

REFERENCE TITLE: **general appropriations act; 2022-2023**

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

HB 2862

Introduced by
Representative Cobb (with permission of Committee on Rules)

AN ACT

AMENDING LAWS 2021, CHAPTER 408, SECTION 117; APPROPRIATING MONIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:
2 Section 1. Laws 2021, chapter 408, section 117 is amended to read:
3 Sec. 117. Automation projects fund; appropriations; fiscal
4 year 2021-2022; quarterly reports; exemption
5 A. The following amounts are appropriated from the department of
6 administration subaccount in the automation projects fund established
7 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
8 2021-2022 to the department of administration for the following automation
9 and information projects at the department of administration:
10 1. \$2,000,000 to relocate the Tucson data center to a third-party
11 location.
12 2. \$7,758,900 to develop a business one-stop web portal.
13 3. \$3,000,000 to develop a K-12 school financial transparency
14 reporting portal.
15 B. The sum of \$614,100 is appropriated from the charter school
16 board subaccount in the automation projects fund established pursuant to
17 section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the
18 department of administration to replace the charter school board online
19 platform.
20 C. The sum of \$9,000,000 is appropriated from the department of
21 economic security subaccount in the automation projects fund established
22 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
23 2021-2022 to the department of administration to update the child care
24 management system at the department of economic security.
25 D. The sum of \$7,200,000 is appropriated from the department of
26 education subaccount in the automation projects fund established pursuant
27 to section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to
28 the department of administration to replace the school finance data system
29 at the department of education. The amount appropriated for the school
30 finance system replacement includes \$1,200,000 for the department of
31 administration to engage consultants that provide project management to
32 the department of education regarding replacing the school finance data
33 system. This includes, at minimum, support in technical documentation,
34 financial tracking and documentation and program management and
35 governance.
36 E. The sum of \$850,000 is appropriated from the department of
37 gaming subaccount in the automation projects fund established pursuant to
38 section 41-714, Arizona Revised Statutes, in fiscal year 2021-2022 to the
39 department of administration to develop an e-licensing solution for tribal
40 gaming certification at the department of gaming.
41 F. The sum of \$1,067,700 is appropriated from the industrial
42 commission of Arizona subaccount in the automation projects fund
43 established pursuant to section 41-714, Arizona Revised Statutes, in
44 fiscal year 2021-2022 to the department of administration to modernize and

1 replace information technology systems at the industrial commission of
2 Arizona.

3 G. The sum of \$20,000 is appropriated from the state board of
4 psychologist examiners subaccount in the automation projects fund
5 established pursuant to section 41-714, Arizona Revised Statutes, in
6 fiscal year 2021-2022 to the department of administration to modify the
7 e-licensing system at the state board of psychologist examiners.

8 H. The sum of \$550,000 is appropriated from the department of
9 public safety subaccount in the automation projects fund established
10 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
11 2021-2022 to the department of administration to update the concealed
12 weapons tracking system at the department of public safety.

13 Quarterly Reports

14 I. Within thirty days after the last day of each calendar quarter,
15 the department of administration shall submit to the joint legislative
16 budget committee a quarterly report on implementing projects approved by
17 the information technology authorization committee established by section
18 18-121, Arizona Revised Statutes, including the projects' expenditures to
19 date, deliverables, timeline for completion and current status.

20 Nonlapsing

21 J. Except for the ~~amount~~ AMOUNTS appropriated to the department of
22 administration for the K-12 school financial transparency reporting portal
23 AND THE DEPARTMENT OF EDUCATION SCHOOL FINANCE DATA SYSTEM, the amounts
24 appropriated pursuant to this section from the automation projects fund
25 established by section 41-714, Arizona Revised Statutes, in fiscal year
26 2021-2022 are exempt from the provisions of section 35-190, Arizona
27 Revised Statutes, relating to lapsing of appropriations, until June 30,
28 2023. THE AMOUNT APPROPRIATED IN FISCAL YEAR 2021-2022 TO THE DEPARTMENT
29 OF ADMINISTRATION FOR THE DEPARTMENT OF EDUCATION SCHOOL FINANCE DATA
30 SYSTEM IS EXEMPT FROM THE PROVISIONS OF SECTION 35-190, ARIZONA REVISED
31 STATUTES, RELATING TO LAPSING OF APPROPRIATIONS, UNTIL JUNE 30, 2024. The
32 amount appropriated in fiscal year 2021-2022 to the department of
33 administration for the K-12 school financial transparency reporting portal
34 is exempt from the provisions of section 35-190, Arizona Revised Statutes,
35 relating to lapsing of appropriations, until June 30, 2025.

36 Exemption

37 K. Notwithstanding section 41-714, Arizona Revised Statutes, in
38 fiscal year 2021-2022, with the exception of appropriations made for the
39 department of administration business one-stop web portal, the department
40 of economic security child care management system and the department of
41 education school finance data system, the appropriations made in this
42 section do not require review from the joint legislative budget committee
43 pursuant to section 41-714, Arizona Revised Statutes.

1 Sec. 2. Subject to applicable laws, the sums or sources of revenue
 2 set forth in this act are appropriated for the fiscal years indicated and
 3 only from the funding sources listed for the purposes and objects
 4 specified. If monies from funding sources in this act are unavailable, no
 5 other funding source may be used.

6 Sec. 3. ARIZONA STATE BOARD OF ACCOUNTANCY

7		<u>2022-23</u>
8	FTE positions	14.0
9	Lump sum appropriation	\$ 2,051,800
10	Fund sources:	
11	Board of accountancy fund	\$ 2,051,800

12 Sec. 4. ACUPUNCTURE BOARD OF EXAMINERS

13		<u>2022-23</u>
14	FTE positions	1.0
15	Lump sum appropriation	\$ 182,300
16	Fund sources:	
17	Acupuncture board of examiners	
18	fund	\$ 182,300

19 Sec. 5. DEPARTMENT OF ADMINISTRATION

20		<u>2022-23</u>
21	FTE positions	539.1
22	Operating lump sum appropriation	\$ 87,507,900
23	Utilities	7,649,900
24	Arizona financial information	
25	system	12,923,800
26	Risk management administrative	
27	expenses	8,597,800
28	Risk management losses and	
29	premiums	48,396,100
30	Workers' compensation losses	
31	and premiums	28,253,000
32	Cyber risk insurance	21,587,200
33	Information technology project	
34	management and oversight	1,504,400
35	State surplus property sales	
36	agency proceeds	1,810,000
37	Southwest defense contracts	25,000
38	Election security grants	1,500,000
39	Health care interoperability grants	12,000,000
40	School safety interoperability fund	
41	deposit	20,000,000
42	Fire incident management system	
43	grants	6,100,000*

1	K-12 transportation grants	20,000,000
2	Government transformation office	<u>2,016,900</u>
3	Total appropriation – department of	
4	administration	\$279,872,000
5	Fund sources:	
6	State general fund	\$ 67,955,000
7	Air quality fund	928,200
8	Arizona financial information	
9	system collections fund	12,923,800
10	Automation operations fund	31,127,700
11	Capital outlay stabilization fund	18,395,100
12	Corrections fund	575,000
13	Cyber risk insurance fund	21,587,200
14	Federal surplus materials revolving	
15	fund	466,900
16	Information technology fund	2,101,200
17	Personnel division fund	12,764,900
18	Risk management revolving fund	93,099,400
19	Special employee health insurance	
20	trust fund	5,533,200
21	Special services revolving fund	1,170,700
22	State surplus materials revolving	
23	fund	2,979,800
24	State web portal fund	6,612,200
25	Telecommunications fund	1,651,700

26 The amount appropriated for southwest defense contracts shall be
 27 distributed to a nonprofit organization that advocates for preserving and
 28 enhancing critical defense missions and assets in the southwestern United
 29 States.

30 The appropriation from the automation operations fund established by
 31 section 41-711, Arizona Revised Statutes, is an estimate representing all
 32 monies, including balance forward, revenues and transfers during fiscal
 33 year 2022-2023. These monies are appropriated to the department of
 34 administration for the purposes established in section 41-711, Arizona
 35 Revised Statutes. The appropriation is adjusted as necessary to reflect
 36 monies credited to the automation operations fund for automation operation
 37 center projects. Before spending any automation operations fund monies in
 38 excess of \$31,127,700 in fiscal year 2022-2023, the department shall
 39 report the intended use of the monies to the joint legislative budget
 40 committee.

41 On or before September 1, 2023, the department shall submit a report
 42 to the joint legislative budget committee on the results of pilot projects
 43 implemented in fiscal year 2022-2023 for the state employee public
 44 transportation service reimbursements pursuant to section 41-710.01,
 45 Arizona Revised Statutes, in a vehicle emissions control area as defined

1 in section 49-541, Arizona Revised Statutes, of a county with a population
2 of more than four hundred thousand persons.

3 All state surplus materials revolving fund monies received by the
4 department of administration in excess of \$2,979,800 in fiscal year
5 2022-2023 are appropriated to the department. Before spending state
6 surplus materials revolving fund monies in excess of \$2,979,800 in fiscal
7 year 2022-2023, the department shall report the intended use of the monies
8 to the joint legislative budget committee.

9 Of the amount appropriated for the Arizona financial information
10 system line item in fiscal year 2022-2023, \$3,500,000 is exempt from the
11 provisions of section 35-190, Arizona Revised Statutes, relating to
12 lapsing of appropriations, until June 30, 2024.

13 The appropriated amount for health care interoperability grants is
14 exempt from the provisions of section 35-190, Arizona Revised Statutes,
15 relating to lapsing of appropriations, until June 30, 2025.

16 The amount appropriated for deposit in to the school safety
17 interoperability fund established by section 41-1733, Arizona Revised
18 Statutes, shall be distributed as follows:

19	1. Maricopa county sheriff	\$3,050,000
20	2. Tucson police department	\$2,000,000
21	3. Pinal county sheriff	\$1,800,000
22	4. Yavapai county sheriff	\$1,800,000
23	5. Cochise county sheriff	\$1,500,000
24	6. Navajo county sheriff	\$1,250,000
25	7. City of Yuma police department	\$1,350,000
26	8. Mohave county sheriff	\$1,250,000
27	9. Coconino county sheriff	\$1,250,000
28	10. Apache county sheriff	\$1,000,000
29	11. Gila county sheriff	\$1,000,000
30	12. Santa Cruz county sheriff	\$ 750,000
31	13. Graham county sheriff	\$ 750,000
32	14. La Paz county sheriff	\$ 750,000
33	15. Greenlee county sheriff	\$ 500,000

34 Of the amount appropriated to the election security grants line
35 item, the department shall distribute:

36 1. A total of \$1,000,000 to one or more county recorders to test
37 ballot paper in tabulation systems with specific security features,
38 including watermarks or unique ballot identifiers, or both. The security
39 features shall be used to authenticate the ballot as an official ballot,
40 but may not make the ballot identifiable to a particular elector and to
41 allow for different sized ballots. Not later than May 1, 2023, the
42 department shall compile a report from the selected counties on
43 recommended ballot security features and submit the report to the
44 president of the senate, speaker of the house of representatives and
45 secretary of state.

