capital outlay; appropriations; 2022-2023

State of Arizona House of Representatives Fifty-fifth Legislature Second Regular Session 2022

CHAPTER 309

HOUSE BILL 2858

AN ACT

AMENDING LAWS 2022, CHAPTER 218, SECTION 1; MAKING CAPITAL OUTLAY APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE AND FOR STATE INSTITUTIONS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

- j -

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

Section 1. Laws 2022, chapter 218, section 1 is amended to read:

Section 1. Appropriation; department of transportation;

Interstate 10; widening; exemption

- A. The sum of \$400,000,000 is appropriated from the state general HIGHWAY fund ESTABLISHED BY SECTION 28-6991, ARIZONA REVISED STATUTES, in fiscal year 2022-2023 to the department of transportation to widen Interstate 10 between Chandler and Casa Grande. The department shall use the monies for construction-related activities, including drawing down federal matching monies for the project.
- B. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Building Renewal

Sec. 2. <u>Capital outlay appropriations; major maintenance and</u> repair of state buildings

A. Notwithstanding section 41-793.01, Arizona Revised Statutes, the amounts appropriated in this section are appropriated for fiscal year 2022-2023 to be used by the applicable agency for major maintenance and repair activities for state buildings in accordance with title 41, chapter 4, article 7, Arizona Revised Statutes.

B. DEPARTMENT OF ADMINISTRATION

\$53,594,200

Fund sources:

State general fund \$37,594,200 Capital outlay stabilization fund \$16,000,000

The department of administration shall allocate the monies to state agencies for necessary building renewal. If monies in the capital outlay stabilization fund established by section 41-792.01, Arizona Revised Statutes, are insufficient to fund the appropriation to the department of administration for building renewal, the appropriation to the department of administration is reduced by the difference between the amount appropriated to the department of administration from the capital outlay stabilization fund and the balance in the capital outlay stabilization fund. Notwithstanding title 41, chapter 4, article 7, Arizona Revised Statutes, the department of administration may use monies appropriated for building renewal in fiscal year 2022-2023 for building projects related to retrofitting facilities for space consolidation initiatives.

C. STATE DEPARTMENT OF CORRECTIONS \$36,415,400

Fund sources:

State general fund \$30,551,100

Department of corrections building

renewal fund \$ 5.864.300

The state department of corrections may not spend any of this appropriation on personal services or overhead expenses related to managing the funded projects.

