue collected from the long-term commercial lease of trust land.

(v) The amount of purchase price financed on installment sales of state trust land and the principal payoff terms and anticipated yield to the trust over the terms of the installment sales.

Sec. 57. LAW ENFORCEMENT MERIT SYSTEM COUNCIL

		2009-10
FTE positions		1.0
Lump sum appropriation	$	76,900
Fund sources:		
State general fund	$	76,900

Sec. 58. LEGISLATURE

	2009-10
Senate	
Lump sum appropriation	$ 8,635,000*
Fund sources:	
State general fund	$ 8,635,000

Included in the lump sum appropriation of $8,635,000 for fiscal year 2009-2010 is $1,000 for the purchase of mementos and items for visiting officials.

House of representatives	
Lump sum appropriation	$ 13,653,400*
Fund sources:	
State general fund	$ 13,653,400

Included in the lump sum appropriations of $13,653,400 for fiscal year 2009-2010 is $1,000 for the purchase of mementos and items for visiting officials.

Legislative council	
FTE positions	44.8
Operating lump sum appropriation	$ 4,802,300
Ombudsman-citizens aide office	612,400
Lump sum reduction	(690,000)
Total appropriation - legislative council	$ 4,724,700*
Fund sources:	
State general fund	$ 4,724,700
Performance measures:	
Per cent of customers rating accuracy and timeliness of bill drafting "good" or "excellent" based on annual survey	98.5
Per cent of customers rating accuracy of computer help desk "good" or "excellent" based on annual survey	100
Per cent of investigations completed within three months by office of the ombudsman-citizens aide	90
Per cent of customers rating overall experience with the office of the ombudsman-citizens aide "good" or "excellent"	92
Joint legislative budget committee	
FTE positions	31.0
Lump sum appropriation	$ 2,734,000*
Fund sources:	
State general fund	$ 2,734,000

Performance measures:	
Survey of legislator satisfaction (4=high)	3.8
Errors in budget bills	0
Maximum per cent actual revenues vary from original enacted budget forecast	+-3.0
Days to transmit fiscal notes	14
Auditor general	
FTE positions	209.4
Lump sum appropriation	$ 17,502,600*
Fund sources:	
State general fund	$ 17,502,600
Performance measures:	
Per cent of single audit recommendations implemented or adopted within one year for financial audits	50
Per cent of administrative recommendations implemented or adopted within two years for performance audits	99
Arizona state library, archives and public records	
FTE positions	104.8
Operating lump sum appropriation	$ 7,306,400
Grants-in-aid	651,400
Statewide radio reading service for the blind	97,000
Lump sum reduction	(937,200)
Total appropriation - Arizona state library, archives and public records	$ 7,117,600*
Fund sources:	
State general fund	$ 6,441,700
Records services fund	675,900
Performance measures:	
Customer satisfaction rating (Scale 1-8)	7.5

Sec. 59. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

	2009-10
FTE positions	42.2
Lump sum appropriation	$ 2,724,000
Fund sources:	
State general fund	$ 2,724,000

Performance measures:	
Investigations and routine liquor inspections completed	3,750
Average calendar days to complete an investigation	14
Per cent of customers who responded to the survey reporting "very good" or "excellent" service	86

Sec. 60. ARIZONA STATE LOTTERY COMMISSION

	2009-10
FTE positions	104.0
Operating lump sum appropriation	$ 7,996,600
Sales incentive program	50,000
Telecommunications	629,400
Advertising	$ 11,000,000
Lump sum reduction	(1,394,400)
Total appropriation - Arizona state lottery commission	$ 18,281,600
Fund source:	
State lottery fund	$ 18,281,600
Performance measures:	
Increase in online sales from prior year	$ 5,922,100
Increase in instant ticket sales from prior year	$ 3,380,500
Customer satisfaction rating for retailers (Scale 1-8)	7.5

An amount equal to 3.6 per cent of actual instant ticket sales is appropriated for the printing of instant tickets or for contractual obligations concerning instant ticket distribution. This amount is currently estimated to be $9,209,800 in fiscal year 2009-2010.

An amount equal to a percentage of actual online game sales as determined by contract is appropriated for payment of online vendor fees. This amount is currently estimated to be $9,129,300, or 4.0322 per cent of actual online ticket sales in fiscal year 2009-2010.

An amount equal to 6.5 per cent of gross lottery game sales is appropriated for payment of sales commissions to ticket retailers. An additional amount of not to exceed 0.5 per cent of gross lottery game sales is appropriated for payment of sales commissions to ticket retailers. The combined amount is currently estimated to be 6.7 per cent of total ticket sales, or $32,310,100 in fiscal year 2009-2010.

Sec. 61. ARIZONA MEDICAL BOARD

	2009-10
FTE positions	58.5
Lump sum appropriation	$ 5,822,600
Fund sources:	
Arizona medical board fund	$ 5,822,600
Performance measures:	
Average calendar days to resolve a complaint	
M.D.	115
P.A.	101
Per cent of open investigations greater than Six months old	
M.D.	3
P.A.	4
Customer satisfaction rating (Scale 1-8)	7.9

The Arizona medical board may use up to seven per cent of the Arizona medical board fund balance remaining at the end of each fiscal year for a performance based incentive program the following fiscal year based on the program established by section 38-618, Arizona Revised Statutes.

Sec. 62. BOARD OF MEDICAL STUDENT LOANS

	2009-10
Medical student financial assistance	$ 913,900
Fund sources:	
State general fund	$ 866,900
Medical student loan fund	47,000
Performance measures:	
Per cent of physicians meeting service requirement	92
Customer satisfaction rating (Scale 1-8)	7.6

Sec. 63. STATE MINE INSPECTOR

	2009-10
FTE positions	15.0
Operating lump sum appropriation	$ 1,386,400
Abandoned mines safety fund deposit	182,000
Aggregate mined land reclamation	155,800
Lump sum reduction	(317,600)
Total appropriation - state mine inspector	$ 1,406,600
Fund sources:	
State general fund	$ 1,250,800
Aggregate mining reclamation fund	155,800

Performance measures:

Per cent of mandated inspections completed	72.6
Number of inspections	656
Customer satisfaction rating for mines (Scale 1-8)	6.7

All aggregate mining reclamation fund receipts received by the state mine inspector in excess of $155,800 in fiscal year 2009-2010 are appropriated to the aggregate mined land reclamation line item. Before the expenditure of any aggregate mining reclamation fund receipts in excess of $155,800 in fiscal year 2009-2010, the state mine inspector shall report the intended use of the monies to the joint legislative budget committee.

Sec. 64. DEPARTMENT OF MINES AND MINERAL RESOURCES

		2009-10
FTE positions		7.0
Lump sum appropriation	$	858,600
Fund sources:		
State general fund	$	858,600

Performance measures:

Number of paying visitors	8,200
Customer satisfaction rating (Scale 1-5)	4.9

Sec. 65. NATUROPATHIC PHYSICIANS MEDICAL BOARD

		2009-10
FTE positions		7.0
Lump sum appropriation	$	604,300
Fund sources:		
Naturopathic physicians medical board fund	$	604,300

Performance measures:

Average calendar days to resolve a complaint	75
Average calendar days to renew a license	32
Customer satisfaction rating (Scale 1-8)	7.3

Sec. 66. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

		2009-10
FTE positions		2.0
Lump sum appropriation	$	147,400
Fund sources:		
State general fund	$	147,400

Sec. 67. ARIZONA STATE BOARD OF NURSING

		2009-10
FTE positions		40.2
Lump sum appropriation	$	4,134,900
Fund sources:		
Board of nursing fund	$	4,134,900

1 Performance measures:
2 Average calendar days to resolve a complaint 206
3 Average calendar days to renew a license 19
4 Customer satisfaction rating (Scale 1-8) 6.3
5 Sec. 68. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS AND
6 ASSISTED LIVING FACILITY MANAGERS
7 2009-10
8 FTE positions 5.0
9 Lump sum appropriation $ 377,700
10 Fund sources:
11 Nursing care institution
12 administrators' licensing and
13 assisted living facility
14 managers' certification fund $ 377,700
15 Performance measures:
16 Average calendar days to resolve a complaint 96
17 Average calendar days to renew a license 2
18 Customer satisfaction rating (Scale 1-8) 7.8
19 Sec. 69. BOARD OF OCCUPATIONAL THERAPY EXAMINERS
20 2009-10
21 FTE positions 3.0
22 Lump sum appropriation $ 244,900
23 Fund sources:
24 Occupational therapy fund $ 244,900
25 Performance measures:
26 Average calendar days to resolve a complaint 100
27 Average calendar days to renew a license
28 (from receipt of application to issuance) 37
29 Customer satisfaction rating (Scale 1-8) 7.2
30 Sec. 70. STATE BOARD OF DISPENSING OPTICIANS
31 2009-10
32 FTE positions 1.0
33 Lump sum appropriation $ 124,300
34 Fund sources:
35 Board of dispensing opticians fund $ 124,300
36 Performance measures:
37 Average calendar days to resolve a complaint 69
38 Average calendar days to renew a license 3
39 Customer satisfaction rating (Scale 1-8) 7.0
40 Sec. 71. STATE BOARD OF OPTOMETRY
41 2009-10
42 FTE positions 2.0
43 Lump sum appropriation $ 202,200
44 Fund sources:
45 Board of optometry fund $ 202,200

Performance measures:

Average calendar days to resolve a complaint	64
Average calendar days to renew a license	2
Customer satisfaction rating (Scale 1-8)	7.4

Sec. 72. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY

	2009-10
FTE positions	6.7
Lump sum appropriation	$ 698,700
Fund sources:	
Board of osteopathic examiners fund	$ 698,700
Performance measures:	
Average calendar days to resolve a complaint	360
Average calendar days to renew a license	2
Average calendar days to process license	51
Customer satisfaction rating (Scale 1-8)	7.1

Sec. 73. STATE PARKS BOARD

	2009-10
FTE positions	232.3
Operating lump sum appropriation	$ 14,599,900
Arizona trail	125,000
Kartchner caverns state park	2,638,000
Lump sum reduction	(5,097,100)
Total appropriation - Arizona state parks board	$ 12,265,800
Fund sources:	
State general fund	$ 2,305,200
State parks enhancement fund	8,416,500
Law enforcement and boating safety fund	1,092,700
Reservation surcharge revolving fund	451,400
Performance measures:	
Annual park attendance	2,500,000
Per cent of park visitors rating their experience "good" or "excellent"	95

The appropriation for law enforcement and boating safety fund projects is an estimate representing all monies distributed to this fund, including balance forward, revenue and transfers during fiscal year 2009-2010. These monies are appropriated to the Arizona state parks board for the purposes established in section 5-383, Arizona Revised Statutes. The appropriation shall be adjusted as necessary to reflect actual final receipts credited to the law enforcement and boating safety fund.