1 2. A total of \$500,000 to procure, install and maintain photo and
2 video surveillance twenty-four hours per day, seven days per week for
3 secure ballot boxes as follows:

4 (a) Six ballot boxes in Cochise county.

5 (b) Seven ballot boxes in Yuma county.

6 (c) Three ballot boxes in Pinal county.

7 The department shall assist the counties with the procurement of the
8 drop boxes required by this section. In addition to surveillance
9 requirements, the ballot drop boxes shall only accept one ballot at a
10 time, log receipt of each ballot, generate a paper receipt specifying the
11 number of ballots accepted from a person and reject ballots if the camera
12 or video recorder is nonoperational.

13 The monies in the fire incident management system grants line item
14 shall be used to provide grants to municipal fire departments and fire
15 districts for hardware and software that:

16 1. Enables the statewide deployment of a secure incident management
17 platform to fire and law enforcement agencies.

18 2. Provides a standardized incident command and management platform
19 based on federal emergency management agency standards that enable diverse
20 incident management and support entities to work together and to ensure
21 the following:

22 (a) A clearly defined chain of command.

23 (b) The use of common terminology.

24 (c) The safety of first responders and others.

25 (d) The achievement of response objectives.

26 (e) The efficient use of resources.

27 3. Provides a collaboration and communications solution that does
28 the following:

29 (a) Identifies the location, status and assignment of assigned
30 resources.

31 (b) Allows status updates, tracking and management of an incident.

32 (c) Allows secure messaging and file sharing to all users involved
33 in an incident.

34 (d) Allows the sharing of collaborative maps, building floor plans
35 and images between public safety agencies.

36 (e) Allows collaboration and information sharing between disparate
37 agencies during a mass casualty incident.

38 (f) Defines a federal emergency management agency or national
39 incident management systems based organizational structure for the
40 management of incidents.

41 (g) Provides the ability to print standard integrated computer
42 solutions forms for tracking and cost reimbursement.

43 (h) Provides enhanced telemetry-based firefighter safety
44 monitoring.

- 1 (i) Works in areas without internet access in a disconnected mode.
- 2 (j) Provides a seamless and connected platform for notification,
- 3 response and rostering.

4 Each municipality or fire district in this state may submit a grant
 5 request to the department for the cost of the secure incident management
 6 system as described in this section.

7 The amount appropriated for the enduring freedom memorial repair in
 8 fiscal year 2021-2022 is exempt from the provisions of section 35-190,
 9 Arizona Revised Statutes, relating to the lapsing of appropriations, until
 10 June 30, 2023.

11 Sec. 6. DEPARTMENT OF ADMINISTRATION, DIVISION OF SCHOOL FACILITIES

	<u>2022-23</u>
12 FTE positions	17.0
13 Operating lump sum appropriation	\$ 1,717,400
14 New school facilities debt service	9,938,100
15 Building renewal grants deposit	199,967,900
16 New school facilities	48,253,900
17 Kirkland site conditions	<u>400,000</u>
18 Total appropriation – department of	
19 administration, division	
20 of school facilities	\$260,277,300

21 Fund sources:

22 State general fund	\$260,277,300
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23 Pursuant to section 35-142.01, Arizona Revised Statutes, any
 24 reimbursement received by or allocated to the division of school
 25 facilities under the federal qualified school construction bond program in
 26 fiscal year 2022-2023 shall be deposited in or revert to the state general
 27 fund.
 28

29 At least thirty days before any monies are transferred out of the
 30 new school facilities debt service line item, the division of school
 31 facilities shall report the proposed transfer to the director of the joint
 32 legislative budget committee.

33 Pursuant to section 41-5741, Arizona Revised Statutes, the amount
 34 appropriated for new school facilities shall be used only for facilities
 35 and land costs for school districts that received final approval from the
 36 division of school facilities on or before December 15, 2021.

37 Sec. 7. OFFICE OF ADMINISTRATIVE HEARINGS

	<u>2022-23</u>
38 FTE positions	12.0
39 Lump sum appropriation	\$ 891,800
40 Fund sources:	
41 State general fund	\$ 891,800

1	Sec. 8. ARIZONA COMMISSION OF AFRICAN-AMERICAN AFFAIRS		
2			<u>2022-23</u>
3	FTE positions		3.0
4	Lump sum appropriation	\$	128,800
5	Fund sources:		
6	State general fund	\$	128,800
7	Sec. 9. ARIZONA DEPARTMENT OF AGRICULTURE		
8			<u>2022-23</u>
9	FTE positions		209.9
10	Operating lump sum appropriation	\$	13,629,800
11	Agricultural employment relations		
12	board		23,300
13	Animal damage control		65,000
14	Livestock operator assistance		
15	program deposit		10,000,000
16	Red imported fire ant control		23,200
17	Agricultural consulting and		
18	training		<u>128,500</u>
19	Total appropriation – Arizona department		
20	of agriculture	\$	23,869,800
21	Fund sources:		
22	State general fund	\$	22,415,700
23	Air quality fund		1,454,100
24	The appropriation made to the department of agriculture in Laws		
25	2021, chapter 408, section 8 for information technology improvements is		
26	exempt from the provisions of section 35-190, Arizona Revised Statutes,		
27	relating to lapsing of appropriations, until June 30, 2023.		
28	Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM		
29			<u>2022-23</u>
30	FTE positions		2,348.3
31	Operating lump sum appropriation	\$	123,008,100
32	Administration		
33	AHCCCS data storage		19,325,800
34	DES eligibility		97,074,500
35	Proposition 204 – AHCCCS		
36	administration		13,906,200
37	Proposition 204 – DES eligibility		44,358,700
38	<u>Medicaid services</u>		
39	Traditional medicaid services		7,242,738,500
40	Proposition 204 services		6,335,427,700
41	Adult expansion services		797,037,900
42	Comprehensive medical and		
43	dental program		244,086,000
44	KidsCare services		151,996,300

1	ALTCS services	2,571,602,900
2	Behavioral health services	
3	in schools	9,891,200
4	<u>Nonmedicaid behavioral health services</u>	
5	Crisis services	16,391,300
6	Nonmedicaid seriously mentally	
7	ill services	77,646,900
8	Supported housing	65,324,800
9	Secure behavioral health residential	
10	facilities	25,000,000
11	<u>Hospital payments</u>	
12	Disproportionate share payments	5,087,100
13	Disproportionate share payments –	
14	voluntary match	37,425,900
15	Rural hospitals	28,612,400
16	Graduate medical education	393,232,100
17	Targeted investments program	<u>50,000,000</u>
18	Total appropriation and expenditure	
19	authority – Arizona health	
20	care cost containment system	\$18,349,174,300
21	Fund sources:	
22	State general fund	\$ 2,317,106,000
23	Budget neutrality compliance fund	4,303,100
24	Children's health insurance	
25	program fund	123,476,900
26	Prescription drug rebate	
27	fund – state	165,158,600
28	Seriously mentally ill	
29	housing trust fund	200,000
30	Substance abuse services fund	2,250,200
31	Tobacco products tax fund –	
32	emergency health services	
33	account	17,448,300
34	Tobacco tax and health care	
35	fund – medically needy account	67,179,700
36	Expenditure authority	15,652,051,500
37	<u>Operating budget</u>	

38 The amount appropriated for the DES eligibility line item shall be
39 used for intergovernmental agreements with the department of economic
40 security for eligibility determination and other functions. The state
41 general fund share may be used for eligibility determination for other
42 programs administered by the division of benefits and medical eligibility
43 based on the results of the Arizona random moment sampling survey.

1 The amounts included in the proposition 204 – AHCCCS administration,
2 proposition 204 – DES eligibility and proposition 204 services line items
3 include all available sources of funding consistent with section
4 36-2901.01, subsection B, Arizona Revised Statutes.

5 Before spending the monies for the replacement of the prepaid
6 medicaid management information system, the Arizona strategic enterprise
7 technology office shall submit, on behalf of the Arizona health care cost
8 containment system, an expenditure plan for review by the joint
9 legislative budget committee. The report shall include the project cost,
10 deliverables, the timeline for completion and the method of procurement
11 that are consistent with the department's prior reports for its
12 appropriations from the automation projects fund.

13 Medical services and behavioral health services

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

18 The Arizona health care cost containment system administration shall
19 report to the joint legislative budget committee on or before March 1,
20 2023 on preliminary actuarial estimates of the capitation rate changes for
21 the following fiscal year along with the reasons for the estimated
22 changes. For any actuarial estimates that include a range, the total
23 range from minimum to maximum may not be more than two percent. Before
24 implementing any changes in capitation rates, the administration shall
25 report its expenditure plan for review by the joint legislative budget
26 committee. Before the administration implements any change in policy
27 affecting the amount, sufficiency, duration and scope of health care
28 services and who may provide services, the administration shall prepare a
29 fiscal impact analysis on the potential effects of this change on the
30 following year's capitation rates. If the fiscal impact analysis
31 demonstrates that this change will result in additional state costs of
32 \$1,000,000 or more for any fiscal year, the administration shall submit
33 the policy change for review by the joint legislative budget committee.

34 The legislature intends that the percentage attributable to
35 administration and profit for the regional behavioral health authorities
36 be nine percent of the overall capitation rate.

37 The expenditure authority amount includes an increase of
38 \$270,000,000 from the health care investment fund for additional directed
39 payments to hospitals.

40 It is the intent of the legislature that the Arizona health care
41 cost containment system administration allocate \$7,500,000 from the state
42 general fund and \$25,191,300 from expenditure authority for a 2.5 percent
43 increase to the outpatient behavioral health fee schedule. On or before
44 October 1, 2022, the administration shall report to the joint legislative

1 budget committee on the actual distribution of rate increases by its
2 contracted health plans.

3 The Arizona health care cost containment system administration shall
4 transfer up to \$1,200,000 from the traditional medicaid services line item
5 for fiscal year 2022-2023 to the attorney general for costs associated
6 with e-cigarette enforcement and tobacco settlement litigation.

7 The Arizona health care cost containment system administration shall
8 transfer \$836,000 from the traditional medicaid services line item for
9 fiscal year 2022-2023 to the department of revenue for enforcement costs
10 associated with the March 13, 2013 master settlement agreement with
11 tobacco companies.