- 1 -

| 1 | D. ARIZONA GAME AND FISH DEPARTMENT | \$ 1,459,600 |
|----------|---------------------------------------------------------------------|----------------------------|
| 2 3 | Fund source: Game and fish fund | \$ 1,459,600 |
| 3 4 | E. ARIZONA STATE LOTTERY COMMISSION | \$ 1,459,000 \$ 176,400 |
| 5 | Fund source: | ¥ 170,400 |
| 6 | State lottery fund | \$ 176,400 |
| 7 | F. DEPARTMENT OF TRANSPORTATION | \$18,607,200 |
| 8 | Fund sources: | Ψ10,007,200 |
| 9 | State highway fund | \$18,139,400 |
| 10 | State aviation fund | \$ 467,800 |
| 11 | Individual Projects | Ψ 107,000 |
| 12 | Sec. 3. Appropriations; state agency capital | nroiects. |
| 13 | report; exemption; reversion | <u> </u> |
| 14 | A. The amounts appropriated in this section are ap | propriated for |
| 15 | fiscal year 2022-2023 to be used by the applicable agencies | • |
| 16 | capital projects. | |
| 17 | B. DEPARTMENT OF ADMINISTRATION | |
| 18 | 1. Building demolition | \$ 1,568,000 |
| 19 | 2. West Adams building renovations | \$ 52,274,000 |
| 20 | Fund sources: | |
| 21 | State general fund | \$ 48,842,000 |
| 22 | Capitol mall consolidation fund | \$ 5,000,000 |
| 23 | C. STATE DEPARTMENT OF CORRECTIONS | |
| 24 | Replace evaporative cooling statewide with HVAC | \$ 47,600,000 |
| 25 | 2. Statewide door, lock and fire systems replacement | \$ 20,400,000 |
| 26 | Fund sources: | |
| 27 | State general fund | \$ 68,000,000 |
| 28 | D. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND | |
| 29 | Classroom notification system replacement | \$ 96,000 |
| 30 | 2. Security upgrades | \$ 420,000 |
| 31 | 3. Food service equipment replacement | \$ 350,000 |
| 32 | Fund sources: | |
| 33 | State general fund | \$ 866,000 |
| 34 | E. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS | |
| 35 | 1. Additional construction monies for | 1 000 000 |
| 36 | Tucson readiness center | \$ 1,800,000 |
| 37 38 | 2. Fire suppression projects Fund sources: | \$ 1,151,100 |
| 39 | State general fund | \$ 2,951,100 |
| 40 | F. ARIZONA EXPOSITION AND STATE FAIR BOARD | Ψ 2,931,100 |
| 41 | Capital improvements | \$ 1,000,000 |
| 42 | Fund sources: | Ψ 1,000,000 |
| 43 | Arizona exposition and state fair fund | \$ 1,000,000 |
| 44 | G. ARIZONA GAME AND FISH DEPARTMENT | ,555,556 |
| 45 | 1. Dam maintenance | \$ 150,000 |
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| 1 | 2. Property maintenance | \$ | 300,000 |
|----------|-----------------------------------------------------------------------------------------------------------|-----|------------|
| 2 3 | Fund sources: Capital improvement fund | \$ | 450,000 |
| 4 | H. JUDICIARY | | |
| 5 | Air handler and sewer replacement | \$ | 3,200,000 |
| 6 7 | Fund sources: | \$ | 2 200 000 |
| 8 | State general fund I. DEPARTMENT OF JUVENILE CORRECTIONS | Þ | 3,200,000 |
| 9 | Water and waste chase closet replumbing | \$ | 400,000 |
| 10 | Fund sources: | • | , |
| 11 | State general fund | \$ | 400,000 |
| 12 | J. LEGISLATIVE COUNCIL | | |
| 13 | Capitol improvements | \$ | 5,700,000 |
| 14 | Fund sources: | | |
| 15 | State general fund | \$ | 5,700,000 |
| 16 | Notwithstanding section 41–1252, Arizona Revised | | tutes, the |
| 17 | appropriation made in this subsection is not subject to | rev | iew by the |
| 18 19 | joint committee on capital review. K. DEPARTMENT OF LIQUOR LICENSES AND CONTROL | | |
| 20 | Space reconfiguration | \$ | 3,500,000 |
| 21 | Fund sources: | • | 0,000,000 |
| 22 | Liquor licenses fund | \$ | 3,500,000 |
| 23 | L. ARIZONA STATE PARKS BOARD | | |
