

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 277
SENATE BILL 1522

AN ACT

AMENDING LAWS 2014, CHAPTER 15, SECTION 5; AMENDING LAWS 2016, CHAPTER 126, SECTIONS 6 AND 8; REPEALING LAWS 2017, CHAPTER 306, SECTION 11; MAKING CAPITAL OUTLAY APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE AND FOR STATE INSTITUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Laws 2014, chapter 15, section 5 is amended to read:

3 Sec. 5. Appropriation; department of veterans' services;
4 veterans' home facility; exemption

5 A. The sum of \$9,200,000 is appropriated from the state general
6 fund in fiscal year 2014-2015 to the department of veterans' services for
7 construction and establishment of a veterans' home facility in Yuma.

8 B. The amount appropriated in subsection A of this section is
9 intended to be this state's share of the costs, and is not subject to
10 expenditure for any purpose unless the department of veterans' services
11 has irrevocable commitments from the United States government for funding
12 ~~at least sixty-five per cent~~ A PORTION of the total costs.

13 C. The appropriation made in subsection A of this section is exempt
14 from the provisions of section 35-190, Arizona Revised Statutes, relating
15 to lapsing of appropriations.

16 D. The department of veterans' services shall submit the scope,
17 purpose and estimated cost of the veterans' home facility in Yuma to the
18 joint committee on capital review for its review pursuant to section
19 41-1252, Arizona Revised Statutes.

20 Sec. 2. Laws 2016, chapter 126, section 6 is amended to read:

21 Sec. 6. Appropriation; department of veterans' services;
22 veterans' home; Flagstaff; exemption

23 A. The sum of \$10,000,000 is appropriated from the state general
24 fund in fiscal year 2016-2017 to the department of veterans' services for
25 the establishment and construction of a veterans' home facility in
26 Flagstaff.

27 B. The amount appropriated in subsection A of this section is
28 intended to be this state's share of the costs of a veterans' home
29 facility in Flagstaff. The department may not spend the appropriation for
30 any purpose unless the department receives an irrevocable commitment from
31 the United States government to fund ~~at least sixty-five per cent~~ A PORTION
32 of the total costs of a veterans' home facility in Flagstaff.

33 C. Before spending the appropriation in subsection A of this
34 section, the department of veterans' services shall submit the scope,
35 purpose and estimated cost of the veterans' home facility in Flagstaff to
36 the joint committee on capital review for its review pursuant to section
37 41-1252, Arizona Revised Statutes.

38 D. The appropriation made in subsection A of this section is exempt
39 from the provisions of section 35-190, Arizona Revised Statutes, relating
40 to lapsing of appropriations.

1 Sec. 3. Laws 2016, chapter 126, section 8 is amended to read:

2 Sec. 8. Appropriations; department of transportation;
3 Interstate 10 projects; exemption from review;
4 alternative use

5 A. The sum of \$30,000,000 is appropriated from the ~~state general~~
6 ~~fund~~ FOLLOWING FUNDS in fiscal year 2016-2017 to the department of
7 transportation for Interstate 10 widening projects: ~~These~~

- 8 1. \$17,246,500 FROM THE STATE GENERAL FUND.
9 2. \$12,753,500 FROM THE STATE HIGHWAY FUND ESTABLISHED BY SECTION
10 28-6991, ARIZONA REVISED STATUTES.

11 B. THE monies APPROPRIATED IN SUBSECTION A OF THIS SECTION shall be
12 combined with funding from the federal fostering advancements in shipping
13 and transportation for the long-term achievement of national efficiencies
14 grant to widen:

- 15 1. Interstate 10 from Earley Road to Interstate 8.
16 2. The Interstate 10 interchange with state route 87.

17 ~~B.~~ C. Notwithstanding section 41-1252, Arizona Revised Statutes,
18 the ~~appropriation~~ APPROPRIATIONS made in subsection A of this section ~~is~~
19 ARE not subject to review by the joint committee on capital review.

20 ~~C.~~ D. Notwithstanding any other law or board policy related to the
21 allocation of state highway fund discretionary monies, if the department
22 of transportation does not receive a federal fostering advancements in
23 shipping and transportation for the long-term achievement of national
24 efficiencies grant, the ~~appropriation~~ APPROPRIATIONS made in subsection A
25 of this section shall be placed in a subaccount of the state highway fund
26 and used for statewide highway construction as part of the five year
27 transportation facilities construction program established pursuant to
28 section 28-6951, Arizona Revised Statutes.