12 The amount appropriated for the traditional medicaid services line
13 item includes \$8,900,000 for services to eligible women who are less than
14 one year postpartum. This appropriation may not be spent unless on or
15 before July 1, 2023 the centers for medicare and medicaid services
16 authorizes the Arizona health care cost containment system administration
17 to either redetermine the eligibility of members who are less than one
18 year postpartum and are under one hundred thirty-three percent of the
19 federal poverty level or use another methodology that enables the
20 administration to provide coverage for eligible postpartum women.

21 The amount appropriated for the traditional medicaid services line
22 item includes monies to increase a differential adjustment payment by
23 \$1,250 for twenty-four-bed pediatric skilled nursing facilities offering
24 skilled nursing services in place of intensive care services. This
25 increased payment is contingent on approval from the centers for medicare
26 and medicaid services before implementation.

27 The amount appropriated for the traditional medicaid services line
28 item includes \$10,000,000 from the state general fund and \$22,851,500 from
29 expenditure authority to increase physician fee schedule rates associated
30 with the Arizona health care cost containment system global obstetrical
31 package, including current procedural technology codes 59400, 59510, 59610
32 and 59618, by eighty-eight percent.

33 The amount appropriated for the ALTCS services line item includes
34 \$237,200,000 from expenditure authority to implement the American rescue
35 plan act of 2021 (P.L. 117-2) home and community-based services spending
36 plan in fiscal year 2022-2023. The administration may not use these
37 monies for marketing purposes, and any direct payments or grants provided
38 with the monies shall include a notification to the recipient that the
39 monies are onetime funding. Beginning on or before July 31, 2022, the
40 administration shall provide quarterly reports to the joint legislative
41 budget committee at the same time that the information is provided to the
42 centers for medicare and medicaid services, reflecting any changes to the
43 administration's spending plan. Of the amount appropriated for the ALTCS
44 services line item, \$237,200,000 is exempt from the provisions of section
45 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

1 On or before June 30, 2023, the Arizona health care cost containment
2 system administration shall report to the joint legislative budget
3 committee on the progress in implementing the Arnold v. Sarn lawsuit
4 settlement. The report shall include, at a minimum, the administration's
5 progress toward meeting all criteria specified in the 2014 joint
6 stipulation, including the development and estimated cost of additional
7 behavioral health service capacity in Maricopa county for supported
8 housing services for 1,200 class members, supported employment services
9 for 750 class members, eight assertive community treatment teams and
10 consumer operated services for 1,500 class members. The administration
11 shall also report by fund source the amounts it plans to use to pay for
12 expanded services.

13 On or before September 30, 2023, the Arizona health care cost
14 containment system administration shall report to the joint legislative
15 budget committee on its progress in implementing services specified in the
16 housing and health opportunities section 1115 waiver amendment. The
17 report shall include, at a minimum, the types of services provided for
18 eligible AHCCCS members, expenditures by service category, the number of
19 members receiving services by eligibility category, the number of members
20 waitlisted for housing services and progress toward achieving program
21 outcomes, including changes in hospital utilization rates and utilization
22 of primary care and preventive health services.

23 The appropriated amount for the supported housing line item includes
24 \$60,000,000 of federal medicaid expenditure authority. If the
25 administration's housing and health opportunities section 1115 waiver
26 amendment is denied federal approval, the amount of \$60,000,000 of federal
27 medicaid expenditure authority is reduced from the supported housing line
28 item appropriation.

29 The monies appropriated for secure behavioral health residential
30 facilities shall support five secure behavioral health residential
31 facilities licensed by the department of health services pursuant to
32 section 36-425.06, Arizona Revised Statutes, to provide secure on-site
33 supportive treatment to persons determined to be seriously mentally ill,
34 who are chronically resistant to treatment and who are placed in the
35 facility pursuant to a court order. Three facilities shall be located in
36 the central geographic service area, one facility shall be located in the
37 north geographic service area and one facility shall be located in the
38 south geographic service area. The administration shall allocate up to
39 \$5,000,000 for each recipient facility, prioritizing facilities that can
40 open within twelve months after the effective date of this act.

41 Long-term care

42 Any federal monies that the Arizona health care cost containment
43 system administration passes through to the department of economic
44 security for use in long-term care for persons with developmental

1 disabilities do not count against the long-term care expenditure
2 authority.

3 Pursuant to section 11-292, subsection B, Arizona Revised Statutes,
4 the county portion of the fiscal year 2022-2023 nonfederal costs of
5 providing long-term care system services is \$352,697,700. This amount is
6 included in the expenditure authority fund source.

7 Any supplemental payments received in excess of \$107,449,200 for
8 nursing facilities that serve Arizona long-term care system medicaid
9 patients in fiscal year 2022-2023, including any federal matching monies,
10 by the Arizona health care cost containment system administration are
11 appropriated to the administration in fiscal year 2022-2023. Before
12 spending these increased monies, the administration shall notify the joint
13 legislative budget committee and the governor's office of strategic
14 planning and budgeting of the amount of monies that will be spent under
15 this provision. These payments are included in the expenditure authority
16 fund source.

17 This appropriation includes \$24,200,000 from the state general fund,
18 \$19,364,100 from county funds and \$100,081,500 from expenditure authority
19 for an eleven percent increase to provider rates for both home and
20 community-based services and skilled nursing facilities.

21 Payments to hospitals

22 The \$5,087,100 appropriation for disproportionate share payments for
23 fiscal year 2022-2023 made pursuant to section 36-2903.01, subsection 0,
24 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county
25 health care district and \$884,800 for private qualifying disproportionate
26 share hospitals.

27 Any monies received for disproportionate share hospital payments
28 from political subdivisions of this state, tribal governments and any
29 university under the jurisdiction of the Arizona board of regents, and any
30 federal monies used to match those payments, in fiscal year 2022-2023 by
31 the Arizona health care cost containment system administration in excess
32 of \$37,425,900 are appropriated to the administration in fiscal year
33 2022-2023. Before spending these increased monies, the administration
34 shall notify the joint legislative budget committee and the governor's
35 office of strategic planning and budgeting of the amount of monies that
36 will be spent under this provision.

37 The expenditure authority fund source includes voluntary payments
38 made from political subdivisions for payments to hospitals that operate a
39 graduate medical education program or treat low-income patients and for
40 payments to qualifying providers affiliated with teaching hospitals. The
41 political subdivision portions of the fiscal year 2022-2023 costs of
42 graduate medical education, disproportionate share payments – voluntary
43 match, traditional medicaid services, proposition 204 services and adult
44 expansion services line items are included in the expenditure authority
45 fund source.

1 Any monies for graduate medical education received in fiscal year
2 2022-2023, including any federal matching monies, by the Arizona health
3 care cost containment system administration in excess of \$393,232,100 are
4 appropriated to the administration in fiscal year 2022-2023. Before
5 spending these increased monies, the administration shall notify the joint
6 legislative budget committee and the governor's office of strategic
7 planning and budgeting of the amount of monies that will be spent under
8 this provision.

9 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
10 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
11 graduate medical education includes \$5,000,000 from the state general fund
12 and \$13,549,300 from expenditure authority for the direct and indirect
13 costs of graduate medical education programs located in counties with a
14 population of less than five hundred thousand persons. The state general
15 fund amount may supplement, but not supplant, voluntary payments made from
16 political subdivisions for payments to hospitals that operate a graduate
17 medical education program. The administration shall prioritize
18 distribution to programs at hospitals in counties with a higher percentage
19 of persons residing in a health professional shortage area as defined in
20 42 Code of Federal Regulations part 5.

21 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
22 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
23 graduate medical education includes \$4,000,000 from the state general fund
24 and \$10,875,400 from expenditure authority for the direct and indirect
25 costs of graduate medical education programs located in counties with a
26 population of more than five hundred thousand persons. The state general
27 fund amount may supplement, but not supplant, voluntary payments made from
28 political subdivisions for payments to hospitals that operate a graduate
29 medical education program.

30 Monies appropriated for graduate medical education in this section
31 are exempt from the provisions of section 35-190, Arizona Revised
32 Statutes, relating to lapsing of appropriations, until June 30, 2024.

33 Other

34 On or before July 1, 2023, the Arizona health care cost containment
35 system administration shall report to the director of the joint
36 legislative budget committee the total amount of medicaid reconciliation
37 payments and penalties received on or before that date since July 1, 2022.

38 The nonappropriated portion of the prescription drug rebate fund
39 established by section 36-2930, Arizona Revised Statutes, is included in
40 the federal portion of the expenditure authority fund source.

41 Sec. 11. ARIZONA COMMISSION ON THE ARTS

42		<u>2022-23</u>
43	Arizona arts trust fund deposit	\$ 2,000,000
44	Fund sources:	
45	State general fund	\$ 2,000,000

1	Sec. 12. BOARD OF ATHLETIC TRAINING	
2		<u>2022-23</u>
3	FTE positions	1.5
4	Lump sum appropriation	\$ 143,700
5	Fund sources:	
6	Athletic training fund	\$ 143,700
7	Sec. 13. ATTORNEY GENERAL – DEPARTMENT OF LAW	
8		<u>2022-23</u>
9	FTE positions	655.7
10	Operating lump sum appropriation	\$ 57,056,100
11	Capital postconviction prosecution	802,200
12	Child and family advocacy centers	600,000
13	Colorado City radio dispatch system	400,000
14	Criminal division major fraud unit	1,139,000
15	Internet crimes against children	
16	enforcement	1,250,000
17	EEOC funding backfill	600,000
18	Employee stipend/retention bonus	2,000,000
19	Expert witness and outside counsel	2,000,000
20	Federalism unit	1,236,000
21	Government accountability and	
22	special litigation	1,235,200
23	Opioid abatement	5,000,000
24	Organized retail theft	
25	task force	1,500,000
26	Risk management interagency	
27	service agreement	9,617,300
28	State grand jury	180,500
29	Southern Arizona law enforcement	1,527,500
30	Tobacco enforcement	829,800
31	Victims' rights	3,967,200
32	Voter fraud unit	<u>525,400</u>
33	Total appropriation – attorney general –	
34	department of law	\$91,466,200
35	Fund sources:	
36	State general fund	\$24,853,200
37	Antitrust enforcement revolving	
38	fund	148,700
39	Attorney general legal services	
40	cost allocation fund	2,110,300
41	Collection enforcement revolving	
42	fund	6,925,700
43	Consumer protection-consumer	
44	fraud revolving fund	19,063,100

1	Consumer restitution and	
2	remediation revolving fund –	
3	consumer remediation subaccount	5,000,000
4	Interagency service agreements fund	16,474,900
5	Internet crimes against children	
6	enforcement fund	900,000
7	Risk management revolving fund	12,221,500
8	Victims' rights fund	3,768,800

9 All monies appropriated to the attorney general legal services line
10 item in the department of child safety budget do not count toward the
11 attorney general's interagency service agreements fund appropriation in
12 fiscal year 2022-2023.