| 24 | Capital improvements | \$ | 2,742,800 |
| 25 | 2. Dead Horse Ranch state park amphitheater | \$ | 210,000 |
| 26 | Rockin' River Ranch state park | \$ | 336,800 |
| 27 | Fund sources: | | |
| 28 | State parks revenue fund | \$ | 3,289,600 |
| 29 30 | The Arizona state parks board shall report promptly committee on capital review and the governor's office | | |
| 31 | planning and budgeting if the board revises the plan for a | | - |
| 32 | which monies are appropriated by this subsection beca | | |
| 33 | receives land and water conservation grant funding. | | 2 |
| 34 | M. ARIZONA PIONEERS' HOME | | |
| 35 | Capital improvements | \$ | 396,500 |
| 36 | Fund sources: | | |
| 37 | Pioneers' home state charitable earnings | | |
| 38 | land fund | \$ | 396,500 |
| 39 | N. DEPARTMENT OF PUBLIC SAFETY | | |
| 40 | 1. Replace 25 remote housing units and | ¢ | 0 750 000 |
| 41 42 | purchase 5 new housing units2. Purchase and construct new property for | \$ | 9,750,000 |
| 42 | evidentiary vehicle storage | \$ | 1,016,400 |
| 44 | Fund sources: | Ψ | 1,010,100 |
| 45 | State general fund | \$ | 10,766,400 |
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1 Notwithstanding section 35-190, Arizona Revised Statutes, the 2 appropriation for the department of public safety remote officer housing that is unexpended on June 30, 2025 reverts to the fund from which the 4 monies were appropriated. 5 0. DEPARTMENT OF TRANSPORTATION 6 1. Renovate 206 annex building \$ 9,309,300 7 Relocate Tucson signal equipment repair shop \$ 2,124,000 8 Replace vehicle fueling facilities in Tucson, 9 St. David, Willcox and Three Points \$ 3,026,900 4. 10 Replace deicer material storage barn in 11 Superior \$ 1,200,000 12 5. Construct new maintenance facility in Wickenburg \$ 2,985,000 13 Replace vehicle fueling facilities in 6. 14 Flagstaff, Holbrook and Kingman \$ 371,200 15 7. Construct new liquid brine tanks in Globe. 16 Show Low, Prescott Valley and Keams Canyon \$ 400,000 17 Fund sources: 18 State highway fund \$ 19,416,400 19 Sec. 4. Appropriations: department of administration: capital 20 projects; exemption 21 A. The following amounts are appropriated from the state general 22 fund in fiscal year 2022-2023 to the department of administration for the 23 following capital projects: 24 1. Dark sky discovery center \$ 2,500,000 25 The department shall distribute the monies to nonprofit a 26 organization that is designated as an international dark sky discovery 27 center and that is focused on dark sky preservation in Arizona. 2. Northern Arizona observatory 28 \$ 5.000.000 29 The department shall distribute the monies to a nonprofit organization that operates an astronomy center and observatory that is 30 31 open to the public in northern Arizona. 3. Homeless veterans housing 32 \$ 2.386.600 The department of administration shall distribute the monies to a 33 nonprofit organization in northern Arizona that partners with the United 34 States department of veterans affairs to provide affordable housing units 35 36 to homeless and at-risk veterans on a historical military campus. 37 B. Notwithstanding section 41-1252, Arizona Revised Statute, the appropriations made in this section are not subject to review by the joint 38 39 committee on capital review. 40 Sec. 5. Appropriations; department of administration; tribal 41 capital projects: exemption A. The following amounts are appropriated from the state general 42 43 fund in fiscal year 2022-2023 to the department of administration to distribute as follows: 44