All other operating expenditures include $26,000 from the state parks enhancement fund for Fool Hollow state park revenue sharing. If receipts to Fool Hollow exceed $260,000 in fiscal year 2009-2010, an additional ten per cent of this increase of Fool Hollow receipts is appropriated from the state parks enhancement fund to meet the revenue sharing agreement with the city of Show Low and the United States forest service.

All reservation surcharge revolving fund receipts received by the Arizona state parks board in excess of $451,400 in fiscal year 2009-2010 are appropriated to the reservation surcharge revolving fund. Before the expenditure of any reservation surcharge revolving fund monies in excess of $451,400 in fiscal year 2009-2010, the Arizona state parks board shall submit the intended use of the monies for review by the joint legislative budget committee.

During fiscal year 2009-2010, no more than $5,000 each year from appropriated or nonappropriated monies may be used for the purposes of out-of-state travel expenses by state parks board staff. No appropriated or nonappropriated monies may be used for out-of-country travel expenses. The state parks board shall submit by June 30, 2010, a report to the joint legislative budget committee on out-of-state travel activities and expenditures for that fiscal year.

Sec. 74. PERSONNEL BOARD

		2009-10
FTE positions		3.0
Lump sum appropriation	$	302,000
Fund sources:		
State general fund	$	302,000
Performance measures:		
Average number of calendar days from receipt of appeal/complaint to final		113
Per cent of customers rating service as "good" or "excellent"		90

Sec. 75. OFFICE OF PEST MANAGEMENT

		2009-10
FTE positions		40.0
Lump sum appropriation	$	2,644,000
Fund sources:		
Pest management fund	$	2,644,000
Performance measures:		
Average calendar days to resolve a complaint		216
Average calendar days to renew a license		20
Customer satisfaction rating (Scale 1-8)		6.8

Sec. 76. ARIZONA STATE BOARD OF PHARMACY

		2009-10
FTE positions		18.0
Lump sum appropriation	$	1,920,900
Fund sources:		
Arizona state board of pharmacy fund	$	1,920,900
Performance measures:		
Average calendar days to resolve a complaint		47.8
Customer satisfaction rating (Scale 1-8)		7.9

Sec. 77. BOARD OF PHYSICAL THERAPY EXAMINERS

		2009-10
FTE positions		3.8
Lump sum appropriation	$	360,200
Fund sources:		
Board of physical therapy fund	$	360,200
Performance measures:		
Average calendar days to resolve a complaint		139
Average calendar days to renew a license		17
Customer satisfaction rating (Scale 1-8)		7.0

Sec. 78. ARIZONA PIONEERS' HOME

		2009-10
FTE positions		115.8
Operating lump sum appropriation	$	6,435,100
Prescription drugs		240,000
Total appropriation - pioneers' home	$	6,675,100
Fund sources:		
Miners' hospital fund	$	2,987,600
State charitable fund		3,687,500
Performance measures:		
Per cent of residents rating services as "good" or "excellent"		98

Earnings on state lands and interest on the investment of the permanent land funds are appropriated for the pioneers' home and the hospital for disabled miners in compliance with the enabling act and the Constitution of Arizona.

The pioneers' home shall not exceed its expenditure authority for monies appropriated from the miners' hospital for disabled miners land fund.

Sec. 79. STATE BOARD OF PODIATRY EXAMINERS

		2009-10
FTE positions		1.0
Lump sum appropriation	$	143,600
Fund sources:		
Podiatry fund	$	143,600

Performance measures:	
Average calendar days to resolve a complaint	90
Average days to process an application for licensure	5.0
Customer satisfaction rating (Scale 1-8)	7.0

Sec. 80. COMMISSION FOR POSTSECONDARY EDUCATION

	2009-10
FTE positions	10.0
Operating lump sum appropriation	$ 404,100
Leveraging educational assistance partnership (LEAP)	4,264,500
Postsecondary education grant program	2,656,600
Private postsecondary education student financial assistance program	400,000
Family college savings program	152,600
Arizona college and career guide	21,200
Arizona minority educational policy analysis center	100,300
Twelve plus partnership	130,800
Case managers	100,000
Lump sum reduction	(7,700)
Total appropriation - commission for postsecondary education	$ 8,222,400
Fund sources:	
State general fund	$ 4,369,700
Postsecondary education fund	3,852,700
Performance measures:	
LEAP student grants awarded	3,700
Per cent of customers rating commission services as "good" or "excellent"	91

The appropriation for leveraging educational assistance partnership is provided to create grants under the Arizona state student incentive grant program administered by the commission for postsecondary education. Grants may be made according to the provisions of applicable federal and state laws and regulations relating to this program.

Each participating institution, public or private, in order to be eligible to receive state matching funds under the state student incentive grant program for grants to students, shall provide an amount of institutional matching funds that equals the amount of funds provided by the state to the institution for the state student incentive grant program. Administrative expenses incurred by the commission for postsecondary education shall be paid from institutional matching funds and shall not exceed twelve per cent of the funds in fiscal year 2009-2010.

Any unencumbered balance remaining in the postsecondary education fund on June 30, 2009 for fiscal year 2009-2010, and all grant monies and other revenues received by the commission for postsecondary education, when paid into the state treasury, are appropriated for the explicit purposes designated by line items and for additional responsibilities prescribed in sections 15-1851 and 15-1852, Arizona Revised Statutes.

The appropriations for Arizona college and career guide, Arizona minority educational policy analysis center and twelve plus partnership are estimates representing all monies distributed to this fund, including balance forward, revenue and transfers, during fiscal year 2009-2010. The appropriations shall be adjusted as necessary to reflect actual final receipts credited to the postsecondary education fund.

Of the total amount appropriated for the private postsecondary education student financial assistance program, no more than ten per cent may be used for program administrative costs.

The commission for postsecondary education shall not transfer funds out of the private postsecondary education student financial assistance program or the postsecondary education grant program line items.

Of the $2,656,600 appropriated for the postsecondary education grant program, up to $500,000 may be allocated for the administration of the program in fiscal year 2009-2010.

Sec. 81. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION

		2009-10
FTE positions		4.0
Lump sum appropriation	$	334,700
Fund sources:		
Board for private postsecondary education fund	$	334,700
Performance measures:		
Average number of days to pay student tuition recovery fund claims		28
Average days to process student record requests		10
Customer satisfaction rating (Scale 1-8)		7.9

Sec. 82. STATE BOARD OF PSYCHOLOGIST EXAMINERS

		2009-10
FTE positions		4.0
Lump sum appropriation	$	400,300
Fund sources:		
Board of psychologist examiners fund	$	400,300
Performance measures:		
Average calendar days to resolve a complaint		100
Average days to process an application for licensure		40
Customer satisfaction rating (Scale 1-8)		7.2

Sec. 83. DEPARTMENT OF PUBLIC SAFETY

	2009-10
FTE positions	2,114.8
Operating lump sum appropriation	$198,398,600
GIITEM	32,306,200
Motor vehicle fuel	3,935,500
Photo radar enforcement	22,534,300
Lump sum reduction	(9,198,500)
Total appropriation - department of public safety	$247,976,100
Fund sources:	
State general fund	$ 56,889,800
Highway user revenue fund fees	78,169,500
State highway fund	41,050,500
Arizona highway patrol fund	19,947,500
Criminal justice enhancement fund	3,077,100
Safety enforcement and transportation infrastructure fund	1,615,600
Crime laboratory assessment fund	5,500,300
Crime laboratory operations fund	8,800,000
Arizona deoxyribonucleic acid identification system fund	3,357,500
Automated fingerprint identification system fund	3,264,400
Motorcycle safety fund	205,000
Photo enforcement fund	22,534,300
Risk management fund	296,200
Parity compensation fund	3,268,400
Performance measures:	
Per cent of scientific analysis cases over 30 calendar days old	4.0
Per cent of system reliability of the Arizona automated fingerprint identification network	98
Clandestine labs dismantled	30

Of the $32,306,200 appropriated to GIITEM, $10,000,000 shall be used for the multijurisdictional task force known as the gang and immigration intelligence team enforcement mission (GIITEM). If the department of public safety uses any of the monies appropriated for GIITEM for an agreement or contract with a city, town, county or other entity to provide services for the GIITEM program, the city, town, county or other entity shall provide not less than twenty per cent of the cost of the services and the department of public safety shall provide not more than eighty per cent of personal services and employee related expenditures for each agreement or contract but may fund all capital related equipment. Recognizing that states have inherent authority to arrest for any immigration violation, there continues