13 Within ten days after receiving a complaint alleging a violation of
14 section 15-511, Arizona Revised Statutes, the attorney general shall
15 forward a copy of the complaint to the governor, the president of the
16 senate and the speaker of the house of representatives.

17 The amount appropriated for the child and family advocacy centers
18 line item is allocated to the child and family advocacy center fund
19 established by section 41-191.11, Arizona Revised Statutes.

20 The \$900,000 appropriation from the internet crimes against children
21 enforcement fund established by section 41-199, Arizona Revised Statutes,
22 and the \$350,000 appropriation from the state general fund for the
23 internet crimes against children enforcement line item are continuing
24 appropriations and are exempt from the provisions of section 35-190,
25 Arizona Revised Statutes, relating to lapsing of appropriations, until
26 June 30, 2024.

27 The \$600,000 appropriation for the EEOC funding backfill line item
28 shall revert to the consumer protection-consumer fraud revolving fund if
29 the United States equal employment opportunity commission does not
30 withdraw federal funding during fiscal year 2022-2023.

31 The \$2,000,000 appropriation for the expert witness and outside
32 counsel line item shall be used to employ or retain attorneys pursuant to
33 title 41, chapter 48, Arizona Revised Statutes, throughout the entirety of
34 any action to investigate or pursue enforcement pertaining to antitrust,
35 restraint of trade, market allocation, price-fixing or other similar
36 activity, or conspiracy allegations.

37 The \$1,500,000 appropriation for the organized retail theft task
38 force line item shall be used for operational expenses of the organized
39 retail task force and for hiring one attorney, one paralegal, two
40 investigators and one support staff person within the office of the
41 attorney general and four peace officers who are assigned to the task
42 force to focus specifically on investigating and prosecuting organized
43 retail crime.

1 Of the amount appropriated for the attorney general operating lump
 2 sum in fiscal year 2021-2022, \$500,000 from the risk management revolving
 3 fund is exempt from the provisions of section 35-190, Arizona Revised
 4 Statutes, relating to the lapsing of appropriations, until June 30, 2023
 5 for the purpose of legal costs associated with the pursuit of criminal
 6 prosecutions and for defense in civil cases regarding elections.

7 Sec. 14. BARBERING AND COSMETOLOGY BOARD

8		<u>2022-23</u>
9	FTE positions	29.5
10	Lump sum appropriation	\$ 2,662,800
11	Fund sources:	
12	Barbering and cosmetology fund	\$ 2,662,800

13 Sec. 15. BOARD OF BEHAVIORAL HEALTH EXAMINERS

14		<u>2022-23</u>
15	FTE positions	20.0
16	Lump sum appropriation	\$ 2,008,100
17	Fund sources:	
18	Board of behavioral health	
19	examiners fund	\$ 2,008,100

20 Sec. 16. STATE BOARD FOR CHARTER SCHOOLS

21		<u>2022-23</u>
22	FTE positions	25.0
23	Lump sum appropriation	\$ 3,176,000
24	Fund sources:	
25	State general fund	\$ 3,176,000

26 Sec. 17. DEPARTMENT OF CHILD SAFETY

27		<u>2022-23</u>
28	FTE positions	3,203.1
29	Operating lump sum appropriation	\$126,172,600
30	<u>Additional operating resources</u>	
31	Attorney general legal services	25,522,800
32	Caseworkers	111,900,500
33	General counsel	157,000
34	Inspections bureau	2,514,800
35	New case aides	3,232,200
36	Office of child welfare	
37	investigations	9,699,400
38	Records retention staff	589,900
39	Training resources	9,150,000
40	<u>Out-of-home placements</u>	
41	Congregate group care	125,847,200
42	Extended foster care	17,037,200
43	Foster home placement	51,929,500

1	Foster home recruitment,	
2	study and supervision	32,753,600
3	Kinship care	5,000,000
4	<u>Permanent placements</u>	
5	Adoption services	278,258,500
6	Permanent guardianship subsidy	12,516,900
7	<u>Support services</u>	
8	DCS child care subsidy	61,675,400
9	In-home mitigation	28,988,100
10	Out-of-home support services	122,710,800
11	Preventive services	25,148,300
12	<u>Comprehensive health plan</u>	
13	Comprehensive health plan	
14	services	201,703,700
15	Comprehensive health plan	
16	administration	29,862,500
17	Comprehensive health plan	
18	premium tax	<u>4,550,900</u>
19	Total appropriation and expenditure	
20	authority – department of	
21	child safety	\$1,286,921,800
22	Fund sources:	
23	State general fund	\$ 440,112,800
24	Federal child care and	
25	development fund block grant	40,516,000
26	Federal temporary assistance	
27	for needy families block	
28	grant	157,468,100
29	Child abuse prevention fund	1,459,300
30	Children and family services	
31	training program fund	207,900
32	Child safety expenditure authority	410,098,700
33	Child welfare licensing fee fund	941,900
34	Comprehensive health plan	
35	expenditure authority fund –	
36	expenditure authority	236,117,100
37	<u>Additional operating resources</u>	

38 The department of child safety shall provide training to any new
 39 child safety FTE positions before assigning any client caseload duties to
 40 any of these employees.

41 The legislature intends that the department of child safety use its
 42 funding to achieve a one hundred percent investigation rate.

43 All expenditures made by the department of child safety for attorney
 44 general legal services shall be funded only from the attorney general
 45 legal services line item. Monies in department of child safety line items

1 intended for this purpose shall be transferred to the attorney general
2 legal services line item before expenditure.

3 Out-of-home placements

4 The department of child safety may transfer up to ten percent of the
5 total amount of federal temporary assistance for needy families block
6 grant monies appropriated to the department of economic security and the
7 department of child safety to the social services block grant. Before
8 transferring federal temporary assistance for needy families block grant
9 monies to the social services block grant, the department of child safety
10 shall report the proposed amount of the transfer to the director of the
11 joint legislative budget committee. This report may be in the form of an
12 expenditure plan that is submitted at the beginning of the fiscal year and
13 updated, if necessary, throughout the fiscal year.

14 The amount appropriated for kinship care shall be used for a stipend
15 of \$300 per month for a relative caretaker, including a grandparent, any
16 level of great-grandparent or any nongrandparent relative, or a caretaker
17 of fictive kinship, if a dependent child is placed in the care of a
18 relative caretaker or caretaker of fictive kinship pursuant to department
19 guidelines. The department shall provide the stipend on behalf of all
20 children placed with an unlicensed kinship foster care parent. The
21 unlicensed kinship foster care parent is not required to file an
22 application to receive the stipend. Before changing the eligibility for
23 the program or the amount of the stipend, the department shall submit a
24 report for review by the joint legislative budget committee detailing the
25 proposed changes.

26 On or before March 31, 2023, the department of child safety shall
27 report to the joint legislative budget committee the number of children
28 who are part of the kinship stipend program and reside with a nonrelative
29 caretaker of fictive kinship.

30 The congregate group care line item includes an increase of
31 \$7,000,000 from the state general fund and \$3,920,100 in child safety
32 expenditure authority in fiscal year 2022-2023 for a ten percent increase
33 in the daily rate for children placed in qualified residential treatment
34 programs that are licensed through the department of child safety.

35 Departmentwide

36 The amount appropriated for any line item may not be transferred to
37 another line item or to the operating budget unless the transfer is
38 reviewed by the joint legislative budget committee, except that transfers
39 between any two line items relating to the comprehensive health plan are
40 not subject to review.

41 Child safety expenditure authority includes all department funding
42 sources excluding the state general fund, the federal child care and
43 development fund block grant, the federal temporary assistance for needy
44 families block grant, the child abuse prevention fund, the children and

1 family services training program fund and the comprehensive health plan
2 expenditure authority fund.

3 On or before December 1, 2022, the department of child safety shall
4 submit a report to the joint legislative budget committee on the
5 department's efforts to implement the family first prevention services act
6 of 2018. The report shall quantify the department's efforts in at least
7 the following areas, including any associated fiscal impacts:

8 1. Reducing the number of children placed for more than two weeks
9 in congregate care settings, excluding qualified residential treatment
10 programs, facilities for pregnant and parenting youth, supervised
11 independent living and specialized programs for victims of sex
12 trafficking.

13 2. Assisting congregate care providers in attaining status as
14 qualified residential treatment programs.

15 3. Identifying alternative placements, including therapeutic foster
16 homes, for children who would otherwise be placed in congregate care.

17 4. Expanding evidence-based, in-home parent skill-based programs
18 and mental health and substance abuse prevention and treatment services.

19 Benchmarks

20 For the purposes of this section, "backlog case":

21 1. Means any nonactive case for which documentation has not been
22 entered in the child welfare automated system for at least sixty days and
23 for which services have not been authorized for at least sixty days and
24 any case that has had an investigation, has been referred to another unit
25 and has had no contact for at least sixty days.

26 2. Includes any case for which the investigation has been open
27 without any documentation or contact for at least sixty days, any case
28 involving in-home services for which there has been no contact or services
29 authorized for at least sixty days and any case involving foster care in
30 which there has been no contact or any documentation entered in the child
31 welfare automated system for at least sixty days.

32 For the purposes of this section:

33 1. "Long-term case" means any case in which the child has been in
34 an out-of-home placement for at least eighteen months.

35 2. "Open report" means a report that is under investigation or
36 awaiting closure by a supervisor.

37 On or before February 28, 2023 and August 31, 2023, the department
38 of child safety shall present a report to the joint legislative budget
39 committee on the progress made during July 2022 through December 2022 and
40 January 2023 through June 2023, respectively, in meeting the caseload
41 standard and reducing the number of backlog and long-term cases. Each
42 report shall include the number of backlog cases, the number of open
43 reports, the number of long-term cases and the caseworker workload in
44 comparison to the previous six months. Each report shall provide the
45 number of backlog cases by disposition, including the number of backlog

1 cases in the investigation phase, the number of backlog cases associated
 2 with out-of-home placements and the number of backlog cases associated
 3 with in-home cases.

4 To determine the caseworker workload, the department shall report
 5 the number of case-carrying caseworkers at each field office and the
 6 number of investigations, in-home cases and long-term cases assigned to
 7 each field office.

8 For backlog cases, the department's benchmark is 1,000 cases.

9 For open reports, the department's benchmark is fewer than 8,000
 10 open reports.

11 For long-term cases, the department's benchmark is the caseload
 12 reported for December 2022.

13 If the department of child safety has not submitted a required
 14 report within thirty days after the report is due, the director of the
 15 joint legislative budget committee shall inform the general accounting
 16 office of the department of administration, which shall withhold two
 17 percent of the department of child safety's operating lump sum semiannual
 18 budget allocation until the department of child safety submits the
 19 required report.