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1. Lukachukai veterans' multipurpose complex

500,000

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The department of administration shall distribute the monies to the Navajo Nation for costs associated with planning, designing and constructing the Lukachukai veterans' multipurpose complex.

2. Little Colorado River visitor center \$1,000,000 The department of administration shall distribute the monies to

3. Environmental testing laboratory \$ 4,000,000 The department of administration shall distribute the monies to the

Navajo technical university to develop and construct an environmental testing laboratory on the university campus in Chinle, Arizona.

Navajo county to construct a Little Colorado River visitor center.

- 4. Diné college student center \$ 8,000,000

 The department of administration shall distribute the monies to the
- Diné college board of regents to construct a student center.
 - 5. Teesto multipurpose community center \$ 1,000,000
 The department of administration shall distribute the monies to the

Navajo Nation for costs associated with site preparation for the Teesto multipurpose community center.

6. Dilkon center improvements \$ 3,000,000

The department of administration shall distribute the monies to the Navajo Nation for costs associated with improvements to the Dilkon center.

7. Kayenta judicial complex \$ 2,000,000 The department of administration shall distribute the monies to the Navajo Nation for costs associated with improvements to the Kayenta judicial complex.

B. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriations made in this section are not subject to review by the joint committee on capital review.

Sec. 6. Appropriations: Arizona state parks board: capital projects; expenditure plan; report

A. The following amounts are appropriated from the state parks revenue fund established by section 41-511.21, Arizona Revised Statutes, in fiscal year 2022-2023 to the Arizona state parks board for the following capital projects:

| 34 | 1. | Jerome fire suppression system | \$ 1,540,000 |
|----|-----|-------------------------------------------|-----------------|
| 35 | 2. | Southern construction services relocation | \$ 2,000,000 |
| 36 | 3. | Tonto natural bridge historic | |
| 37 | | building renovation | \$ 3,500,000 |
| 38 | 4. | Tombstone courthouse renovation | \$ 2,008,500 |
| 39 | 5. | Rockin' River Ranch renovation | \$ 1,750,000 |
| 40 | 6. | Catalina main entrance bridge | \$ 1,500,000 |
| 41 | 7. | Statewide campground improvements | \$ 4,100,000 |
| 42 | 8. | Statewide sunshade structures | \$ 2,233,333 |
| 43 | 9. | Statewide water conservation | \$ 1,339,000 |
| 44 | 10. | Smartphone application | \$ 535,600 |

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- B. The Arizona state parks board may use up to ten percent of the monies from any project listed in subsection A of this section to pay for costs associated with another project listed in subsection A of this section. After review by the joint committee on capital review, the Arizona state parks board may use more than ten percent of the monies appropriated for a project in subsection A of this section to pay for costs associated with another project listed in subsection A of this section.
- C. Before the Arizona state parks board spends any monies in the smartphone application line item, the Arizona strategic enterprise technology office shall submit, on behalf of the Arizona state parks board, an expenditure plan to the joint legislative budget committee for review. The expenditure plan shall include the project cost, deliverables, timeline for completion and method of procurement consistent with the department's prior reports for its appropriation from the automation projects fund pursuant to section 41-714, Arizona Revised Statutes.
- D. The Arizona state parks board shall report promptly to the joint committee on capital review and the governor's office of strategic planning and budgeting if the board revises the plan for any project for which monies are appropriated by this section because the board receives land and water conservation grant funding.

Sec. 7. Appropriations: Arizona board of regents: capital project: exemption

- A. The sum of \$12,000,000 is appropriated from the state general fund in fiscal year 2022-2023 to the Arizona board of regents to distribute to the university of Arizona for capital improvements to the mining, mineral and natural resources educational museum.
- B. Notwithstanding section 35-190, Arizona Revised Statutes, the appropriation made in this section that is unexpended on June 30, 2024 reverts to the fund from which the monies were appropriated.

 Department of Transportation Statewide Highway Construction

Sec. 8. <u>Appropriations; department of transportation; highway construction; intent; reports; exemption; lapsing</u>

- A. The following amounts are appropriated from the state highway fund established by section 28-6991, Arizona Revised Statutes, in fiscal year 2022-2023 to the department of transportation for the following highway projects:
 - Design and construct additional vehicle lanes, separated by a lighted median, on Interstate 10 between State Route 85 and Citrus Road

\$64,200,000

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The legislature intends that:

- (a) Not more than one hundred twenty days after the effective date of this section, the city of Buckeye contribute \$3,000,000 to the project described in this paragraph.
- (b) The Maricopa association of governments collect and contribute at least \$10,000,000 from sources other than this state for the project described in this paragraph.
- (c) The department use any federal discretionary monies awarded for the project described in this paragraph before spending the monies appropriated in this paragraph.
 - 2. Improve Jackrabbit Trail between Thomas Road and McDowell Road \$20,080,000

The legislature intends that the city of Buckeye contribute \$5,020,000 to the project described in this paragraph.