1 to be a benefit with a 287G, including additional training and a partnership
2 with immigration and customs enforcement and the federal government. The
3 distribution of these monies are contingent on the department of public
4 safety making all reasonable efforts to enter into a 287G memorandum of
5 understanding with the United States department of homeland security. The
6 $10,000,000 shall be used for functions relating to immigration enforcement,
7 including border security and border personnel, including any previously
8 authorized allocations made in Laws 2008, chapter 285, section 14, as amended
9 by Laws 2009, first special session, chapter 1, section 2. As state or local
10 law enforcement officers come into any lawful contact with a suspected
11 illegal alien or with a gang or suspected gang member the use of these monies
12 is contingent on law enforcement agencies making every reasonable effort to
13 determine the person's legal status and taking appropriate action that will
14 not jeopardize an ongoing investigation. The $10,000,000 is exempt from the
15 provisions of section 35-190, Arizona Revised Statutes, relating to the
16 lapsing of appropriations. The department shall submit an expenditure plan to
17 the joint legislative budget committee for review before expending any monies
18 not identified in the department's previous expenditure plans. Within thirty
19 days after the last day of each calendar quarter, the department shall
20 provide a summary of quarterly and year-to-date expenditures and progress to
21 the joint legislative budget committee including any prior year
22 appropriations that were nonlapsing.
23 Of the $32,306,200 appropriated to GIITEM, $10,358,900 shall be used
24 for one hundred department of public safety GIITEM personnel. The additional
25 staff shall include at least fifty sworn department of public safety
26 positions to be used for immigration enforcement and border security and
27 fifty department of public safety positions to assist GIITEM in various
28 efforts, including: 1) arresting illegal aliens, 2) responding to or
29 assisting any county sheriff or attorney in investigating complaints of
30 employment of illegal aliens, 3) investigating crimes of identity theft in
31 the context of hiring illegal aliens and the unlawful entry into the country
32 and 4) taking enforcement action, as permitted under federal law and the
33 United States Constitution. As state and local law enforcement officers come
34 into contact with gang or suspected gang members the use of these monies is
35 contingent on law enforcement agencies verifying the immigration status of
36 these individuals and taking appropriate action that will not jeopardize an
37 ongoing investigation. The department shall submit an expenditure plan to
38 the joint legislative budget committee for review before expending any monies
39 not identified in the department's previous expenditure plans. Within thirty
40 days after the last day of each calendar quarter, the department shall
41 provide a summary of quarterly and year-to-date expenditures and progress to
42 the joint legislative budget committee including any prior year
43 appropriations that were nonlapsing.

For fiscal year 2009-2010, within thirty days after the last day of each calendar quarter, the department shall report to the joint legislative budget committee the following quarterly and year-to-date photo radar enforcement information:

1. The total number of issued citations or notices of violation, paid citations or notices of violation, notices of violation that were referred to courts and mobile or stationary cameras in operation.

2. The total amount of citation and notice of violation revenue generated, including how much revenue was distributed for DPS staff expenses, for DPS vendor payments to the administrative office of the courts for processing of citations and to the state general fund.

Any monies remaining in the department of public safety joint account on June 30, 2010 shall revert to the funds from which they were appropriated. The reverted monies shall be returned in direct proportion to the amounts appropriated.

It is the intent of the legislature that the reductions included in the lump sum reduction special line item shall not be taken against GIITEM or sworn personnel.

Sec. 84. ARIZONA DEPARTMENT OF RACING

	2009-10
FTE positions	42.5
Lump sum appropriation	$ 2,035,500
County fairs racing betterment	900,000
Arizona breeders' award	800,000
Arizona stallion award	100,000
County fair racing	400,000
Racing administration	67,000
Total appropriation - department of racing	$ 4,302,500
Fund sources:	
State general fund	$ 4,302,500
Performance measures:	
Per cent of horse racing customers reporting "very good" or "excellent" service	95
Per cent of greyhound racing customers reporting "very good" or "excellent" service	100
Per cent of positive horse drug tests	1.2
Per cent of positive greyhound drug tests	0.02

Sec. 85. RADIATION REGULATORY AGENCY

	2009-10
FTE positions	29.0
Lump sum appropriation	$ 1,122,800

Fund sources:		
State general fund	$	855,300
State radiologic technologist certification fund		267,500
Performance measures:		
Per cent of x-ray tubes overdue for inspection		40
Radiological incidents (non-Palo Verde related)		9
Radiological incidents (Palo Verde)		0
Customer satisfaction rating (Scale 1-8)		7.5

Sec. 86. GOVERNOR - ARIZONA RANGERS' PENSIONS

		2009-10
Lump sum appropriation	$	14,000
Fund sources:		
State general fund	$	14,000

Sec. 87. REAL ESTATE DEPARTMENT

		2009-10
FTE positions		58.0
Lump sum appropriation	$	3,266,400
Fund sources:		
State general fund	$	3,266,400
Performance measures:		
Average days to issue a public report		33.1
Average days from receipt to issuance of license reports		1.0
Per cent of surveys from licensees indicating "good" to "excellent" service		95.0
Average days from receipt of complaint to resolution		200

Sec. 88. RESIDENTIAL UTILITY CONSUMER OFFICE

		2009-10
FTE positions		11.0
Operating lump sum appropriation	$	1,157,000
Professional witnesses		145,000*
Total appropriation - residential utility consumer office	$	1,302,000
Fund sources:		
Residential utility consumer office revolving fund	$	1,302,000
Performance measures:		
Per cent variance between utilities' requests for rate increases and the actual ACC authorized rates		(12.5)

1 Sec. 89. BOARD OF RESPIRATORY CARE EXAMINERS

	2009-10
FTE positions	4.0
Lump sum appropriation	$ 261,600
Fund sources:	
Board of respiratory care examiners fund	$ 261,600
Performance measures:	
Average calendar days to resolve a complaint	120
Customer satisfaction rating (Scale 1-8)	6.8

Sec. 90. STATE RETIREMENT SYSTEM

	2009-10
FTE positions	236.0
Lump sum appropriation	$ 23,121,700
Fund sources:	
State retirement system administration account	$ 20,321,700
Long-term disability administration account	2,800,000
Performance measures:	
Per cent of members satisfied with ASRS telephone services	96
Per cent of investment returns	8.0
Per cent of benefit payment calculations that are accurate as measured by quality control sample	99.5

Sec. 91. DEPARTMENT OF REVENUE

	2009-10
FTE positions	863.0
Operating lump sum appropriation	$ 72,749,700
BRITS operational support	3,623,700
Unclaimed property administration and audit	2,963,200
Lump sum reduction	(16,144,000)
Total appropriation - department of revenue	$ 63,192,600
Fund sources:	
State general fund	$ 62,131,500
Liability setoff fund	398,300
Tobacco tax and health care fund	662,800
Performance measures:	
Average calendar days to refund income tax	7.6
Per cent of written taxpayer inquiries answered within 30 calendar days of receipt	65

1 Customer satisfaction rating for taxpayer
2 information section (Scale 1-5) 4.7
3 The department shall provide the department's general fund revenue
4 enforcement goals for fiscal year 2009-2010 for review by the joint
5 legislative budget committee by July 31, 2009. The department shall provide
6 an annual progress report to the joint legislative budget committee as to the
7 effectiveness of the department's overall enforcement and collections program
8 for fiscal year 2009-2010 by July 31, 2010. The reports shall include a
9 comparison of projected and actual general fund revenue enforcement
10 collections for fiscal year 2009-2010.
11 Sec. 92. SCHOOL FACILITIES BOARD
12 2009-10
13 FTE positions 18.0
14 Operating lump sum appropriation $ 1,948,800
15 New school facilities debt service 108,683,300
16 Lump sum reduction (1,031,300)
17 Total appropriation - school facilities
18 board $109,600,800
19 Fund sources:
20 State general fund $109,600,800
21 Performance measures:
22 Per cent of school districts inspected
23 meeting minimum adequacy standards 22
24 Per cent of school districts rating the
25 board's services as "good" or "excellent"
26 in an annual survey 95
27 Sec. 93. DEPARTMENT OF STATE - SECRETARY OF STATE
28 2009-10
29 FTE positions 43.3
30 Operating lump sum appropriation $ 2,717,900
31 Election services 1,011,000
32 Help America vote act 7,722,800
33 Lump sum reduction (150,000)
34 Total appropriation - secretary of state $ 11,301,700
35 Fund sources:
36 State general fund $ 3,480,700
37 Election systems improvement fund 7,722,800
38 Professional employer organization
39 fund 98,200
40 Performance measures:
41 Per cent of documents returned to public
42 filer in 48 hours (business services
43 division) 75
44 Per cent of election law complaints reviewed
45 and acted on within 7 days 100

The secretary of state shall report to the joint legislative budget committee and the governor's office of strategic planning and budgeting by December 31, 2009 the actual amount and purpose of expenditures from the election systems improvement fund in fiscal year 2008-2009 and the expected amount and purpose of expenditures from the fund for fiscal year 2009-2010.

Any transfer to or from the amount appropriated for the election services line item shall require review by the joint legislative budget committee.

The fiscal year 2009-2010 appropriation from the election systems improvement fund for HAVA is available for use pursuant to section 35-143.01, subsection C, Arizona Revised Statutes, and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2011.

Sec. 94. STATE BOARDS' OFFICE

		2009-10
FTE positions		3.0
Lump sum appropriation	$	284,200
Fund sources:		
Special services revolving fund	$	284,200
Performance measures:		
Overall customer satisfaction rating (Scale 1-8)		7.7

Sec. 95. STATE BOARD OF TAX APPEALS

		2009-10
FTE positions		4.0
Lump sum appropriation	$	261,300
Fund sources:		
State general fund	$	261,300
Performance measures:		
Months to process appeal		4.5
Per cent of rulings upheld in tax courts		90.0
Customer satisfaction rating (Scale 1-8)		7.0

Sec. 96. BOARD OF TECHNICAL REGISTRATION

		2009-10
FTE positions		23.0
Lump sum appropriation	$	1,745,200
Fund sources:		
Technical registration fund	$	1,745,200
Performance measures:		
Average calendar days to resolve a complaint		435
Average calendar days to process an initial application		85
Customer satisfaction rating (Scale 1-8)		7.5

Sec. 97. DEPARTMENT OF TRANSPORTATION

	2009-10
Administration	
FTE positions	412.0
Operating lump sum appropriation	$ 42,437,400
Attorney general legal services	3,052,600
Total appropriation - administration	$ 45,490,000
Fund sources:	
State highway fund	$ 45,490,000

It is the intent of the legislature that the department not include any administrative overhead expenditures in duplicate drivers' license fees charged to the public.