20 Sec. 18. STATE BOARD OF CHIROPRACTIC EXAMINERS

		<u>2022-23</u>
21		
22	FTE positions	5.0
23	Lump sum appropriation	\$ 448,100
24	Fund sources:	
25	Board of chiropractic examiners	
26	fund	\$ 448,100

27 Sec. 19. ARIZONA COMMERCE AUTHORITY

28		<u>2022-23</u>
29	Operating lump sum appropriation	\$ 10,000,000
30	Arizona competes fund deposit	5,500,000
31	Asia trade offices	750,000
32	Blockchain/wearable research	5,000,000
33	Economic development marketing	
34	and attraction	1,000,000
35	Frankfurt, Germany trade office	500,000
36	Israel trade office	300,000
37	Mexico trade offices	500,000
38	Water infrastructure and commerce	
39	grant fund deposit	15,000,000
40	Major events fund deposit	<u>7,500,000</u>
41	Total appropriation – Arizona commerce	
42	authority	\$ 46,050,000
43	Fund sources:	
44	State general fund	\$ 41,050,000
45	State web portal fund	5,000,000

1 Pursuant to section 43-409, Arizona Revised Statutes, of the amounts
2 listed above, \$15,500,000 of the state general fund withholding tax
3 revenues is allocated in fiscal year 2022-2023 to the Arizona commerce
4 authority, of which \$10,000,000 is credited to the Arizona commerce
5 authority fund established by section 41-1506, Arizona Revised Statutes,
6 and \$5,500,000 is credited to the Arizona competes fund established by
7 section 41-1545.01, Arizona Revised Statutes.

8 The authority shall distribute the monies in the blockchain/wearable
9 research line item to applied research centers located in this state that
10 specialize in blockchain technology, wearable technology or a technology
11 discipline approved by the authority to be allocated as follows:

12 1. \$500,000 for distribution to applied research centers that
13 specialize in blockchain technology.

14 2. \$3,000,000 for distribution to applied research centers that
15 specialize in wearable technology, including hardware or software
16 components, or both.

17 3. \$1,500,000 for distribution to applied research centers in a
18 technology discipline that is approved by the authority.

19 Subject to available funding, the authority shall distribute monies
20 appropriated in the blockchain/wearable research line item to any applied
21 research center in increments of up to \$250,000 within thirty days after
22 the applied research center notifies the authority in writing that the
23 applied research center has received a matching amount from sources other
24 than this state. Monies that have been previously appropriated to the
25 authority for potential distribution to an applied research center that
26 specializes in blockchain technology that have not been distributed may be
27 distributed to an applied research center that specializes in wearable
28 technology, including hardware or software components, or both, or in a
29 technology discipline approved by the Arizona commerce authority if the
30 application for such distribution is in compliance with this section.

31 An applied research center that receives a distribution pursuant to
32 this section must collaborate with universities, nonprofit business
33 associations, health science research centers, institutes or other
34 technology businesses that do business in this state. On or before
35 September 15, 2026, the applied research center or institute shall return
36 to the authority all monies received by the applied research center or
37 institute pursuant to this section that remain unexpended and unencumbered
38 on September 1, 2026. The authority shall deposit the returned monies in
39 the state web portal fund established by section 18-421, Arizona Revised
40 Statutes. The authority shall notify the president of the senate and the
41 speaker of the house of representatives on or before July 1, 2023 and July
42 1, 2024 if the authority has not distributed any monies pursuant to this
43 section.

1 An applied research center or institute that receives monies
 2 pursuant to this section shall annually submit an expenditure and
 3 performance report to the authority. On or before February 1 of each
 4 year, the authority shall transmit the report to the joint legislative
 5 budget committee and the governor's office of strategic planning and
 6 budgeting.

7 For the purposes of this section, the authority is exempt from the
 8 requirements of title 41, chapter 23, Arizona Revised Statutes.

9 The appropriation made in the blockchain/wearable research line item
 10 is exempt from the provisions of section 35-190, Arizona Revised Statutes,
 11 relating to lapsing of appropriations, except that any amounts that remain
 12 unexpended and unencumbered on June 30, 2026 revert to the state web
 13 portal fund.

14 The \$7,500,000 appropriated in the major events fund deposit line
 15 item pursuant to laws 2021, chapter 408, section 17 is exempt from the
 16 provisions of section 35-190, Arizona Revised Statutes, relating to the
 17 lapsing of appropriations, until June 30, 2023.

18 Sec. 20. ARIZONA COMMUNITY COLLEGES

	<u>2022-23</u>
19	
20	<u>Equalization aid</u>
21	Cochise \$ 8,771,400
22	Graham 19,114,000
23	Navajo 9,912,900
24	Yuma/La Paz <u>530,200</u>
25	Total – equalization aid \$ 38,328,500
26	<u>Operating state aid</u>
27	Cochise \$ 4,230,000
28	Coconino 1,369,600
29	Gila 155,300
30	Graham 1,532,300
31	Mohave 903,000
32	Navajo 1,393,400
33	Pinal 818,200
34	Yavapai 300,400
35	Yuma/La Paz <u>1,898,200</u>
36	Total – operating state aid \$ 12,600,400
37	<u>STEM and workforce programs state aid</u>
38	Cochise \$ 895,200
39	Coconino 293,800
40	Gila 91,900
41	Graham 361,500
42	Maricopa 8,584,900
43	Mohave 373,800
44	Navajo 283,600

1	Pima	1,776,600
2	Pinal	551,100
3	Santa Cruz	21,800
4	Yavapai	611,100
5	Yuma/La Paz	<u>877,500</u>
6	Total – STEM and workforce programs	
7	state aid	\$ 14,722,800
8	<u>Rural aid</u>	
9	Cochise	\$ 5,267,500
10	Coconino	1,343,400
11	Gila	421,800
12	Graham	1,633,200
13	Mohave	1,714,400
14	Navajo	1,305,600
15	Pinal	2,476,600
16	Santa Cruz	97,800
17	Yavapai	2,782,200
18	Yuma/La Paz	<u>3,957,500</u>
19	Total – rural aid	\$ 21,000,000
20	Rural county reimbursement subsidy	\$ 1,082,900
21	Additional Gila workforce	
22	development aid	200,000
23	Diné college remedial education	1,000,000
24	Cochise first responders	
25	academy	<u>6,250,000</u>
26	Total appropriation – Arizona community	
27	colleges	\$ 95,184,600
28	Fund sources:	
29	State general fund	\$ 95,184,600
30	Of the \$1,082,900 appropriated to the rural county reimbursement	
31	subsidy line item, Apache county receives \$699,300 and Greenlee county	
32	receives \$383,600.	
33	On or before October 15, 2023, the Diné college board of regents	
34	shall submit to the governor, the speaker of the house of representatives,	
35	the president of the senate, the secretary of state and the joint	
36	legislative budget committee a report that details the course completion	
37	rate for students who received remedial education during the 2022-2023	
38	academic year.	
39	The amount appropriated for the Cochise first responders academy	
40	line item shall be distributed to Cochise community college to build an	
41	indoor shooting range and burn tower for the first responders academy.	

1	Sec. 21. REGISTRAR OF CONTRACTORS	
2		<u>2022-23</u>
3	FTE positions	105.6
4	Operating lump sum appropriation	\$ 11,572,700
5	Office of administrative	
6	hearings costs	<u>1,017,600</u>
7	Total appropriation – registrar of	
8	contractors	\$ 12,590,300
9	Fund sources:	
10	Registrar of contractors fund	\$ 12,590,300
11	Sec. 22. CORPORATION COMMISSION	
12		<u>2022-23</u>
13	FTE positions	301.9
14	Operating lump sum appropriation	\$ 27,254,100
15	Corporation filings, same-day	
16	service	408,400
17	Utilities audits, studies,	
18	investigations and hearings	<u>380,000*</u>
19	Total appropriation – corporation commission	\$ 28,042,500
20	Fund sources:	
21	State general fund	\$ 715,900
22	Arizona arts trust fund	51,200
23	Investment management regulatory	
24	and enforcement fund	721,600
25	Public access fund	6,799,400
26	Securities regulatory and	
27	enforcement fund	5,135,300
28	Utility regulation revolving fund	14,619,100
29	Sec. 23. STATE DEPARTMENT OF CORRECTIONS	
30		<u>2022-23</u>
31	FTE positions	9,569.0
32	Operating lump sum appropriation	\$ 857,529,400
33	Private prison per diem	237,554,100
34	Community corrections	23,684,000
35	Inmate health care contracted	
36	services	269,681,300
37	Substance abuse treatment	6,100,700
38	Onetime vehicle purchase	<u>9,048,400</u>
39	Total appropriation – state department	
40	of corrections	\$1,403,597,900
41	Fund sources:	
42	State general fund	\$1,345,400,900
43	State education fund for	
44	correctional education	743,300

1	Alcohol abuse treatment fund	555,700
2	Penitentiary land fund	2,790,700
3	State charitable, penal and	
4	reformatory institutions	
5	land fund	2,663,700
6	Corrections fund	30,967,700
7	Transition program fund	2,400,200
8	Prison construction and	
9	operations fund	12,500,000
10	Inmate store proceeds fund	5,575,700

11 Of the amount appropriated in the operating lump sum, \$421,203,300
 12 is designated for personal services and \$268,815,300 is designated for
 13 employee-related expenditures. The department shall submit an expenditure
 14 plan to the joint legislative budget committee for review before spending
 15 these monies other than for personal services or employee-related
 16 expenditures, except that until January 1, 2023, if the department makes a
 17 transfer between two line items to maximize the use of federal monies, the
 18 department shall submit an expenditure plan that is not subject to review
 19 before spending those monies.

20 After the department submits an expenditure plan to the joint
 21 legislative budget committee, the department may transfer personal
 22 services and employee-related expenditures savings from the operating
 23 budget to the private prison per diem line item for private prison staff
 24 stipends. The amount of any private prison staff stipend may not exceed
 25 the amount given to department staff. The expenditure plan is not subject
 26 to review by the joint legislative budget committee.

27 The private prison per diem line item includes an increase of
 28 \$17,505,300 from the state general fund in fiscal year 2022-2023 for a
 29 twenty percent salary increase for correctional officers and all other
 30 staff beginning from and after July 8, 2022.

31 Private prison vendors who contract with this state may use staff
 32 vacancy savings to pay for overtime costs without incurring a penalty or
 33 staffing offset.

34 The amount appropriated in the onetime vehicle purchase line item is
 35 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 36 relating to lapsing of appropriations, until June 30, 2024.

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

42 The state department of corrections shall forward to the president
 43 of the senate, the speaker of the house of representatives, the
 44 chairpersons of the senate and house of representatives appropriations
 45 committees and the director of the joint legislative budget committee a

1 monthly report comparing department expenditures for the month and
 2 year-to-date as compared to prior-year expenditures on or before the
 3 thirtieth of the following month. The report shall be in the same format
 4 as the prior fiscal year and include an estimate of potential shortfalls,
 5 potential surpluses that may be available to offset these shortfalls and a
 6 plan, if necessary, for eliminating any shortfall without a supplemental
 7 appropriation. The report shall include the number of filled and vacant
 8 correctional officer and medical staff positions departmentwide and by
 9 prison complex.