| - 0 | | regionabare interial that the troy of | Buckeye continua |
|-----|------------|-----------------------------------------------|------------------|
| 14 | \$5,020,00 | O to the project described in this paragraph. | |
| 15 | 3. | Acquire right-of-way to extend State | |
| 16 | | Route 24 | \$15,000,000 |
| 17 | 4. | Rehabilitate pavement along United States | |
| 18 | | Route 60 between Loop 101 | |
| 19 | | and Loop 202 | \$38,482,000 |
| 20 | 5. | · · | |
| 21 | | evacuation bridge in Lake Havasu City | \$ 200,000 |
| 22 | 6. | | |
| 23 | | State Route 69 and State Route 169 | \$ 1,500,000 |
| 24 | 7. | Study and design traffic interchange on | |
| 25 | | State Route 74 at Lake Pleasant Parkway | \$ 5,000,000 |
| 26 | 8. | | |
| 27 | | Hunt Highway | \$ 100,000 |
| 28 | 9. | | |
| 29 | | and Skousen Road | \$ 100,000 |
| 30 | 10. | 3 | |
| 31 | | Route 89 at State Route 89A | \$ 3,000,000 |
| 32 | 11. | · · · · · · · · · · · · · · · · · · · | |
| 33 | | between Campus Drive and the U.S. Border | |
| 34 | 1.0 | Patrol Station in Huachuca City | \$39,200,000 |
| 35 | 12. | , | |
| 36 | | Route 191 between Mile Post 163 and | 100 150 000 |
| 37 | 1.0 | Mile Post 173 | \$22,152,000 |
| 38 | 13. | 3 | |
| 39 | | Loop 101 between 51st Avenue and | ¢ 0 514 000 |
| 40 | 1.4 | 59th Avenue | \$ 9,514,000 |
| 41 | 14. | , | |
| 42 | | Route 191 between Armory Road and | ¢16 220 000 |
| 43 | | East Safford | \$16,330,000 |

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| 1 | 15. | Design to improve State Route 238 between | | |
|----|-----|----------------------------------------------|-----------|------|
| 2 | | State Route 347 and Green Road | \$ 800, | ,000 |
| 3 | 16. | Construct and improve former State | | |
| 4 | | Route 279 | \$ 6,142, | ,800 |
| 5 | 17. | Design work for State Route 303 improvements | | |
| 6 | | from Interstate 17 to Lake Pleasant | | |
| 7 | | Parkway | \$ 4,000, | ,000 |
| 8 | 18. | Design work for the interchange at State | | |
| 9 | | Route 303 and Interstate 17 | \$19,000, | ,000 |
| 10 | 19. | Design to widen lanes along State Route 347 | | |
| 11 | | between Interstate 10 and city of Maricopa | \$19,000, | ,000 |
| 12 | 20. | Assess intersection on State Route 389 | | |
| 13 | | at Arizona Avenue | \$ 100, | ,000 |
| 14 | 21. | Distribute to the northern Arizona | | |
| 15 | | intergovernmental public transportation | | |
| 16 | | authority for capital costs of the | | |
| 17 | | Flagstaff downtown connection center | \$ 6,000, | ,000 |
| 18 | 22. | Install lighting on the Sentinel exit | | |
| 19 | | in Gila Bend | \$ 568, | ,000 |
| 20 | 23. | Conduct a tier 2 study for the North-South | | |
| 21 | | Corridor in Pinal county | \$15,000, | ,000 |
| 22 | 24. | Conduct a tier 2 study for the Sonoran | | |
| 23 | | Corridor in Pima county | \$14,000, | ,000 |
| 24 | 25. | Conduct a tier 2 study for Interstate 11 | | |
| 25 | | in Maricopa county | \$25,000, | ,000 |
| 26 | 26. | Design and construct a screen wall along the | | |
| 27 | | east side of Loop 101 near 16th Street | \$ 7,250, | ,000 |
| | _ | | - · | |

- B. Within thirty days after the last day of each calendar quarter, the department shall report to the joint legislative budget committee staff the projected cost and status of the projects for the appropriations made in subsection A of this section. The report shall include any impacts to the projects due to the increase in the cost of concrete.
- C. Before transferring monies between the projects described in subsection A of this section, the department shall submit a report for review by the joint committee on capital review.
- D. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriations made in subsection A of this section are not subject to review by the joint committee on capital review.
- E. The appropriations made in subsection A of this section do not lapse until the purpose for which the appropriations were made has been accomplished or abandoned or the appropriations stand for a full fiscal year without an expenditure or encumbrance.

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Sec. 9. Appropriations: department of transportation: tribal highway construction and improvements; exemption

- A. The following amounts are appropriated from the state general fund in fiscal year 2022-2023 to the department of transportation for the following projects:
 - 1. Ganado School Loop Road \$ 1,000,000 The department of transportation shall distribute the monies to

Apache county for the construction, repairs and upgrades of County Road C- 420 Ganado School Loop Road.