29 Sec. 4. Repeal
30 Laws 2017, chapter 306, section 11 is repealed.

31 Sec. 5. Capital outlay appropriations; major maintenance and
32 repair of state buildings; review; report

33 A. Notwithstanding section 41-793.01, Arizona Revised Statutes, the
34 amounts appropriated in this section are appropriated for fiscal year
35 2018-2019 to be used by the applicable agency for major maintenance and
36 repair activities for state buildings in accordance with title 41, chapter
37 4, article 7, Arizona Revised Statutes. Of the amount appropriated to the
38 department of administration, up to \$275,000 in personal services and
39 employee-related expenditures for up to five FTE positions may be
40 allocated each fiscal year until the building renewal projects are
41 completed. All other monies appropriated in this section may not be spent
42 for personal services or employee-related expenditures or for maintenance
43 contracts on building components and equipment without review by the joint
44 committee on capital review.

1	E. ARIZONA STATE LOTTERY COMMISSION	\$ 126,300
2	Fund source:	
3	State lottery fund	\$ 126,300
4	F. DEPARTMENT OF TRANSPORTATION	\$ 5,492,000
5	Fund sources:	
6	State highway fund	\$ 5,250,000
7	State aviation fund	\$ 242,000

8 On or before January 31, 2019 and July 31, 2019, the department of
9 transportation shall report to the joint legislative budget committee
10 staff on the status of all building renewal projects and building renewal
11 expenditures.

12 Sec. 6. Appropriation; department of administration;
13 demolition; review

14 A. The sum of \$1,000,000 is appropriated from the capital outlay
15 stabilization fund established by section 41-792.01, Arizona Revised
16 Statutes, in fiscal year 2018-2019 to the department of administration for
17 the demolition of 1275 West Washington Street.

18 B. Before taking any action related to the demolition of 1275 West
19 Washington Street, the department of administration shall submit the
20 scope, purpose and estimated cost of the demolition to the joint committee
21 on capital review for its review.

22 Sec. 7. Appropriation; department of administration;
23 renovation; review

24 A. The sum of \$10,000,000 is appropriated from the capitol mall
25 consolidation fund established by section 41-792.01, Arizona Revised
26 Statutes, in fiscal year 2018-2019 to the department of administration to
27 renovate state-owned buildings.

28 B. Before spending the appropriation in subsection A of this
29 section, the department of administration shall submit the scope, purpose
30 and estimated cost of the capital improvements to the joint committee on
31 capital review for its review pursuant to section 41-1252, Arizona Revised
32 Statutes.

33 Sec. 8. Appropriation; department of emergency and military
34 affairs; readiness center; review

35 A. The sum of \$3,759,000 is appropriated from the state general
36 fund in fiscal year 2018-2019 to the department of emergency and military
37 affairs to construct a readiness center.

38 B. Before spending the appropriation in subsection A of this
39 section, the department of emergency and military affairs shall submit the
40 scope, purpose and estimated cost of the capital improvements to the joint
41 committee on capital review for its review pursuant to section 41-1252,
42 Arizona Revised Statutes.

1 1. Submit the scope, purpose and estimated cost of the capital
2 improvements to the joint committee on capital review for its review
3 pursuant to section 41-1252, Arizona Revised Statutes.

4 2. Submit a report on the department's procurement process for new
5 modular units to the joint committee on capital review for its review.

6 Sec. 17. Appropriation; department of transportation; truck
7 barn; office; Keams Canyon; review

8 A. The sum of \$1,790,000 is appropriated from the state highway
9 fund established by section 28-6991, Arizona Revised Statutes, in fiscal
10 year 2018-2019 to the department of transportation to construct a new
11 truck barn and office in Keams Canyon.

12 B. Before spending the appropriation in subsection A of this
13 section, the department of transportation shall submit the scope, purpose
14 and estimated cost of the capital improvements to the joint committee on
15 capital review for its review pursuant to section 41-1252, Arizona Revised
16 Statutes.