Highways	
FTE positions	2,548.0
Operating lump sum appropriation	$137,950,400
Highway maintenance	136,566,300
Vehicles and heavy equipment	32,154,700
Total - highways	$306,671,400
Fund sources:	
State general fund	$ 63,100
Safety enforcement and transportation infrastructure fund	558,700
State highway fund	273,894,900
Transportation department equipment fund	32,154,700
Performance measures:	
Per cent of Maricopa regional freeway travel lane miles completed for the twenty-year half cent sales tax extension effective January 1, 2006	10.5
Per cent of overall highway construction projects completed on schedule	97

Of the total amount appropriated for the highways program, $136,566,300 in fiscal year 2009-2010 for highway maintenance is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that all unexpended and unencumbered monies of the appropriation revert to their fund of origin, either the state highway fund or the safety enforcement and transportation infrastructure fund, on August 31, 2010.

Of the total amount appropriated for the highways program, $2,663,000 in fiscal year 2009-2010 is for performance pay for participants in the department's engineer pay plan. The department shall establish performance measures with measurable quality and quantity objectives for participants in the engineer pay plan that are designed to result in increased productivity

and improved quality of the delivery of state services or products. The department shall either apply these performance measures to the entire engineer pay plan or apply relevant performance measures to subsets within the engineer pay plan either on a group or individual basis. Every quarter or month, the department shall review the participants' performance to determine if the performance measures were met. If the performance measures are met or exceeded, the applicable participants are entitled to receive the performance pay for the corresponding quarter.

Motor vehicle	
FTE positions	1,755.0
Operating lump sum appropriation	$107,966,800
Abandoned vehicle administration	1,039,800
Fraud investigation	788,300
New third party funding	933,500
Total appropriation - motor vehicle	$110,728,400
Fund sources:	
Air quality fund	$ 71,700
Driving under the influence abatement fund	143,300
Highway user revenue fund fees	617,000
Motor vehicle liability insurance enforcement fund	2,419,500
Safety enforcement and transportation infrastructure fund	1,599,300
State highway fund	104,195,100
Vehicle inspection and title enforcement fund	1,682,500
Performance measures:	
Average office wait time from arriving at MVD office to receiving numbered ticket (minutes)	2.0
Average office wait time from receiving numbered ticket to arriving at counter (minutes)	12.5
Per cent of office customers rating services "good" or "excellent"	83
Average telephone wait time to speak to an MVD employee (minutes)	15.2
Per cent of alternative vehicle registration renewal methods (mail, internet, third party)	80

The department shall not transfer any funds to or from the motor vehicle division without the review by the joint legislative budget committee.

The department of transportation shall submit quarterly progress reports to the joint legislative budget committee on progress in improving motor vehicle division wait times and vehicle registration renewal by mail turnaround times. The reports shall document the monthly averages for the total time customers spent at the office and the reasons for changes in these times for each motor vehicle division field office equipped with electronic customer monitoring devices. The reports shall document the wait time to get a numbered ticket from a motor vehicle division employee, the time between receiving the numbered ticket and arriving at the counter and the transaction time at the counter. The reports shall document the number of customers who arrived at motor vehicle division offices but who did not complete their transaction, and the motor vehicle division's average turnaround time for vehicle registration renewal by mail. The reports shall include details by office for all offices in the metropolitan areas that are defined to include all of Maricopa county, Apache Junction, Tucson and Flagstaff, and summarized for the nonmetropolitan areas. In addition to documenting wait times, the reports shall document the number of primary transactions (driver licenses, titles and vehicle registrations) and secondary transactions (all others), the number of counter positions assigned and filled and the productivity levels (the average number of primary transactions completed by staff and the average number of secondary transactions completed by staff). The reports shall document the number of primary and secondary transactions completed by third parties by metropolitan and nonmetropolitan area offices. The reports are due within thirty days after the end of each calendar quarter.

Aeronautics	
FTE positions	33.0
Lump sum appropriation	$ 2,247,000
Fund sources:	
State aviation fund	$ 2,247,000
Performance measures:	
Per cent of airport development projects completed on schedule	95
Lump sum FTE position reduction	(200.0)
Lump sum reduction	$(47,027,800)
Fund sources:	
Motor vehicle liability insurance enforcement fund	$ (242,000)
State aviation fund	(384,600)
State highway fund	(42,003,600)
Transportation department equipment fund	(4,397,600)
Total appropriation - Arizona department of transportation	$418,109,000

Fund sources:	
State general fund	$ 63,100
Air quality fund	71,700
Driving under the influence abatement fund	143,300
Highway user revenue fund fees	617,000
Motor vehicle liability insurance enforcement fund	2,177,500
Safety enforcement and transportation infrastructure fund	2,158,000
State aviation fund	1,862,400
State highway fund	381,576,400
Transportation department equipment fund	27,757,100
Vehicle inspection and title enforcement fund	1,682,500

Of the $418,109,000 appropriation to the department of transportation, the department of transportation shall pay $16,773,800 in fiscal year 2009-2010 from all funds to the department of administration for its risk management payment.

Sec. 98. STATE TREASURER

	2009-10
FTE positions	31.4
Operating lump sum appropriation	$ 2,579,800
Justice of the peace salaries	1,115,100
Total appropriation - state treasurer	$ 3,694,900
Fund sources:	
State general fund	$ 3,606,600
State treasurer's management fund	88,300
Performance measures:	
Ratio of yield of LGIP to Standard and Poor's LGIP index	1.0
Ratio of yield of endowment pools to Big Bond Index	1.1
Customer satisfaction rating for local government investment pool participants (Scale 1-8)	7.4

Before changing the six basis point investment management fee, the treasurer shall submit the proposed change and its fiscal impact for review by the joint legislative budget committee.

Sec. 99. ARIZONA BOARD OF REGENTS

	2009-10
FTE positions	26.9
Operating lump sum appropriation	$ 2,398,500
Arizona teachers incentive program	90,000
Arizona transfer articulation support system	213,700
Student financial assistance	10,041,200
Math and science teacher initiative	2,000,000
Western interstate commission office	120,000
WICHE student subsidies	4,111,000
Lump sum reduction	(1,818,400)
Total appropriation - Arizona board of regents	$ 17,156,000
Fund sources:	
State general fund	$ 17,156,000
Performance measures:	
Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	94
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	75
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with professors of any rank	38
Average number of years taken to graduate for students who began as freshmen	4.6

The $2,000,000 appropriation from the state general fund for the math and science teacher initiative shall be deposited in the mathematics, science and special education teacher student loan fund established by section 15-1784, Arizona Revised Statutes. Of this amount, the Arizona board of regents shall use $1,500,000 for student loans to eligible prospective math and science teachers and $500,000 for student loans to eligible prospective special education teachers. The Arizona board of regents may retain up to $100,000 of the appropriation for the math and science teacher initiative for administrative costs directly incurred by the board.

The appropriated monies shall not be used for the centennial scholars program.

Within ten days of the acceptance of the universities' semiannual all funds budget reports, the Arizona board of regents shall submit an expenditure plan for review by the joint legislative budget committee. The expenditure plan shall include any tuition revenue amounts that are greater than the appropriated amounts and all retained tuition and fee revenue expenditures for the current fiscal year. The additional revenue expenditure plan shall provide as much detail as the university budget requests.

Sec. 100. ARIZONA STATE UNIVERSITY - MAIN CAMPUS

	2009-10
FTE positions	6,366.0
Operating lump sum appropriation	$ 577,367,500
Biomedical informatics	2,996,600
Arizona board of regents tuition increase	21,986,900
Downtown Phoenix campus	70,387,500
~~Lump sum reduction~~	~~(52,235,900)~~
~~Total appropriation - Arizona state university - Main campus~~	~~$ 620,502,600~~
Fund sources:	
State general fund	$ 330,637,800
University collections fund	289,864,800
Performance measures:	
Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	96
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	71
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with professors of any rank	35
Average number of years taken to graduate for students who began as freshmen	4.6

VETO

The appropriated monies shall not be used for the centennial scholars program.

The state general fund appropriations shall not be used for alumni association funding.

The appropriated monies shall not be used for scholarships.

The appropriated monies shall not be used to support any student newspaper.

Any unencumbered balances remaining in the collections account on June 30, 2009 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in

compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

The appropriated monies shall not be used by the Arizona state university college of law legal clinic for any lawsuits involving inmates of the state department of corrections in which the state is the adverse party.

Sec. 101. ARIZONA STATE UNIVERSITY - EAST CAMPUS

	2009-10
FTE positions	522.0
Operating lump sum appropriation	$ 61,493,900
TRIF lease-purchase payment	2,000,000
Arizona board of regents tuition increase	2,287,400
~~Lump sum reduction~~	~~(4,017,400)~~
~~Total appropriation - Arizona state university - East campus~~	~~$ 61,763,900~~
Fund sources:	
State general fund	$ 25,554,800
University collections fund	34,209,100
Technology and research initiative fund	2,000,000
Performance measures:	
Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	97
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	68
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with professors of any rank	27
Average number of years taken to graduate for students who began as freshmen	5.0

VETO

The appropriated monies shall not be used for the centennial scholars program.

The state general fund appropriations shall not be used for alumni association funding.

The appropriated monies shall not be used for scholarships.

The appropriated monies shall not be used to support any student newspaper.