2. U.S. Route 89 \$ 5,000,000 The department of transportation shall use the monies to construct a traffic circle at the intersection of North Lake Powell Boulevard and U.S. Route 89 in Page, Arizona and to install traffic control devices at the intersection of U.S. Route 89 and the road to the Horseshoe Bend parking lot.

3. N9402 Road \$ 10,000,000

The department of transportation shall distribute the monies to the Navajo Nation for the improvements to N9402 Road near Lupton, Arizona and Houck, Arizona.

4. N35 Road \$ 6.000.000

The department of transportation shall distribute the monies to the Navajo Nation for the improvements to N35 Road.

- B. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriations made in this section are not subject to review by the joint committee on capital review.
 - Sec. 10. Appropriation; state aviation fund; use; exemption
- A. The sum of \$600,000 is appropriated from the state aviation fund established by section 28-8202, Arizona Revised Statutes, in fiscal year 2022-2023 to the department of transportation to distribute to the Prescott regional airport for the strategic academic flight education complex if the airport demonstrates to the department that the airport has a commitment for matching monies of gifts, grants and donations for the strategic academic flight education complex from sources other than this state.
- The appropriation made in subsection A of this section is exempt В. from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

Sec. 11. Appropriation; state match advantage for rural transportation fund; exemption

A. The sum of \$50,000,000 is appropriated from the state highway fund established by section 28-6991, Arizona Revised Statutes, in fiscal year 2022–2023 to the state match advantage for rural transportation fund established by section 28-339, Arizona Revised Statutes.

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

Sec. 12. Appropriations; department of transportation; state highway construction projects; report; lapsing

A. In addition to the amounts appropriated in Laws 2021, chapter 406, sections 33 and 34, the following amounts are appropriated from the state highway fund established by section 28-6991, Arizona Revised Statutes, in fiscal year 2022-2023 to the department of transportation for the following highway projects:

| UIIC | 10110 | willig mighway projects. | | |
|------|-------|-----------------------------------------------|--------------|--|
| | 1. | Repave State Route 69 in Prescott Valley | \$ 1,645,000 | |
| | 2. | Improve United States Route 95 | | |
| | | near Yuma proving ground | \$ 3,500,000 | |
| | 3. | Repave State Route 95 in Mohave county | \$19,534,600 | |
| | 4. | Construct an overpass at Riggs Road | | |
| | | and State Route 347 | \$ 8,750,000 | |
| | 5. | Final design plan, right-of-way and easements | | |
| | | for an overpass at Riggs Road | | |
| | | and State Route 347 | \$ 2,625,000 | |
| | 6. | Repair State Route 186 and State Business | | |
| | | Route 10 in Willcox | \$ 1,464,100 | |
| | 7. | Improve State Route 90 from | | |
| | | Moson Road to Campus Drive | \$ 3,710,000 | |
| | 8. | Rehabilitate pavement on road projects | | |
| | | selected pursuant to Laws 2021, | | |
| | | chapter 406, section 34 | \$31,500,000 | |
| | | | | |

- B. Before transferring monies between the projects described in subsection A of this section, the department shall submit a report for review by the joint committee on capital review.
- C. The appropriation made in subsection A of this section does not lapse until the purpose for which the appropriations were made has been accomplished or abandoned, or the appropriations stand for a full fiscal year without an expenditure or encumbrance.

Sec. 13. <u>Appropriation</u>; <u>department</u> <u>of transportation</u>; <u>Loop 101 slip ramp access; exemption</u>

- A. The sum of \$25,000,000 is appropriated from the state general fund in fiscal year 2022-2023 to the department of transportation for the Loop 101 slip ramp access project.
- B. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in this section is not subject to review by the joint committee on capital review.

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Sec. 14. <u>Appropriation: department of transportation: Ruby</u> Road bridge; exemption

- A. The sum of \$3,000,000 is appropriated from the state general fund in fiscal year 2022-2023 to the department of transportation to improve Ruby Road bridge near Nogales.
- B. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in subsection A of this section is not subject to review by the joint committee on capital review.