10 On or before November 1, 2022, the state department of corrections
 11 shall provide a report on bed capacity to the joint legislative budget
 12 committee. The report shall reflect the bed capacity for each security
 13 classification by gender at each state-run and private institution,
 14 divided by rated and total beds. The report shall include bed capacity
 15 data for June 30, 2021 and June 30, 2022 and the projected capacity for
 16 June 30, 2023, as well as the reasons for any change within that time
 17 period. Within the total bed count, the department shall provide the
 18 number of temporary and special use beds. The report shall also address
 19 the department's rationale for eliminating any permanent beds rather than
 20 reducing the level of temporary beds. The report shall also include any
 21 plans to vacate beds but not permanently remove the beds from the bed
 22 count.

23 If the department develops a plan to open or close 100 or more
 24 state-operated or private prison rated beds, the department shall submit a
 25 plan detailing the proposed bed changes for review by the joint
 26 legislative budget committee before implementing these changes.

27 One hundred percent of land earnings and interest from the
 28 penitentiary land fund shall be distributed to the state department of
 29 corrections in compliance with the enabling act and the Constitution of
 30 Arizona to be used to support state penal institutions.

31 On or before December 15, 2022 and July 15, 2023, the state
 32 department of corrections shall submit a report to the joint legislative
 33 budget committee on the progress made in meeting the staffing needs for
 34 correctional officers. Each report shall include the number of filled
 35 correctional officer positions, the number of vacant correctional officer
 36 positions, the number of people in training, the number of separations and
 37 the number of hours of overtime worked year-to-date. The report shall
 38 detail these amounts both departmentwide and by prison complex.

39 Twenty-five percent of land earnings and interest from the state
 40 charitable, penal and reformatory institutions land fund shall be
 41 distributed to the state department of corrections in compliance with the
 42 enabling act and the Constitution of Arizona to be used to support state
 43 penal institutions.

1 Before spending any state education fund for correctional education
 2 monies in excess of \$743,300, the state department of corrections shall
 3 report the intended use of the monies to the director of the joint
 4 legislative budget committee.

5 Before implementing any changes in contracted rates for inmate
 6 health care contracted services, the state department of corrections shall
 7 submit its expenditure plan for review by the joint legislative budget
 8 committee.

9 On or before August 1, 2022 and February 1, 2023, the state
 10 department of corrections shall submit a report to the joint legislative
 11 budget committee on the status of all inmate health care performance
 12 measures that are tracked by the department for contract monitoring
 13 purposes. Each report must include:

- 14 1. The total number of performance measures, by facility, for which
 15 the department is not in substantial compliance.
- 16 2. An explanation for each instance of noncompliance.
- 17 3. The department's plan to comply with the performance measures.

18 On or before August 1, 2022, the state department of corrections
 19 shall transfer to the public safety personnel retirement system via the
 20 department of administration its estimated required annual contribution to
 21 the corrections officer retirement plan for fiscal year 2022-2023.

22 The department shall report actual fiscal year 2021-2022, estimated
 23 fiscal year 2022-2023 and requested fiscal year 2023-2024 expenditures as
 24 delineated in the prior year when the department submits its fiscal year
 25 2023-2024 budget estimate pursuant to section 35-113, Arizona Revised
 26 Statutes.

27 Sec. 24. ARIZONA CRIMINAL JUSTICE COMMISSION

	<u>2022-23</u>
28 FTE positions	11.0
29 Operating lump sum appropriation	\$ 1,276,300
30 Major incident regional law	
31 enforcement task force	600,000
32 Rural county diversion programs	10,000,000
33 State aid to county attorneys	973,700
34 State aid to indigent defense	700,000
35 State aid for juvenile dependency	
36 proceedings fund deposit	2,000,000
37 Victim compensation and	
38 assistance	<u>6,224,600</u>
39 Total appropriation – Arizona criminal	
40 justice commission	\$ 21,774,600
41 Fund sources:	
42 State general fund	14,600,000
43 Criminal justice enhancement fund	658,800
44	

1	Resource center fund	617,500
2	State aid to county attorneys fund	973,700
3	State aid to indigent defense fund	700,000
4	Victim compensation and assistance	
5	fund	4,224,600

6 All victim compensation and assistance fund monies received by the
7 Arizona criminal justice commission in excess of \$4,224,600 in fiscal year
8 2022-2023 are appropriated to the crime victims program. Before spending
9 any victim compensation and assistance fund monies in excess of \$4,224,600
10 in fiscal year 2022-2023, the Arizona criminal justice commission shall
11 report the intended use of the monies to the joint legislative budget
12 committee.

13 All monies received by the Arizona criminal justice commission in
14 excess of \$973,700 in fiscal year 2022-2023 from the state aid to county
15 attorneys fund established by section 11-539, Arizona Revised Statutes,
16 are appropriated to the state aid to county attorneys program. Before
17 spending any state aid to county attorneys fund monies in excess of
18 \$973,700 in fiscal year 2022-2023, the Arizona criminal justice commission
19 shall report the intended use of the monies to the joint legislative
20 budget committee.

21 The amount appropriated in the rural county diversion programs line
22 item is exempt from the provisions of section 35-190, Arizona Revised
23 Statutes, relating to lapsing of appropriations. The monies shall be
24 distributed as grants to county attorney offices in counties with a
25 population of less than nine hundred thousand persons according to the
26 2020 United States decennial census for the purpose of establishing and
27 operating alternative prosecution and diversion programs that are based on
28 evidence-based practices pertaining to diversion from prosecution and
29 alternatives to prosecution. The commission shall adopt criteria for
30 distributing grants to eligible counties. The monies may not be used to
31 supplant existing monies for alternative prosecution and diversion
32 programs. On or before September 30, 2023, the commission shall submit a
33 report to the joint legislative budget committee on the use of the monies
34 and the outcomes obtained by the alternative prosecution and diversion
35 programs in the previous fiscal year.

36 Sec. 25. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

37		<u>2022-23</u>
38	FTE positions	562.2
39	Administration/statewide	\$ 7,617,700
40	Phoenix day school for the deaf	11,354,800
41	Tucson campus	12,652,200
42	Preschool/outreach programs	6,323,400

1	School bus/agency vehicle	
2	replacement	369,000
3	Cooperative services	<u>18,108,600</u>
4	Total appropriation – Arizona state schools	
5	for the deaf and the blind	\$ 56,425,700
6	Fund sources:	
7	State general fund	\$ 24,361,900
8	Schools for the deaf and	
9	the blind fund	13,955,200
10	Cooperative services fund	18,108,600
11	Before spending any schools for the deaf and the blind fund monies	
12	in excess of \$13,955,200 in fiscal year 2022-2023, the Arizona state	
13	schools for the deaf and the blind shall report to the joint legislative	
14	budget committee the intended use of the monies.	
15	Before spending any cooperative services fund monies in excess of	
16	\$18,108,600 in fiscal year 2022-2023, the Arizona state schools for the	
17	deaf and the blind shall report to the joint legislative budget committee	
18	the intended use of the monies.	
19	Sec. 26. COMMISSION FOR THE DEAF AND THE HARD OF HEARING	
20		<u>2022-23</u>
21	FTE positions	21.0
22	Operating lump sum appropriation	\$ 4,439,900
23	Support services for the	
24	deaf-blind	192,000
25	Aging individuals research	115,000
26	American sign language user support	<u>15,000</u>
27	Total appropriation – commission for the	
28	deaf and the hard of hearing	\$ 4,761,900
29	Fund sources:	
30	Telecommunication fund for	
31	the deaf	\$ 4,761,900
32	Sec. 27. STATE BOARD OF DENTAL EXAMINERS	
33		<u>2022-23</u>
34	FTE positions	11.0
35	Lump sum appropriation	\$ 1,807,400
36	Fund sources:	
37	Dental board fund	\$ 1,807,400
38	Sec. 28. OFFICE OF ECONOMIC OPPORTUNITY	
39		<u>2022-23</u>
40	FTE positions	5.0
41	Lump sum appropriation	\$ 470,300
42	Fund sources:	
43	State general fund	\$ 470,300

1	Sec. 29. DEPARTMENT OF ECONOMIC SECURITY	
2		<u>2022-23</u>
3	FTE positions	4,476.8
4	Operating lump sum appropriation	\$175,254,400
5	<u>Administration</u>	
6	Attorney general legal services	11,222,900
7	<u>Aging and adult services</u>	
8	Adult services	10,731,900
9	Community and emergency services	3,724,000
10	Coordinated homeless services	2,522,600
11	Domestic violence prevention	14,003,900
12	Long-term care ombudsman	1,000,000
13	<u>Benefits and medical eligibility</u>	
14	Temporary assistance for needy	
15	families – cash benefits	22,736,400
16	Coordinated hunger services	2,254,600
17	Tribal pass-through funding	4,680,300
18	<u>Child support enforcement</u>	
19	County participation	8,539,700
20	<u>Developmental disabilities</u>	
21	DDD administration	45,865,500
22	DDD premium tax payment	52,819,500
23	Case management – medicaid	89,879,500
24	Home and community based	
25	services – medicaid	2,449,866,900
26	Institutional services –	
27	medicaid	42,344,200
28	Physical and behavioral	
29	health services – medicaid	528,070,000
30	Medicare clawback payments	5,710,300
31	Targeted case management – medicaid	12,924,500
32	State match transfer from AHCCCS	821,118,700
33	Case management – state-only	6,211,400
34	Home and community based	
35	services – state-only	14,089,000
36	Cost effectiveness study – client	
37	services	8,420,000
38	Arizona early intervention program	9,719,000
39	State-funded long-term care	
40	services	42,669,300
41	Group home monitoring program	1,200,000
42	<u>Employment and rehabilitation services</u>	
43	JOBS	11,005,600
44	Child care subsidy	187,080,200

1	Independent living rehabilitation	
2	services	1,289,400
3	Rehabilitation services	7,249,100
4	Workforce investment act	
5	services	<u>55,006,900</u>
6	Total appropriation and expenditure	
7	authority – department of	
8	economic security	\$4,649,209,700
9	Fund sources:	
10	State general fund	\$1,058,144,700
11	Federal child care and	
12	development fund block grant	199,267,200
13	Federal temporary assistance for	
14	needy families block grant	65,405,800
15	Long-term care system fund	33,280,500
16	Public assistance collections	
17	fund	423,700
18	Special administration fund	4,512,600
19	Spinal and head injuries trust	
20	fund	2,336,000
21	Statewide cost allocation plan	
22	fund	1,000,000
23	Child support enforcement	
24	administration fund	17,204,700
25	Domestic violence services fund	4,000,200
26	Workforce investment act grant	56,069,100
27	Child support enforcement	
28	administration fund expenditure	
29	authority	42,495,100
30	Developmental disabilities	
31	medicaid expenditure authority	3,110,706,900
32	Health care investment fund	
33	expenditure authority	54,363,200

34 Aging and adult services

35 All domestic violence services fund monies in excess of \$4,000,200
 36 received by the department of economic security are appropriated for the
 37 domestic violence prevention line item. Before spending these increased
 38 monies, the department shall report the intended use of monies in excess
 39 of \$4,000,200 to the joint legislative budget committee.