Any unencumbered balances remaining in the collections account on June 30, 2009 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

Sec. 102. ARIZONA STATE UNIVERSITY - WEST CAMPUS

	2009-10
FTE positions	781.0
Operating lump sum appropriation	$ 84,505,800
TRIF lease-purchase payment	1,600,000
Arizona board of regents tuition increase	2,325,700
~~Lump sum reduction~~	~~($ 020,500)~~
~~Total appropriation - Arizona state university - West campus~~	~~$ 1,411,000~~
Fund sources:	
State general fund	$ 46,259,200
University collections fund	33,551,800
Technology and research initiative fund	1,600,000
Performance measures:	
Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	98
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	60
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with professors of any rank	21
Average number of years taken to graduate for students who began as freshmen	4.5

VETO

The state general fund appropriations shall not be used for alumni association funding.

The appropriated monies shall not be used for scholarships.

The appropriated monies shall not be used to support any student newspaper.

Any unencumbered balances remaining in the collections account on June 30, 2009 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

The appropriated monies shall not be used for the centennial scholars program.

Sec. 103. NORTHERN ARIZONA UNIVERSITY

	2009-10
FTE positions	2,014.9
Operating lump sum appropriation	$ 209,395,200
NAU - Yuma	2,993,500
Teacher training	2,000,000
Arizona board of regents tuition increase	3,600,000
~~Lump sum reductio~~	~~(21,288,300)~~
~~Total appropriation - Northern Arizona university~~	~~196,700,400~~
Fund sources:	
State general fund	$ 134,372,600
University collections fund	62,327,800
Performance measures:	
Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	96
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	82
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with professors of any rank	61
Average number of years taken to graduate for students who began as freshmen	4.6

VETO

The state general fund appropriations shall not be used for alumni association funding.

The appropriated monies shall not be used for scholarships.

The appropriated monies shall not be used to support any student newspaper.

Any unencumbered balances remaining in the collections account on June 30, 2009 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

The appropriated monies shall not be used for the centennial scholars program.

The appropriated amount for the teacher training line item shall be distributed to the Arizona K-12 center for program implementation and mentor training for the Arizona mentor teacher program prescribed by the state board of education.

Sec. 104. UNIVERSITY OF ARIZONA

	2009-10
Main campus	
FTE positions	5,111.5
Operating lump sum appropriation	$ 424,582,500
Agriculture	39,561,700
Arizona cooperative extension	14,062,600
Sierra Vista campus	5,434,800
Arizona board of regents tuition increase	29,880,300
~~Lump sum reduction~~	~~($ 1,945,400)~~
~~Total - Main campus~~	~~$ 461,576,500~~
Fund sources:	
State general fund	$ 274,118,200
University collections fund	187,458,300
Performance measures:	
Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	96
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with ranked faculty	82
Per cent of full-time undergraduate students enrolled per semester in three or more primary courses with professors of any rank	50
Average number of years taken to graduate for students who began as freshmen	4.6

VETO

Health sciences center

FTE positions	869.1
Operating lump sum appropriation	$ 70,176,200
Clinical rural rotation	414,600
Clinical teaching support	9,521,100
Liver research institute	522,400
Phoenix medical campus	12,481,600
Telemedicine network	2,132,200
Arizona board of regents tuition increase	[illegible]19,700
~~Lump sum reduction~~	~~([illegible]100)~~
~~Total - health sciences center~~	~~$ [illegible],700~~
Fund sources:	
State general fund	$ 74,822,500
University collections fund	20,471,200

VETO

Performance measures:

Per cent of graduating seniors who rate their overall university experience as "good"/"excellent"	98
~~Total appropriation - university of Arizona~~	~~$[illegible],200~~
Fund sources:	
State general fund	$348,940,700
University collections fund	207,929,500

VETO

The state general fund appropriations shall not be used for alumni association funding.

The appropriated monies shall not be used for scholarships.

The appropriated monies shall not be used to support any student newspaper.

The appropriated monies shall not be used for the centennial scholars program.

Any unencumbered balances remaining in the collections account on June 30, 2009 and all collections received by the university during the fiscal year, when paid into the state treasury, are appropriated for operating expenditures, capital outlay and fixed charges. Earnings on state lands and interest on the investment of the permanent land funds are appropriated in compliance with the enabling act and the Constitution of Arizona. No part of this appropriation may be expended for supplemental life insurance or supplemental retirement. Receipts from summer session, when deposited in the state treasury, together with any unencumbered balance in the summer session account, are appropriated for the purpose of conducting summer sessions but are excluded from the amounts enumerated above.

~~Sec. 105. UNIVERSITY LUMP SUM REDUCTION AND REDUCTION DEFERRAL~~

Lump sum reduction	$(40,000,000)
Fund sources:	
State general fund	$(40,000,000)

On or before August 1, 2009, the Arizona board of regents shall report to the joint legislative budget committee the final allocation of the $40,000,000 lump sum reduction. The Arizona board of regents shall allocate the $40,000,000 lump sum reduction by campus for Arizona state university. The final allocation shall not increase differences in per student funding among the universities. The $40,000,000 lump sum reduction is in addition to lump sum reductions separately delineated in individual university budget sections.

VETO

Lump sum reduction deferral	$(100,000,000)
Fund sources:	
State general fund	$(100,000,000)

The Arizona board of regents shall defer funding to the institutions under its jurisdiction in proportion to the state general fund appropriation ~~received by each institution.~~

Sec. 106. DEPARTMENT OF VETERANS' SERVICES

	2009-10
FTE positions	362.3
Operating lump sum appropriation	$ 2,854,500
Arizona state veterans' home	16,588,800
Southern Arizona cemetery	279,100
Telemedicine project	10,000
Veterans' organizations contracts	29,200
Veterans' benefit counseling	2,904,800
Lump sum reduction	(734,000)
Total appropriation - department of veterans' services	$ 21,932,400
Fund sources:	
State general fund	$ 7,441,100
State home for veterans' trust fund	13,743,800
State veterans' conservatorship fund	747,500
Performance measures:	
DHS quality rating of the veterans' home ("A", "B", "C" or "D")	A
Per cent of customers rating department's services as "good" or "excellent"	95

1 Sec. 107. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

	2009-10
FTE positions	5.5
Lump sum appropriation	$ 468,300
Fund sources:	
Veterinary medical examining board fund	$ 468,300
Performance measures:	
Average calendar days to resolve a complaint	70
Average calendar days to renew a license	60
Customer satisfaction rating (Scale 0-100)	95

Sec. 108. DEPARTMENT OF WATER RESOURCES

	2009-10
FTE positions	220.7
Operating lump sum appropriation	$ 15,946,700
Adjudication support	2,106,100
Assured and adequate water supply administration	2,819,400
Rural water studies	2,007,100
Conservation and drought program	491,600
Automated groundwater monitoring	506,300
Lump sum reduction	(4,809,300)
Total appropriation - department of water resources	$ 19,067,900
Fund sources:	
State general fund	$ 18,121,800
Assured and adequate water supply administration fund	946,100
Performance measures:	
Per cent of Colorado river entitlement used	100
Per cent of Arizona's unclaimed Colorado river entitlement that is recharged via the water banking authority	95
Number of dams in a non-emergency unsafe condition	13
Number of rural water studies initiated	4
Number of rural water studies completed in current year	4
Customer satisfaction rating for hydrology program (Scale 1-8)	8.0

Monies in the assured and adequate water supply administration line item shall only be used for the exclusive purposes prescribed in sections 45-108 and 45-576 through 45-579, Arizona Revised Statutes. The department of water resources shall not transfer any funds into or out of the assured and adequate water supply administration line item.

It is the intent of the legislature that monies in the rural water studies line item will only be spent to assess local water use needs and to develop plans for sustainable future water supplies in rural areas outside the state's AMAs and not be made available for other department operating expenditures.

Monies in the adjudication support line item shall only be used for the exclusive purposes prescribed in section 45-256 and section 45-257, subsection B, paragraph 4, Arizona Revised Statutes. The department of water resources shall not transfer any funds into or out of the adjudication support line item.

Sec. 109. DEPARTMENT OF WEIGHTS AND MEASURES

	2009-10
General services	
FTE positions	22.9
Lump sum appropriation	$ 1,916,500
Fund sources:	
State general fund	$ 1,593,600
Motor vehicle liability insurance enforcement fund	322,900
Vapor recovery	
FTE positions	8.5
Lump sum appropriation	$ 638,400
Fund sources:	
Air quality fund	$ 638,400
Oxygenated fuel	
FTE positions	6.0
Lump sum appropriation	$ 885,400
Fund sources:	
Air quality fund	$ 885,400
Lump sum reduction	$ (575,200)
Fund sources:	
State general fund	$ (350,300)
Air quality fund	(224,900)
Total appropriation - department of weights and measures	$ 2,865,100
Fund sources:	
State general fund	$ 1,243,300
Air quality fund	1,298,900
Motor vehicle liability insurance enforcement fund	322,900

Performance measures:

Average customer satisfaction rating (Scale 1-5)	4.7
Per cent of retail stores' price scanning devices in compliance	78
Per cent of cleaner burning gas samples in compliance with oxygenated fuel standards	100
Per cent of gasoline dispensing facilities inspected annually that are in compliance with vapor recovery standards	88

Sec. 110. Transfer of fund monies to the state general fund; fiscal year 2009-2010

A. Notwithstanding any other law, on or before June 30, 2010, the following amounts from the following funds or sources are transferred to the state general fund for the purposes of providing adequate support and maintenance for agencies of this state:

1. Department of administration

Admin - AFIS II collections fund:	
Salary reduction	64,300
Spending reduction	173,900
Air quality fund:	
Spending reduction	85,000
Automation operations fund:	
Salary reduction	992,500
Spending reduction	2,409,000
Capital outlay stabilization fund:	
Salary reduction	316,900
Spending reduction	1,300,000
Construction insurance fund:	
Excess balance	1,507,700
Co-op state purchasing fund:	
Salary reduction	22,300
Spending reduction	44,000
Corrections fund:	
Salary reduction	48,300
Spending reduction	73,400
Emergency telecommunication services revolving fund:	
Salary reduction	30,900
Employee travel reduction fund:	
Salary reduction	36,100
Motor vehicle pool revolving fund:	
Salary reduction	78,700
Spending reduction	1,272,700