Sec. 15. Appropriation; department of transportation; statewide highway construction; reports: exemption; lapsing

A. The amount appropriated in this section is appropriated for fiscal year 2022-2023 to plan and construct state highways, including the national system of interstate highways within this state, the state primary or secondary system, the county primary or secondary system and urban rural routes, to acquire rights-of-way and to provide for the cost of contracted field administration and field engineering on construction projects and debt service payments on bonds issued for highway construction.

B. DEPARTMENT OF TRANSPORTATION

\$470,373,000

Fund source:

State highway fund

\$470,373,000

Any balances and collections in the state highway fund that exceed the specific amounts appropriated in the general appropriations act and in this act are appropriated to the department of transportation for the purposes provided in this section.

- C. On or before November 1, 2022, the department of transportation shall report to the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting on its actual prior year, estimated current year and upcoming budget year highway construction expenses from all fund sources, including appropriated monies, federal monies, local agency monies, state highway monies, bond proceeds and regional area road monies. The report shall be in the same format as in the prior year unless the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting have approved modifications to the format.
- D. On or before November 1, 2022, the department of transportation shall report capital outlay information for fiscal years 2021-2022, 2022-2023 and 2023-2024 to the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting. This information shall appear in the same format as tables two, three and six, as found in the fiscal year 2021-2022 appropriations report.
- E. On or before November 1, 2022, the department of transportation shall report the department's estimated outstanding debt principal balance at the end of fiscal year 2023-2024 and the estimated debt service payment

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amount for each of fiscal years 2023-2024, 2024-2025, 2025-2026 and 2026-2027 to the directors of the joint legislative budget committee and the governor's office of strategic planning and budgeting. This report shall include state highway fund statewide construction bonds, Arizona highway user revenue fund bonds, Maricopa association of governments and Pima association of governments controlled access bonds, Maricopa regional area road fund bonds and grant anticipation notes and is intended to be comparable to the information in the fiscal year 2021-2022 appropriations report.

- F. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in this section is not subject to review by the joint committee on capital review.
- G. The appropriation made in this section does not lapse until the purpose for which the appropriation was made has been accomplished or abandoned, or the appropriation stands for a full fiscal year without an expenditure or encumbrance.

<u>Department of Transportation Airport Planning and Development</u>

Sec. 16. Appropriation; department of transportation; airport planning and development; report; exemption; lapsing

A. The amount appropriated in this section is appropriated in fiscal year 2022-2023 to plan, construct, develop and improve state, county, city or town airports as determined by the state transportation board.

B. DEPARTMENT OF TRANSPORTATION

\$ 27,100,000

Fund source:

State aviation fund

\$ 27,100,000

Any balances and collections in the state aviation fund that exceed the specific amounts appropriated in the general appropriations act and in this act are appropriated to the department of transportation in fiscal year 2022-2023 for the purposes provided in this section.

- C. On or before December 31, 2022, the department of transportation shall report to the joint legislative budget committee staff on the status of all aviation grant awards and aviation grant distributions. The report shall delineate projects by individual airport and fiscal year, including any future year commitments.
- D. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in this section is not subject to review by the joint committee on capital review.
- E. The appropriation made in this section does not lapse until the purpose for which the appropriation was made has been accomplished or abandoned, or the appropriation stands for a full fiscal year without an expenditure or encumbrance.

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Sec. 17. Appropriation: state aviation fund: airports: exemption

- A. The sum of \$20,000,000 is appropriated from the state aviation fund established by section 28-8202, Arizona Revised Statutes, in fiscal year 2022-2023 to plan, construct, develop and improve county, city and town airports.
- B. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in subsection A of this section is not subject to review by the joint committee on capital review.

Sec. 18. Appropriation: department of transportation: State Route 97 improvements; fiscal year 2023-2024; exemption; lapsing

- A. The sum of \$10,000,000 is appropriated from the state general fund in fiscal year 2023-2024 to the department of transportation to improve State Route 97 near Bagdad.
- B. The appropriation made in subsection A of this section reverts to the state general fund on June 30, 2025 if the department does not secure federal funding for the project on or before June 30, 2025.
- C. Notwithstanding section 41-1252, Arizona Revised Statutes, the appropriation made in subsection A of this section is not subject to review by the joint committee on capital review.
- D. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2025.