17 Sec. 18. Appropriation; department of transportation;
18 spreader rack bays; review

19 A. The sum of \$1,720,000 is appropriated from the state highway
20 fund established by section 28-6991, Arizona Revised Statutes, in fiscal
21 year 2018-2019 to the department of transportation to replace and repair
22 spreader rack bays at statewide locations.

23 B. Before spending the appropriation in subsection A of this
24 section, the department of transportation shall submit the scope, purpose
25 and estimated cost of the capital improvements to the joint committee on
26 capital review for its review pursuant to section 41-1252, Arizona Revised
27 Statutes.

28 Sec. 19. Appropriation; department of transportation; Kingman
29 materials lab; review

30 A. The sum of \$2,250,000 is appropriated from the state highway
31 fund established by section 28-6991, Arizona Revised Statutes, in fiscal
32 year 2018-2019 to the department of transportation to construct a new
33 materials lab in Kingman.

34 B. Before spending the appropriation in subsection A of this
35 section, the department of transportation shall submit the scope, purpose
36 and estimated cost of the capital improvements to the joint committee on
37 capital review for its review pursuant to section 41-1252, Arizona Revised
38 Statutes.

39 Sec. 20. Appropriation; department of veterans' services;
40 veterans' home; Flagstaff; exemption

41 A. The sum of \$4,000,000 is appropriated from the state home for
42 veterans trust fund established by section 41-608.01, Arizona Revised
43 Statutes, in fiscal year 2018-2019 to the department of veterans'
44 services.

1 B. Notwithstanding any other law, the amount appropriated in
2 subsection A of this section shall be used only for construction costs for
3 a veterans' home facility in Flagstaff.

4 C. Before spending the appropriation in subsection A of this
5 section, the department of veterans' services shall submit the scope,
6 purpose and estimated cost of the veterans' home facility in Flagstaff to
7 the joint committee on capital review for its review pursuant to section
8 41-1252, Arizona Revised Statutes.

9 D. The appropriation made in subsection A of this section is exempt
10 from the provisions of section 35-190, Arizona Revised Statutes, relating
11 to lapsing of appropriations.

12 Sec. 21. Appropriation; department of veterans' services;
13 veterans' home; Yuma; exemption

14 A. The sum of \$4,000,000 is appropriated from the state home for
15 veterans trust fund established by section 41-608.01, Arizona Revised
16 Statutes, in fiscal year 2018-2019 to the department of veterans'
17 services.

18 B. Notwithstanding any other law, the amount appropriated in
19 subsection A of this section shall be used only for construction costs for
20 a veterans' home facility in Yuma.

21 C. Before spending the appropriation in subsection A of this
22 section, the department of veterans' services shall submit the scope,
23 purpose and estimated cost of the veterans' home facility in Yuma to the
24 joint committee on capital review for its review pursuant to section
25 41-1252, Arizona Revised Statutes.

26 D. The appropriation made in subsection A of this section is exempt
27 from the provisions of section 35-190, Arizona Revised Statutes, relating
28 to lapsing of appropriations.

29 Sec. 22. Department of veterans' services; state home for
30 veterans trust fund; veterans' home construction;
31 use

32 Notwithstanding section 41-608.01, Arizona Revised Statutes, the
33 department of veterans' services may use the amount appropriated to the
34 department in fiscal year 2018-2019 from the state home for veterans trust
35 fund established by section 41-608.01, Arizona Revised Statutes, to
36 construct veterans' home facilities in Flagstaff and Yuma.

37 Sec. 23. Capital outlay appropriations; major capital
38 projects; department of transportation; reports
39 2018-2019

40	Department of transportation:	
41	1. <u>Statewide highway construction</u>	\$363,017,000
42	Fund source:	
43	State highway fund	\$363,017,000

44 The amount appropriated for highway construction is from the state
45 highway fund established by section 28-6991, Arizona Revised Statutes, to

1 plan and construct state highways, including the national system of
2 interstate highways within this state, the state primary or secondary
3 system, the county primary or secondary system and urban rural routes, to
4 acquire rights-of-way and to provide for the cost of contracted field
5 administration and field engineering on construction projects and debt
6 service payments on bonds issued for highway construction. Any balances
7 and collections in the state highway fund that exceed the specific amounts
8 appropriated in the general appropriations act and in this act are
9 appropriated to the department for the purposes provided in this
10 paragraph.