Personnel division fund:	
Salary reduction	740,600
Spending reduction	1,888,100
Risk management revolving fund:	
Salary reduction	581,300
Special employee health insurance trust fund:	
Salary reduction	251,100
Special services revolving fund:	
Salary reduction	34,200
Spending reduction	216,500
State surplus materials revolving fund:	
Salary reduction	62,200
Spending reduction	425,800
Telecommunications fund:	
Salary reduction	152,700
Excess balance	917,300
Spending reduction	1,115,800
Telecommunications fund:	
Infrastructure improvements account transfer	12,000,000
2. Arizona health care cost containment system:	
AHCCCS third party collections fund:	
Excess balance	130,700
Healthcare group fund:	
Salary reduction	361,900
Intergovernmental services fund:	
Excess balance	273,200
3. Arizona commission on the arts:	
Arts endowment fund:	
Transfer	15,000,000
Arts special revenues fund:	
Salary reduction	12,500
4. Attorney general:	
Anti-racketeering revolving fund:	
Salary reduction	139,200
Spending reduction	500,000
Attorney general legal services cost allocation fund:	
Salary reduction	606,600
Collection enforcement revolving fund:	
Salary reduction	365,500
Spending reduction	1,000,000

Consumer protection - consumer fraud revolving fund:	
Salary reduction	164,300
Risk management revolving fund:	
Salary reduction	789,000
Victims' rights fund:	
Salary reduction	33,000
5. Automobile theft authority:	
Automobile theft authority fund:	
Salary reduction	40,600
6. Department of commerce:	
Arizona job training fund:	
Salary reduction	30,900
Excess balance	30,000,000
Spending reduction	1,850,000
Commerce and economic development commission fund:	
Salary reduction	73,200
Excess balance	2,693,700
Spending reduction	394,300
Commerce development bond fund:	
Excess balance	699,000
Commerce workshops fund:	
Spending reduction	51,600
GADA revolving fund:	
Salary reduction	19,800
Excess balance	1,579,000
Spending reduction	55,600
State lottery fund:	
Salary reduction	19,500
7. Registrar of contractors:	
Registrar of contractors fund:	
Salary reduction	696,000
Excess balance	664,000
Spending reduction	1,216,400
Residential contractors' recovery fund:	
Excess balance	1,836,500
8. Corporation commission:	
Investment management regulatory and enforcement fund:	
Salary reduction	73,500
Excess balance	433,300
Spending reduction	92,900

Public access fund:	
Salary reduction	255,700
Excess balance	284,200
Securities regulatory and enforcement fund:	
Salary reduction	295,500
Spending reduction	392,100
Utility regulation revolving fund:	
Salary reduction	1,038,400
Excess balance	278,300
9. Department of corrections:	
Arizona correctional industries revolving fund:	
Salary reduction	598,600
Excess balance	391,700
Corrections fund:	
Salary reduction	37,200
Indirect cost recovery fund:	
Spending reduction	122,400
Special services fund:	
Excess balance	454,700
State DOC revolving transition fund:	
Spending reduction	341,000
State education fund for correctional education:	
Salary reduction	35,700
Transition program drug treatment fund:	
Excess balance	119,800
10. Arizona criminal justice commission:	
Criminal justice enhancement fund:	
Salary reduction	48,600
Excess balance	400,000
Drug and gang enforcement account:	
Salary reduction	59,200
Driving under the influence abatement fund:	
Excess balance	500,000
State aid to county attorneys fund:	
Excess balance	100,000
State aid to indigent defense fund:	
Excess balance	209,100
11. Commission for the deaf and hard of hearing:	
Telecommunication fund for the deaf:	
Salary reduction	95,200
Excess balance	474,600
Spending reduction	944,100

12. Drug and gang prevention resource center:	
Drug and gang prevention resource center fund:	
Excess balance	206,300
Salary reduction	22,500
Spending reduction	44,700
13. Department of economic security:	
Arizona training program at Phoenix closure fund:	
Excess balance	1,450,400
Child support enforcement administration fund:	
Salary reduction	796,900
Domestic violence shelter fund:	
Excess balance	483,800
Spending reduction	480,000
Industries for the blind fund:	
Salary reduction	360,100
Long-term care system fund:	
Spending reduction	2,972,600
Public assistance collections fund:	
Salary reduction	40,500
Spending reduction	51,700
Special administration fund:	
Excess balance	704,200
Spending reduction	347,000
Spinal and head injuries trust fund:	
Salary reduction	43,700
Excess balance	590,600
Spending reduction	513,200
14. Arizona department of education:	
Internal services fund:	
Spending reduction	471,100
Education production revolving fund:	
Salary reduction	43,700
Spending reduction	217,000
Teacher certification fund:	
Salary reduction	187,300
15. Department of environmental quality:	
Air permits administration fund:	
Salary reduction	339,900
Excess balance	1,498,500

Air quality fund:	
Salary reduction	156,200
Excess balance	2,113,100
Spending reduction	522,800
Emissions inspection fund:	
Salary reduction	138,400
Excess balance	7,000,000
Greenfields program fund:	
Excess balance	100,000
Indirect cost recovery fund:	
Salary reduction	500,700
Excess balance	2,616,600
Spending reduction	1,074,800
Monitoring assistance fund:	
Excess balance	179,100
Spending reduction	74,100
Recycling fund:	
Salary reduction	34,900
Excess balance	550,000
Spending reduction	2,290,900
Solid waste fee fund:	
Salary reduction	59,300
Spending reduction	200,900
Underground storage tank revolving fund:	
Salary reduction	393,900
Spending reduction	3,821,100
Voluntary remediation fund:	
Salary reduction	21,500
Voluntary vehicle repair and retrofit program fund:	
Excess balance	484,600
Spending reduction	1,045,900
Water quality assurance revolving fund:	
Salary reduction	371,300
Water quality fee fund:	
Salary reduction	281,800
Excess balance	733,000
16. Arizona exposition and state fair board:	
Arizona exposition and state fair fund:	
Salary reduction	552,000
Excess balance	373,200
Spending reduction	1,130,000

17. Department of financial institutions:	
Arizona escrow guaranty fund:	
Excess balance	1,017,500
Revolving fund:	
Salary reduction	55,200
Spending reduction	120,900
18. Arizona game and fish department:	
Heritage fund:	
Salary reduction	471,200
Off-highway vehicle recreation fund:	
Salary reduction	31,900
Spending reduction	46,700
Watercraft licensing fund:	
Salary reduction	115,100
Excess balance	265,600
Spending reduction	570,800
19. Government information technology agency:	
Information technology fund:	
Salary reduction	250,700
Excess balance	219,200
Spending reduction	368,300
State web portal fund:	
Spending reduction	1,100,000
20. Office of the governor:	
Prevention of child abuse fund:	
Spending reduction	63,000
21. Department of health services:	
Child fatality review fund:	
Excess balance	135,300
Emergency medical services operating fund:	
Salary reduction	249,300
Excess balance	685,800
Spending reduction	598,300
Environmental laboratory licensure revolving fund:	
Salary reduction	41,300
Hearing and speech professionals fund:	
Salary reduction	20,900
Indirect cost fund:	
Salary reduction	382,300
Excess balance	707,800
Spending reduction	907,600

Substance abuse services fund:	
Excess balance	408,800
Spending reduction	250,000
Vital records electronic systems fund:	
Salary reduction	16,000
Excess balance	378,400
Spending reduction	50,000
22. Department of housing:	
Housing program fund:	
Salary reduction	274,600
Excess balance	1,818,400
Spending reduction	459,100
23. Industrial commission:	
Industrial commission administrative fund:	
Salary reduction	1,258,800
Excess balance	429,100
Spending reduction	1,986,000
24. Department of insurance:	
Captive insurance regulatory and supervision fund:	
Salary reduction	13,100
Spending reduction	52,300
Financial surveillance fund:	
Salary reduction	31,600
Insurance examiners' revolving fund:	
Salary reduction	113,500
Spending reduction	482,100
25. Judiciary - Supreme court:	
Alternative dispute resolution fund:	
Spending reduction	74,700
Arizona lengthy trial fund:	
Excess balance	260,700
Court appointed special advocate fund:	
Salary reduction	34,500
Spending reduction	465,500
Criminal justice enhancement fund:	
Salary reduction	17,000
Excess balance	183,000
Defensive driving school fund:	
Salary reduction	66,500
Excess balance	1,531,400

Public defender training fund:	
Spending reduction	71,000
State aid to the courts fund:	
Excess balance	535,100
26. Judiciary - Superior court	
Criminal justice enhancement fund:	
Salary reduction	45,200
Drug treatment and education fund:	
Salary reduction	31,100
27. Department of juvenile corrections:	
Criminal justice enhancement fund:	
Salary reduction	16,800
Spending reduction	68,700
State education fund for committed youth:	
Salary reduction	237,400
28. State land department:	
Cooperative forestry fund:	
Salary reduction	45,400
Fire suppression fund:	
Salary reduction	280,100
29. Legislature - house of representatives:	
Excess balance	2,000,000
30. Department of liquor licenses and control:	
Liquor license special collections fund:	
Excess balance	116,600
31. Arizona state lottery commission:	
State lottery fund:	
Salary reduction	594,700
Spending reduction	799,700
State lottery fund - advertising:	
Transfer	9,162,700
State lottery fund - unclaimed prizes:	
Transfer	1,398,400
32. Department of mines and mineral resources:	
Mines and mineral resources fund:	
Salary reduction	16,200
33. Parents commission on drug education and prevention:	
Drug treatment and education fund:	
Excess balance	175,900
Spending reduction	427,600