Sec. 19. Appropriations; Arizona state parks board; capital projects; fiscal year 2023-2024; report

A. The following amounts are appropriated from the state parks revenue fund established by section 41-511.21, Arizona Revised Statutes, in fiscal year 2023-2024 to the Arizona state parks board for the following capital projects:

| 1. | Catalina main entrance bridge | \$ 5,813,000 |
|----|------------------------------------|-----------------|
| 2. | Statewide campground improvements | \$ 4,100,000 |
| 3. | Statewide sunshade structures | \$ 2,233,333 |
| 4. | Statewide water conservation | \$ 1,339,000 |
| 5. | Yuma territorial prison renovation | \$ 750,000 |
| 6. | Riordan mansion renovation | \$ 2,900,000 |
| 7. | Oracle renovation | \$ 2,008,500 |

B. The Arizona state parks board may use up to ten percent of the monies from any project listed in subsection A of this section to pay for costs associated with another project listed in subsection A of this section. After review by the joint committee on capital review, the Arizona state parks board may use more than ten percent of the monies appropriated for a project in subsection A of this section to pay for costs associated with another project listed in subsection A of this section.

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C. The Arizona state parks board shall report promptly to the joint committee on capital review and the governor's office of strategic planning and budgeting if the board revises the plan for any project for which monies are appropriated by this section because the board receives land and water conservation grant funding.

Sec. 20. Appropriations; Arizona state parks board; capital projects; fiscal year 2024-2025; report

A. The following amounts are appropriated from the state parks revenue fund established by section 41-511.21, Arizona Revised Statutes, in fiscal year 2024-2025 to the Arizona state parks board for the following capital projects:

| 1. | Statewide campground improvements | \$ 4,100,000 |
|----|------------------------------------|-----------------|
| 2. | Statewide sunshade structures | \$ 2,233,333 |
| 3. | Statewide water conservation | \$ 1,339,000 |
| 4. | Yuma territorial prison renovation | \$ 5,945,000 |
| 5. | Red Rock renovation | \$ 4,000,000 |
| 6. | San Rafael renovation | \$ 1.500.000 |

- B. The Arizona state parks board may use up to ten percent of the monies from any project listed in subsection A of this section to pay for costs associated with another project listed in subsection A of this section. After review by the joint committee on capital review, the Arizona state parks board may use more than ten percent of the monies appropriated for a project in subsection A of this section to pay for costs associated with another project listed in subsection A of this section.
- C. The Arizona state parks board shall report promptly to the joint committee on capital review and the governor's office of strategic planning and budgeting if the board revises the plan for any project for which monies are appropriated by this section because the board receives land and water conservation grant funding.

Sec. 21. Appropriations: exemption from lapsing

- A. Notwithstanding section 35-190, Arizona Revised Statutes, the \$16,000,000 appropriated to the department of administration by Laws 2020, chapter 57, section 1 in fiscal year 2020-2021 for building renewal at the department of administration is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, until June 30, 2023.
- B. Notwithstanding section 35-190, Arizona Revised Statutes, and Laws 2021, chapter 406, section 35, the \$50,000,000 appropriated to the department of transportation by Laws 2021, chapter 406, section 35 in fiscal year 2020-2021 to widen Interstate 10 between Phoenix and Casa Grande is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

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Sec. 22. <u>Use of appropriations: limitation</u>

- A. The department of administration may spend up to five percent of the amounts appropriated to the department in this section, excluding amounts to be distributed to nonstate agencies, for expenditures for project management of building renewal and capital projects. All other monies appropriated to the department in this section may not be spent for personal services or employee-related expenditures or for maintenance contracts on building components and equipment without review by the joint committee on capital review.
- B. Except as provided in subsection A of this section, the monies appropriated in this act may not be spent for personal services or employee-related expenditures of state employees, excluding any services provided as part of the inmate construction program for correctional facilities.

APPROVED BY THE GOVERNOR JUNE 28, 2022.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 28, 2022.

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