11 On or before November 1, 2018, the department of transportation
12 shall report to the directors of the joint legislative budget committee
13 and the governor's office of strategic planning and budgeting on its
14 actual prior year, estimated current year and upcoming budget year highway
15 construction expenses from all fund sources, including appropriated
16 monies, federal monies, local agency monies, state highway monies, bond
17 proceeds and regional area road monies. The report shall be in the same
18 format as in the prior year unless modifications have been approved by the
19 directors of the joint legislative budget committee and the governor's
20 office of strategic planning and budgeting.

21 On or before November 1, 2018, the department of transportation
22 shall report capital outlay information for fiscal years 2017-2018,
23 2018-2019 and 2019-2020 to the directors of the joint legislative budget
24 committee and the governor's office of strategic planning and budgeting.
25 This information shall appear in the same format as tables two, three and
26 six, as found in the fiscal year 2017-2018 appropriations report.

27 On or before November 1, 2018, the department of transportation
28 shall report the department's estimated outstanding debt principal balance
29 at the end of fiscal year 2019-2020 and the estimated debt service payment
30 amount for each of fiscal years 2019-2020, 2020-2021, 2021-2022 and
31 2022-2023 to the directors of the joint legislative budget committee and
32 the governor's office of strategic planning and budgeting. This report
33 shall include state highway fund statewide construction bonds, Arizona
34 highway user revenue fund bonds, Maricopa association of governments and
35 Pima association of governments controlled access bonds, Maricopa regional
36 area road fund bonds and grant anticipation notes and is intended to be
37 comparable to the information in the fiscal year 2017-2018 appropriations
38 report.

39 2. Airport planning and development \$ 18,798,500

40 Fund source:

41 State aviation fund \$ 18,798,500

42 The amount is appropriated from the state aviation fund established
43 by section 28-8202, Arizona Revised Statutes, to plan, construct, develop
44 and improve state, county, city or town airports as determined by the
45 state transportation board. Any balances and collections in the state

1 aviation fund that exceed the specific amounts appropriated in the general
2 appropriations act and in this act are appropriated to the department of
3 transportation for the purposes provided in this paragraph.

4	Total appropriation - department of transportation	\$381,815,500
5	Fund sources:	
6	State highway fund	\$363,017,000
7	State aviation fund	\$ 18,798,500

8 Sec. 24. Use of appropriations; limitation

9 Unless otherwise specified, the monies appropriated in this act may
10 not be spent for personal services or employee-related expenditures of
11 state employees, excluding any services provided as part of the inmate
12 construction program for correctional facilities.

13 Sec. 25. Lapsing; exemption; reversion

14 A. Notwithstanding section 35-190, Arizona Revised Statutes, the
15 appropriation of \$120,000 to repair the 1938 Works Progress Administration
16 civic building on the state fair grounds made by Laws 2016, chapter 126,
17 section 1 that remains unexpended on June 30, 2020 reverts to the fund
18 from which the monies were appropriated.

19 B. Notwithstanding section 35-190, Arizona Revised Statutes, the
20 appropriation of \$3,867,000 to the Arizona game and fish department for
21 capital improvements made by Laws 2016, chapter 126, section 4 that
22 remains unexpended on June 30, 2019 reverts to the fund from which the
23 monies were appropriated.

24 C. The appropriations made in section 23 of this act do not lapse
25 until the purpose for which the respective appropriation was made has been
26 accomplished or abandoned, or the appropriation stands for a full fiscal
27 year without an expenditure or an encumbrance.

28 D. Except as provided in subsection C of this section and
29 notwithstanding section 35-190, subsection D, Arizona Revised Statutes,
30 the appropriations made in this act for fiscal year 2018-2019 that are
31 unexpended on June 30, 2020 revert to the fund from which the monies were
32 appropriated.

33 Sec. 26. JCCR review

34 Pursuant to section 41-1252, Arizona Revised Statutes, the joint
35 committee on capital review shall review the scope, purpose and estimated
36 cost of a new capital project that has an estimated cost of more than
37 \$250,000.

APPROVED BY THE GOVERNOR MAY 3, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 3, 2018.