34. Arizona state parks board:	
Heritage fund:	
Salary reduction	163,900
Off-highway vehicle recreation fund:	
Salary reduction	50,300
Excess balance	467,500
Spending reduction	66,300
Partnership fund:	
Salary reduction	14,000
Publications and souvenir revolving fund:	
Salary reduction	22,700
Reservation surcharge revolving fund:	
Salary reduction	41,800
Spending reduction	54,800
State lake improvement fund:	
Salary reduction	185,400
Excess balance	4,753,000
Spending reduction	415,000
State parks fund:	
Salary reduction	19,700
State parks enhancement fund:	
Salary reduction	557,600
Excess balance	1,901,500
Spending reduction	725,900
35. Commission for postsecondary education:	
Early graduation scholarship fund:	
Excess balance	2,863,800
Spending reduction	57,800
36. Department of public safety:	
Anti-racketeering fund:	
Salary reduction	84,500
Automatic fingerprint identification fund:	
Salary reduction	29,000
Excess balance	71,900
Board of fingerprinting fund:	
Salary reduction	37,600
Spending reduction	29,500
Crime laboratory assessment fund:	
Salary reduction	347,600
Criminal justice enhancement fund:	
Salary reduction	215,000
Excess balance	206,600

DNA identification system fund:	
Salary reduction	267,100
Excess balance	552,300
DNA identification system fund:	
Garage fund transfer	2,504,000
Department of public safety administration fund:	
Salary reduction	65,000
Department of public safety licensing fund:	
Salary reduction	77,700
Excess balance	96,700
Fingerprint clearance card fund:	
Salary reduction	184,900
Excess balance	193,800
Highway patrol fund:	
Salary reduction	1,498,800
Indirect cost recovery fund:	
Salary reduction	77,000
Motorcycle safety fund:	
Excess balance	100,000
Parity compensation fund:	
Salary reduction	271,100
Excess balance	455,400
Peace officers training fund:	
Salary reduction	189,000
Excess balance	181,200
Public safety equipment fund:	
Spending reduction	2,485,400
Records processing fund:	
Salary reduction	78,900
Excess balance	49,500
Spending reduction	567,800
37. Arizona department of racing:	
Arizona breeders award fund:	
Excess balance	131,300
County fairs racing betterment fund:	
Excess balance	182,600
38. Radiation regulatory agency:	
Radiation certification fund:	
Salary reduction	21,300

39. Residential utility consumer office:	
Residential utility consumer office revolving fund:	
Excess balance	219,400
40. Department of revenue:	
Estate and unclaimed property fund:	
Excess balance	1,011,000
Liability set-off fund:	
Salary reduction	23,700
Excess balance	177,500
41. School facilities board:	
School facilities revenue bond debt service fund:	
Transfer	880,000
State school trust revenue bond debt service fund:	
Transfer	500,000
42. Office of tourism:	
Tourism fund:	
Excess balance	400,000
43. Department of transportation:	
Arizona highways magazine fund:	
Salary reduction	236,500
Excess balance	404,500
Spending reduction	647,800
Economic strength project fund:	
Excess balance	684,700
Spending reduction	100,000
Motor vehicle liability insurance enforcement fund:	
Excess balance	266,700
Spending reduction	242,000
State aviation fund:	
Salary reduction	150,900
Excess balance	731,400
Spending reduction	233,700
Transportation department equipment fund:	
Salary reduction	1,182,100
Excess balance	1,989,200
Spending reduction	3,215,500
Vehicle inspection and title enforcement fund:	
Excess balance	278,100

44. Arizona board of regents:	
Regents local fund:	
Salary reduction	75,900
Spending reduction	152,700
45. Arizona state university - main campus:	
Auxiliary fund:	
Salary reduction	2,848,600
Excess balance	3,852,900
Spending reduction	10,237,200
46. Arizona state university - East campus:	
Auxiliary fund:	
Salary reduction	59,600
Spending reduction	123,000
47. Arizona state university - West campus:	
Auxiliary fund:	
Salary reduction	35,100
Excess balance	79,200
Spending reduction	101,000
48. Northern Arizona university:	
Auxiliary fund:	
Salary reduction	1,010,300
Excess balance	2,622,100
Spending reduction	2,701,600
49. University of Arizona - main campus:	
Auxiliary fund:	
Salary reduction	4,203,900
Excess balance	7,084,000
Spending reduction	13,242,600
50. University of Arizona - health sciences center:	
Auxiliary fund:	
Salary reduction	426,400
Excess balance	527,300
Spending reduction	712,500
51. Department of veterans' services:	
Veterans' cemetery fund:	
Excess balance	121,600
52. Department of water resources:	
Arizona water banking fund:	
Excess balance	4,000,000
Arizona water protection fund:	
Excess balance	2,346,000

Arizona water quality fund:	
Salary reduction	31,700
Excess balance	152,600
Spending reduction	56,300
Assured and adequate water supply fund:	
Salary reduction	61,100
Spending reduction	111,900
Augmentation and conservation assistance fund:	
Salary reduction	24,600
Spending reduction	110,500
Dam repair fund:	
Excess balance	378,400
Indirect cost recovery fund:	
Salary reduction	92,100
Excess balance	205,100
Spending reduction	163,300
Well administration and enforcement fund:	
Salary reduction	44,200
Spending reduction	78,800
53. Department of weights and measures:	
Air quality fund:	
Salary reduction	70,600
Spending reduction	154,300

B. Agencies listed shall reduce expenditures from the listed funds accordingly in order to ensure a sufficient fund balance for these fund transfers.

C. The fund transfers in this section shall be made as soon as is practicable to avoid a shortfall in each fund. On or before August 1, 2009, the governor's office of strategic planning and budgeting shall report to the joint legislative budget committee on any fund transfers that have not been fully made as of July 15, 2009. For each fund transfer not fully made as of July 15, 2009, the report shall list when the fund transfer will be completed or additional steps required to make the full fund transfer.

Sec. 111. Reductions and transfers; budget units; cash transfers

A. Notwithstanding any other law, in fiscal year 2009-2010 a budget unit may request a cash transfer between its own funds from the state comptroller to comply with a reduction or transfer required by this act.

B. Monies transferred pursuant to subsection A of this section shall not be transferred to or from a budget unit's general fund appropriation.

C. Monies transferred pursuant to subsection A of this section shall not be transferred from the law enforcement and boating safety fund established by section 5-383, Arizona Revised Statutes.

D. Before transferring any monies pursuant to subsection A of this section, the transfer must be reviewed by the joint legislative budget committee.

E. The state comptroller shall coordinate all activity with the governor's office of strategic planning and budgeting and shall notify the joint legislative budget committee staff of any cash transfers pursuant to this section. The state comptroller shall file a final report on all activities under this section with the joint legislative budget committee staff and the governor's office of strategic planning and budgeting no later than August 1, 2010.

~~Sec. 112. Department of transportation; vehicle license tax; transfer~~

~~Notwithstanding any other law, $76,783,600 received in fiscal year 2009-2010 pursuant to title 28, chapter 1, article 3, Arizona Revised Statutes, relating to vehicle license tax, for distribution to the state highway fund pursuant to section 28-6538, subsection A, paragraph 1, Arizona Revised Statutes, shall be deposited in the state general fund.~~

VETO

Sec. 113. Appropriation reduction; water quality assurance revolving fund

Notwithstanding any other law, the appropriation from the state general fund to the water quality assurance revolving fund for fiscal year 2009-2010 shall not exceed $9,000,000.

Sec. 114. Early childhood development and health fund; interest; transfer

On or before June 30, 2010, the sum of $7,000,000 in interest earnings on the early childhood development and health fund is transferred from the early childhood development and health fund to the state general fund.

Sec. 115. Supplemental appropriation; board of cosmetology

In addition to the appropriation made by Laws 2007, chapter 255, section 22, the sum of $252,000 is appropriated from the state general fund in fiscal year 2008-2009 to the board of cosmetology to offset a prior fund transfer to the state general fund.

Sec. 116. Supplemental appropriations; department of health services; transfer

A. In addition to any other amounts appropriated to the department of health services in fiscal year 2008-2009, the sum of $19,871,400 is appropriated from the state general fund and the sum of $45,438,600 is appropriated in federal title XIX expenditure authority in fiscal year 2008-2009 to the department of health services division of behavioral health services.

B. On or before June 30, 2009, the department of health services shall transfer $39,871,400 from the agreements/intergovernmental agreements fund to the state general fund.

Sec. 117. Appropriations; agency funds

The following amounts are appropriated from the state general fund in fiscal year 2009-2010 to the following state agencies:

1. $148,000 to the state board of chiropractic examiners for deposit in the board of chiropractic examiners fund.

2. $100,000 to the state board of funeral directors and embalmers for deposit in the board of funeral directors and embalmers fund.

3. $300,000 to the state board of psychologist examiners for deposit in the board of psychologist examiners fund.

4. $250,000 to the Arizona state veterinary medical examining board for deposit in the veterinary medical examining board fund.

5. $200,000 to the office of tourism for deposit in the tourism fund.

Sec. 118. Appropriations; repayment

The following amounts are appropriated from the state general fund in fiscal year 2009-2010 to the following funds and shall be repaid to the state general fund from those funds no later than June 30, 2010:

1. $300,000 to the board of nursing fund.

2. $100,000 to the board of osteopathic examiners fund.

3. $200,000 to the Arizona state board of pharmacy fund.

Sec. 119. Department of education; use of transferred monies for legal costs

The department of education may use up to $300,000 of the $5,000,000 that was previously transferred in fiscal year 2008-2009 from amounts appropriated to the department as the result of a favorable review by the joint legislative budget committee on August 12, 2008 that was conducted pursuant to section 15-901.03, Arizona Revised Statutes, for legal costs incurred in the case of Virgel Cain, et al v. Tom Horne, (CV2007-002986).

Sec. 120. Department of economic security; lump sum reduction deferral; supplemental appropriation; appropriations

A. The appropriation made from the state general fund in fiscal year 2008-2009 to the department of economic security is reduced by $25,000,000 from the state general fund to defer payments for services provided in fiscal year 2008-2009 to fiscal year 2009-2010.