40 On or before December 15, 2022, the department of economic security
 41 shall report to the joint legislative budget committee the amount of state
 42 and federal monies available statewide for domestic violence prevention
 43 funding. The report shall include, at a minimum, the amount of monies
 44 available and the state fiscal agent receiving those monies.

1 Benefits and medical eligibility

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

5 Child support enforcement

6 All state shares of retained earnings, fees and federal incentives
7 in excess of \$17,204,700 received by the division of child support
8 enforcement are appropriated for operating expenditures. New FTE
9 positions are authorized with the increased funding. Before spending
10 these increased monies, the department of economic security shall report
11 the intended use of the monies to the joint legislative budget committee.

12 Developmental disabilities

13 On or before September 1, 2023, the department of economic security
14 shall report to the president of the senate, the speaker of the house of
15 representatives, the chairpersons of the senate and house of
16 representatives appropriations committees and the director of the joint
17 legislative budget committee any new placement into a state-owned ICF-IID
18 or the Arizona training program at the Coolidge campus in fiscal year
19 2022-2023 and the reason this placement, rather than a placement into a
20 privately run facility for persons with developmental disabilities, was
21 deemed as the most appropriate placement. The department shall also
22 report if no new placements were made. On or before September 1, 2023,
23 the department shall also report to the director of the joint legislative
24 budget committee the total costs associated with the Arizona training
25 program at Coolidge in fiscal year 2022-2023.

26 The department shall report to the joint legislative budget
27 committee on or before March 1 of each year on preliminary actuarial
28 estimates of the capitation rate changes for the following fiscal year
29 along with the reasons for the estimated changes. For any actuarial
30 estimates that include a range, the total range from minimum to maximum
31 may not be more than two percent. Before implementing any changes in
32 capitation rates for the long-term care system, the department shall
33 submit a report for review by the joint legislative budget committee.
34 Before the department implements any change in policy affecting the
35 amount, sufficiency, duration and scope of health care services and who
36 may provide services, the department shall prepare a fiscal impact
37 analysis on the potential effects of this change on the following year's
38 capitation rates. If the fiscal impact analysis demonstrates that this
39 change will result in additional state costs of \$500,000 or more for any
40 fiscal year, the department shall submit the policy change for review by
41 the joint legislative budget committee.

42 Before implementing developmental disabilities or long-term care
43 statewide provider rate adjustments that are not already specifically
44 authorized by the legislature, court mandates or changes to federal law,
45 the department shall submit a report for review by the joint legislative

1 budget committee that includes, at a minimum, the estimated cost of the
 2 provider rate adjustment and the ongoing source of funding for the
 3 adjustment, if applicable.

4 The appropriations in this section include \$65,800,000 from the
 5 state general fund and \$130,220,800 from expenditure authority for
 6 provider rate increases. This includes \$56,700,000 from the state general
 7 fund and \$130,220,800 from expenditure authority for a 9.7 percent
 8 increase to provider rates funded in the home and community based services
 9 - medicaid line item, \$3,400,000 from the state general fund for the
 10 Arizona early intervention program line item, \$500,000 from the state
 11 general fund for the home and community based services - state-only line
 12 item, \$4,200,000 from the state general fund for the cost effectiveness
 13 study - client services line item and \$1,000,000 from the state general
 14 fund for the adult services line item.

15 Before implementing provider rate increases, the department shall
 16 engage community stakeholders regarding the department's plans to increase
 17 provider rates. On or before September 1, 2022, the department shall
 18 submit a report to the joint legislative budget committee describing the
 19 efforts to engage stakeholders and the department's plans to implement
 20 provider rate increases for fiscal year 2022-2023.

21 Before transferring any monies in or out of the case management -
 22 medicaid, case management - state-only and DDD administration line items,
 23 the department shall submit a report for review by the joint legislative
 24 budget committee, except that transfers from the state match transfer from
 25 AHCCCS line item into those line items do not require a report for review.

26 On or before November 30, 2022 and November 30, 2023, the department
 27 of economic security shall submit a report to the joint legislative budget
 28 committee regarding expenditures from the cost effectiveness study -
 29 client services line item in the previous fiscal year. The report shall
 30 include the number of clients and total amounts spent from the line item
 31 in each setting type along with expenditures for those clients in other
 32 line items. The report shall also include cost effectiveness spending in
 33 other line items.

34 The amount appropriated for the home and community based services -
 35 medicaid line item includes \$280,000,000 from expenditure authority to
 36 implement the American rescue plan act of 2021 (P.L. 117-2) home and
 37 community-based services spending plan in fiscal year 2022-2023. The
 38 department may not use these monies for marketing purposes and any direct
 39 payments or grants provided with the monies shall include a notification
 40 to the recipient that the monies are onetime funding. Beginning on or
 41 before July 31, 2022, the department shall provide quarterly reports to
 42 the joint legislative budget committee at the same time that the
 43 information is provided to the centers for medicare and medicaid services
 44 reflecting any changes to the department's spending plan. Of the amount
 45 appropriated for the home and community based services - medicaid line

1 item, \$280,000,000 is exempt from the provisions of section 35-190,
2 Arizona Revised Statutes, relating to lapsing of appropriations.

3 Employment and rehabilitation services

4 On or before September 15, 2022 and March 15, 2023, the department
5 of economic security shall submit a report to the president of the senate,
6 the speaker of the house of representatives, the chairpersons of the
7 senate and house of representatives appropriations committees and the
8 joint legislative budget committee on child care development block grant
9 monies provided from the coronavirus aid, relief, and economic security
10 act, the consolidated appropriations act, 2021 and the American rescue
11 plan act of 2021 (P.L. 117-2). The report must include, at a minimum, the
12 actual expenditures made to date by purpose and, separately, by federal
13 legislation, the expenditure plan for all remaining monies by purpose and,
14 separately, by federal legislation, the number of children served with the
15 monies on average each month, the average child care reimbursement rates
16 for the entire program, including these monies, and the number of child
17 care settings with a quality rating.

18 The department of economic security shall forward to the joint
19 legislative budget committee a monthly report listing data on the child
20 care population served. The report must include, at a minimum, in each
21 program the number of unduplicated children enrolled in child care within
22 the department of economic security and the department of child safety by
23 program and the average amount paid per child plus quality-related
24 spending.

25 All workforce investment act grant monies that are received by this
26 state in excess of \$56,069,100 are appropriated to the workforce
27 investment act services line item. Before spending these increased
28 monies, the department shall report the intended use of monies in excess
29 of \$56,069,100 to the joint legislative budget committee.

30 Departmentwide

31 The above appropriations are in addition to monies granted to this
32 state by the federal government for the same purposes but are deemed to
33 include the sums deposited in the state treasury to the credit of the
34 department of economic security pursuant to section 42-5029, Arizona
35 Revised Statutes.

36 The department of economic security shall forward to the president
37 of the senate, the speaker of the house of representatives, the
38 chairpersons of the senate and house of representatives appropriations
39 committees and the director of the joint legislative budget committee a
40 monthly report comparing total expenditures for the month and year-to-date
41 as compared to prior-year totals on or before the thirtieth of the
42 following month. The report shall include an estimate of potential
43 shortfalls in entitlement programs and potential federal and other monies,
44 such as the statewide assessment for indirect costs, and any projected
45 surplus in state-supported programs that may be available to offset these

1 shortfalls and a plan, if necessary, for eliminating any shortfall without
 2 a supplemental appropriation.

3 Sec. 30. STATE BOARD OF EDUCATION

4		<u>2022-23</u>
5	FTE positions	23.0
6	Operating lump sum appropriation	\$ 2,985,900
7	Arizona empowerment scholarship	
8	account appeals	<u>224,200</u>
9	Total appropriation –	
10	state board of education	\$ 3,210,100
11	Fund sources:	
12	State general fund	\$ 3,210,100

13 Sec. 31. SUPERINTENDENT OF PUBLIC INSTRUCTION

14		<u>2022-23</u>
15	FTE positions	203.9
16	Operating lump sum appropriation	\$ 10,348,400
17	<u>Formula programs</u>	
18	Basic state aid	5,542,055,000
19	Results-based funding	68,600,000
20	Special education fund	36,029,200
21	Other state aid to districts	983,900
22	Classroom site fund	946,524,800
23	Instructional improvement fund	54,425,700
24	<u>Property tax relief</u>	
25	Additional state aid	510,093,700
26	<u>Non-formula programs</u>	
27	Accountability and achievement	
28	testing	16,423,300
29	Adult education	21,487,800
30	Alternative teacher development	
31	program	500,000
32	Arizona empowerment scholarship	
33	account administration	2,176,400
34	Arizona English language	
35	learner fund	4,960,400
36	Arizona student apprenticeship	
37	program	300,000
38	Code writers initiative program	1,000,000
39	CTED completion grants	1,000,000
40	CTED soft capital and equipment	1,000,000
41	College credit by examination	
42	incentive program	7,472,100
43	College placement exam fee waiver	1,265,800
44	Computer science professional	
45	development program	1,000,000

1	Early literacy	12,000,000
2	Education learning and	
3	accountability system	5,315,400
4	English learner administration	6,516,900
5	Foster home youth transitional	
6	housing	10,000,000
7	Geographic literacy	100,000
8	Gifted assessments	850,000
9	Jobs for Arizona graduates	100,000
10	Onetime electronic incident prevention	
11	programs	150,000
12	School safety program	81,925,200
13	State block grant for vocational	
14	education	11,576,300
15	Student level data access	350,000
16	Teacher certification	2,403,000
17	Tribal college dual enrollment	
18	program	<u>325,000</u>
19	Total appropriation and expenditure	
20	authority – superintendent	
21	of public instruction	\$7,359,258,300
22	Fund sources:	
23	State general fund	\$5,859,497,600
24	Education sales tax fund	7,000,000
25	Permanent state school fund	328,895,600
26	Teacher certification fund	2,359,100
27	Tribal college dual enrollment	
28	program fund	325,000
29	Department of education empowerment	
30	scholarship account fund	350,000
31	Expenditure authority	1,160,831,000

32 Operating budget

33 The operating lump sum appropriation includes \$683,900 and 8.5 FTE
34 positions for average daily membership auditing and \$200,000 and 2 FTE
35 positions for information technology security services.