B. In addition to the appropriation made in Laws 2008, chapter 285, section 6, the sum of $9,400,000 is appropriated from the state general fund and $12,000,000 in additional expenditure authority of federal monies is appropriated to the department of economic security in fiscal year 2008-2009 for services to the developmentally disabled.

C. The sum of $25,000,000 is appropriated from the state general fund to the department of economic security in fiscal year 2009-2010 for the purpose of paying bills for services provided in June 2009 with the monies appropriated by the legislature to the department for fiscal year 2009-2010.

D. The sum of $25,000,000 is appropriated from the state general fund to the department of economic security in fiscal year 2010-2011 for the purpose of paying bills for services provided in June 2010 with the monies appropriated by the legislature to the department for fiscal year 2010-2011.

Sec. 121. AHCCCS; health plan payment deferral; appropriation

In addition to any other amounts appropriated to the Arizona health care cost containment system, for fiscal year 2010-2011, the sum of $117,889,100 is appropriated from the state general fund and $226,312,600 in federal title XIX expenditure authority for health plan payments deferred from fiscal year 2009-2010.

Sec. 122. Federal assistance; reductions; appropriations

Notwithstanding any other law, if this state receives federal assistance through an increase in federal matching monies:

1. The following state general fund amounts are reduced from appropriations made to state agencies in fiscal year 2009-2010 as listed below:

(a) Arizona health care cost containment system - $575,206,900.

(b) Department of economic security - $100,644,600.

(c) Department of health services - $133,171,600.

2. The following additional amounts are appropriated to state agencies in fiscal year 2009-2010 from federal title XIX expenditure authority as listed below:

(a) Arizona health care cost containment system - $575,206,900.

(b) Department of economic security - $100,644,600.

(c) Department of health services - $133,171,600.

~~Sec. 123. Fiscal year 2008-2009; higher education; legislative~~ intent; federal education stabilization fund

A. It is the intent of the legislature that in fiscal year 2008-2009, $154,138,300 will be disbursed from the federal education stabilization fund to the Arizona board of regents. These monies shall be disbursed in accordance with the provisions of the American recovery and reinvestment act of 2009. On or before August 1, 2009, the Arizona board of regents shall report to the joint legislative budget committee the final allocation of the $154,138,300 disbursement. The legislature intends that the Arizona board of regents allocate the $154,138,300 disbursement in a manner that does not increase the differences in per student funding among the universities.

B. It is the intent of the legislature that in fiscal year 2008-2009, $28,671,000 will be disbursed from the federal education stabilization fund to the Arizona community college system in order to restore funding reductions made since fiscal year 2007-2008. These monies shall be disbursed in accordance with the provisions of the American recovery and reinvestment act of 2009. The legislature intends that the $28,671,000 be distributed ~~from the stabilization fund as follows:~~

VETO

~~1. Operating state aid: $10,973,200~~

2. Capital outlay state aid: $17,697,800

These amounts shall be distributed to each community college district based on the formulas in sections 15-1464 and 15-1466, Arizona Revised Statutes, using each community college district's fiscal year 2006-2007 audited full-time student equivalent count.

Sec. 124. Reductions; fiscal year 2009-2010; K-12 education; legislative intent; federal education stabilization fund

A. Notwithstanding any other law, if this state receives federal assistance from the federal education stabilization fund, the sum of $223,234,200 is reduced from appropriations made from the state general fund in fiscal year 2009-2010 to the department of education and is transferred to the state general fund.

B. It is the intent of the legislature that in fiscal year 2009-2010, $223,234,200 will be disbursed from the federal education stabilization fund to the department of education in order to restore the funding reduction made in subsection A. These monies shall be disbursed in accordance with the provisions of the American recovery and reinvestment act of 2009.

Sec. 125. Reductions; fiscal year 2009-2010; higher education; legislative intent; federal education stabilization fund

A. Notwithstanding any other law, if this state receives federal assistance from the federal education stabilization fund, in addition to any other reductions made to the Arizona board of regents in this act, the sum of $19,514,600 is reduced from the appropriation made from the state general fund in fiscal year 2009-2010 to the Arizona board of regents for the support and maintenance of institutions under its jurisdiction and is transferred to the state general fund. On or before August 1, 2009, the Arizona board of regents shall report to the joint legislative budget committee the final allocation of the $19,514,600 reduction. The Arizona board of regents shall reduce funding to the institutions under its jurisdiction in proportion to the state general fund appropriation received by each institution.

B. It is the intent of the legislature that in fiscal year 2009-2010, $146,000,000 will be disbursed from the federal education stabilization fund to the Arizona board of regents, part of which will restore the funding reductions made in subsection A. These monies shall be disbursed in accordance with the provisions of the American recovery and reinvestment act of 2009. On or before August 1, 2009, the Arizona board of regents shall report to the joint legislative budget committee the final allocation of the $146,000,000 disbursement. The legislature intends that the Arizona board of regents allocate the $146,000,000 disbursement in a manner that does not ~~increase the differences in per student funding among the universities.~~

VETO

C. It is the intent of the legislature that in fiscal year 2009-2010, $29,825,900 will be disbursed from the federal education stabilization fund to the Arizona community college system in order to partially restore the reductions in this act. These monies shall be disbursed in accordance with the provisions of the American recovery and reinvestment act of 2009. The legislature intends that the $29,825,900 be distributed from the stabilization fund as follows:

1. Operating state aid: $14,829,200
2. Capital outlay state aid: $14,996,700

These amounts shall be distributed to each community college district based on the formulas in sections 15-1464 and 15-1466, Arizona Revised Statutes, using each community college district's fiscal year 2007-2008 audited full-time student equivalent count.

VETO

Sec. 126. Appropriation; operating adjustments

	2009-10
State employee health insurance adjustments	$ 10,000,000
Fund sources:	
State general fund	$ 10,000,000

State employee health insurance adjustments

The amount appropriated for state employee health insurance adjustments shall be deposited in the special employee health insurance trust fund for fiscal year 2009-2010 increases in the employer share of state employee health insurance premiums.

Sec. 127. Legislative intent; expenditure reporting

It is the intent of the legislature that all departments, agencies or budget units receiving appropriations under the terms of this act shall continue to report actual, estimated and requested expenditures by budget programs and budget classes in a format that is similar to the budget programs and budget classes used for budgetary purposes in prior years. A different format may be used if deemed necessary to implement section 35-113, Arizona Revised Statutes, agreed to by the director of the joint legislative budget committee and incorporated into the budget preparation instructions adopted by the governor's office of strategic planning and budgeting pursuant to section 35-112, Arizona Revised Statutes.

Sec. 128. FTE positions; reporting; definition

Full-time equivalent (FTE) positions contained in this act are subject to appropriation. The director of the department of administration shall account for the use of all appropriated FTE positions excluding those in the department of economic security, the universities and the department of environmental quality. The director shall submit the fiscal year 2009-2010 report by August 1, 2010 to the director of the joint legislative budget committee. The reports shall compare the level of FTE usage in each fiscal year to the appropriated level. For the purposes of this section, "FTE positions" shall mean the total number of hours worked, including both

regular and overtime hours as well as hours taken as leave, divided by the number of hours in a work year. The director of the department of administration shall notify the director of each budget unit if the budget unit has exceeded its number of appropriated FTE positions. The above excluded agencies shall each report to the director of the joint legislative budget committee in a manner comparable to the department of administration reporting.

Sec. 129. Filled FTE positions; reporting

By October 1, 2009, each agency, including the judiciary and universities, shall submit a report to the director of the joint legislative budget committee on the number of filled, appropriated FTE positions by fund source. The number of filled, appropriated FTE positions reported shall be as of September 1, 2009.

Sec. 130. Performance measure results; reporting

As part of its fiscal year 2010-2011 budget request, agencies shall submit the fiscal year 2008-2009 result for the performance measures listed in this act. If an agency fails to submit this information, it shall submit a report to the joint legislative budget committee staff and the office of strategic planning and budgeting as part of its fiscal year 2010-2011 budget request on why the agency failed to submit its results for the performance measure.

Sec. 131. Transfer of spending authority

The department of administration shall report monthly to the director of the joint legislative budget committee on any transfers of spending authority made pursuant to section 35-173, subsection C, Arizona Revised Statutes, during the prior month.

Sec. 132. Interim reporting requirements

A. State general fund revenue for fiscal year 2008-2009, not including the beginning balance and including one-time revenues, is forecasted to be $8,403,873,200.

B. State general fund revenue for fiscal year 2009-2010, not including the beginning balance and including one-time revenues, is forecasted to be $8,224,391,100.

C. The executive branch shall provide to the joint legislative budget committee a preliminary estimate of the fiscal year 2008-2009 state general fund ending balance by September 15, 2009. The preliminary estimate of the fiscal year 2009-2010 state general fund ending balance shall be provided by September 15, 2010. The estimate shall include projections of total revenues, total expenditures and ending balance. The department of administration shall continue to provide the final report for the fiscal year in its annual financial report pursuant to section 35-131, Arizona Revised Statutes.

D. Based on the information provided by the executive branch, the staff of the joint legislative budget committee shall report to the joint legislative budget committee by October 15 of 2009 and 2010 as to whether that fiscal year's revenues and ending balance are expected to change by more than $50,000,000 from the budgeted projections. The executive branch may also provide its own estimates to the joint legislative budget committee by October 15 of each year.

Sec. 133. Definition

For the purposes of this act, "*" means this appropriation is a continuing appropriation and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 134. Definition

For the purposes of this act, "**" means this appropriation is available for use pursuant to section 35-143.01, subsection C, Arizona Revised Statutes, and is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2011.

Sec. 135. Definition

For the purposes of this act, "expenditure authority" means that the fund sources are continuously appropriated monies that are included in the individual line items of appropriations.

Sec. 136. Definition

For the purposes of this act, "review by the joint legislative budget committee" means a review by a vote of a majority of a quorum of the members.

APPROVED BY THE GOVERNOR JULY 1, 2009.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 1, 2009.