36 The amount appropriated for the department of education's operating
37 budget includes \$500,000 for technical assistance and state-level
38 administration of the K-3 reading program established pursuant to section
39 15-211, Arizona Revised Statutes.

40 Any monies available to the department of education pursuant to
41 section 42-5029.02, subsection A, paragraph 8, Arizona Revised Statutes,
42 for the failing schools tutoring fund established by section 15-241,
43 Arizona Revised Statutes, in excess of the expenditure authority amounts
44 are allocated for the purposes of section 42-5029.02, subsection A,
45 paragraph 8, Arizona Revised Statutes.

1 Any monies available to the department of education pursuant to
2 section 42-5029.02, subsection A, paragraph 6, Arizona Revised Statutes,
3 for character education matching grants pursuant to section 15-154.01,
4 Arizona Revised Statutes, in excess of the expenditure authority amounts
5 are allocated for the purposes of section 42-5029.02, subsection A,
6 paragraph 6, Arizona Revised Statutes.

7 Basic state aid

8 The appropriation for basic state aid provides basic state support
9 to school districts for maintenance and operations funding as provided by
10 section 15-973, Arizona Revised Statutes, and includes an estimated
11 \$328,895,600 in expendable income derived from the permanent state school
12 fund and from state trust lands pursuant to section 37-521, subsection B,
13 Arizona Revised Statutes, for fiscal year 2022-2023.

14 Monies derived from the permanent state school fund and any other
15 non-state general fund revenue source that is dedicated to fund basic
16 state aid shall be spent, whenever possible, before spending state general
17 fund monies.

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

28 Any monies available to the department of education pursuant to
29 section 42-5029.02, subsection A, paragraph 5, Arizona Revised Statutes,
30 for the increased cost of basic state aid under section 15-971, Arizona
31 Revised Statutes, due to added school days in excess of the expenditure
32 authority amounts are allocated for the purposes of section 42-5029.02,
33 subsection A, paragraph 5, Arizona Revised Statutes.

34 Other programs

35 Any monies available to the department of education for the
36 classroom site fund pursuant to section 37-521, subsection B, paragraph 4,
37 Arizona Revised Statutes, and section 42-5029.02, subsection A, paragraph
38 10, Arizona Revised Statutes, in excess of expenditure authority amounts
39 are allocated for the purposes of section 37-521, subsection B, paragraph
40 4, Arizona Revised Statutes, and section 42-5029.02, subsection A,
41 paragraph 10, Arizona Revised Statutes.

42 Any monies available to the department of education from the
43 instructional improvement fund established by section 15-979, Arizona
44 Revised Statutes, in excess of the expenditure authority amounts are
45 allocated for the purposes of section 15-979, Arizona Revised Statutes.

1 Before making any changes to the achievement testing program that
2 will increase program costs, the department of education and the state
3 board of education shall submit the estimated fiscal impact of those
4 changes to the joint legislative budget committee for review.

5 Any monies available to the department of education for
6 accountability purposes pursuant to section 42-5029.02, subsection A,
7 paragraph 7, Arizona Revised Statutes, in excess of the expenditure
8 authority amounts are allocated for the purposes of section 42-5029.02,
9 subsection A, paragraph 7, Arizona Revised Statutes.

10 The appropriated amount for adult education includes \$4,620,000 for
11 the continuing high school and workforce training program established by
12 section 15-217.01, Arizona Revised Statutes, \$6,000,000 for deposit in the
13 adult workforce diploma program fund established by section 15-217.02,
14 subsection B, Arizona Revised Statutes and \$6,000,000 for deposit in the
15 community college adult education workforce development program fund
16 established by section 15-217.03, subsection C, Arizona Revised Statutes.

17 Monies appropriated for CTED completion grants are intended to help
18 fund program completion for students who complete at least fifty percent
19 of a career technical education program before graduating from high school
20 and who successfully complete the career technical education district
21 program after graduating from high school. The application procedures
22 shall award grant funding only after an eligible student has successfully
23 completed a career technical education district program.

24 If the appropriated amount for CTED completion grants is
25 insufficient to fund all grant requests from career technical education
26 districts, the department of education shall reduce grant amounts on a
27 proportional basis in order to cap total statewide allocations at
28 \$1,000,000.

29 The appropriated amount for CTED completion grants is exempt from
30 the provisions of section 35-190, Arizona Revised Statutes, relating to
31 lapsing of appropriations, until June 30, 2024.

32 The department of education shall distribute the appropriated amount
33 for CTED soft capital and equipment to career technical education
34 districts with fewer than two thousand average daily membership pupils for
35 soft capital and equipment expenses. The appropriated amount shall be
36 allocated on a pro rata basis based on the average daily membership of
37 eligible career technical education districts.

38 The department of education shall use the appropriated amount for
39 English learner administration to provide English language acquisition
40 services for the purposes of section 15-756.07, Arizona Revised Statutes,
41 and for the costs of providing English language proficiency assessments,
42 scoring and ancillary materials as prescribed by the department of
43 education to school districts and charter schools for the purposes of
44 title 15, chapter 7, article 3.1, Arizona Revised Statutes. The
45 department may use a portion of the appropriated amount to hire staff or

1 contract with a third party to carry out the purposes of section
 2 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192,
 3 Arizona Revised Statutes, the superintendent of public instruction also
 4 may use a portion of the appropriated amount to contract with one or more
 5 private attorneys to provide legal services in connection with the case of
 6 Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

7 The amount appropriated for foster home youth transitional housing
 8 shall be distributed to the East valley institute of technology for a
 9 transitional housing unit. The legislature intends that the monies be
 10 used to construct and furnish a sixty-four bed transitional housing unit
 11 for foster youths who are at least seventeen years of age but not more
 12 than twenty-one years of age and who need stable housing in order to
 13 obtain a high school equivalency diploma or earn industry certification in
 14 a program offered by the East valley institute of technology. On or
 15 before September 15 in years 2025, 2026 and 2027, the superintendent of
 16 the East valley institute of technology shall submit a report to the
 17 governor, the president of the senate, the speaker of the house of
 18 representatives and the directors of the joint legislative budget
 19 committee and the governor's office of strategic planning and budgeting,
 20 and provide a copy to the secretary of state, detailing the total number
 21 of foster youths who lived in the transitional housing unit during the
 22 immediately preceding fiscal year and the progress that each foster youth
 23 made toward obtaining a high school equivalency diploma or earning an
 24 industry certification during the fiscal year.

25 The department of education shall use the appropriated amount for
 26 geographic literacy to issue a grant to a statewide geographic alliance
 27 for strengthening geographic literacy in this state.

28 The department of education shall use the appropriated amount for
 29 jobs for Arizona graduates to issue a grant to a nonprofit organization
 30 for a JOBS for Arizona graduates program.

31 The department of education shall use the amount appropriated for
 32 onetime electronic incident prevention programs for the purposes of
 33 awarding student safety grants to public schools. A public school that
 34 receives a student safety grant under this section shall use the grant
 35 monies to procure and implement an electronic incident prevention program.

36 The amount appropriated for the school safety program includes an
 37 increase of \$50,000,000 for additional school safety grants. In
 38 allocating the \$50,000,000 increase, the department of education shall
 39 first distribute monies to schools on the school safety program waiting
 40 list to receive grants for the costs of placing school resource officers
 41 on school campuses. The awarded grants may not supplant funding provided
 42 by local governments for school resource officers. If the total cost of
 43 funding new grants for school resource officer costs is less than
 44 \$50,000,000, the department may allocate the remaining monies to grants to

1 schools for the costs of placing school counselors and social workers on
2 school campuses pursuant section 15-154, Arizona Revised Statutes.

3 Any monies available to the department of education for school
4 safety pursuant to section 42-5029.02, subsection A, paragraph 6, Arizona
5 Revised Statutes, in excess of the expenditure authority amounts are
6 allocated for the purposes of section 42-5029.02, subsection A, paragraph
7 6, Arizona Revised Statutes.

8 After review by the joint legislative budget committee, in fiscal
9 year 2022-2023, the department of education may use a portion of its
10 fiscal year 2022-2023 state general fund appropriations for basic state
11 aid, additional state aid or the special education fund to fund a
12 shortfall in funding for basic state aid, additional state aid or the
13 special education fund, if any, that occurred in fiscal year 2021-2022.

14 The department shall provide an updated report on its budget status
15 every three months for the first half of each fiscal year and every month
16 thereafter to the president of the senate, the speaker of the house of
17 representatives, the chairpersons of the senate and house of
18 representatives appropriations committees, the director of the joint
19 legislative budget committee and the director of the governor's office of
20 strategic planning and budgeting. Each report shall include, at a
21 minimum, the department's current funding surplus or shortfall projections
22 for basic state aid and other major formula-based programs and is due
23 thirty days after the end of the applicable reporting period.

24 Within fifteen days after each apportionment of state aid that
25 occurs pursuant to section 15-973, subsection B, Arizona Revised Statutes,
26 the department shall post on its website the amount of state aid
27 apportioned to each recipient and the underlying data.

28 Notwithstanding section 15-901.03, Arizona Revised Statutes, the
29 superintendent of public instruction may transfer \$5,000,000 from the
30 state general fund appropriation for basic state aid for fiscal year
31 2021-2022 to the results-based funding program for fiscal year 2021-2022
32 without review by the joint legislative budget committee. Any amount
33 transferred to the results-based funding program under this section that
34 exceeds the amount needed to address a funding shortfall for the
35 results-based funding program for fiscal year 2021-2022 reverts to the
36 state general fund on June 30, 2022.

37 Sec. 32. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

38		<u>2022-23</u>
39	FTE positions	63.1
40	Administration	\$ 1,866,400
41	Emergency management	758,700
42	Military affairs	1,885,500
43	Emergency management matching funds	1,544,900
44	National guard matching funds	3,370,000

1	Onetime maintenance backfill	13,300,000
2	Federal government matching repayment	759,200
3	National guard tuition	
4	reimbursement	<u>1,000,000</u>
5	Total appropriation – department of	
6	emergency and military affairs	\$ 24,484,700

7 Fund sources:
 8 State general fund \$ 24,484,700

9 The \$3,370,000 national guard matching funds appropriation is exempt
 10 from the provisions of section 35-190, Arizona Revised Statutes, relating
 11 to lapsing of appropriations, except that all fiscal year 2022-2023 monies
 12 remaining unexpended and unencumbered on December 31, 2023 revert to the
 13 state general fund.

14 The appropriated amount for the national guard tuition reimbursement
 15 line item is exempt from the provisions of section 35-190, Arizona Revised
 16 Statutes, relating to lapsing of appropriations, until September 30, 2023.
 17 Sec. 33. DEPARTMENT OF ENVIRONMENTAL QUALITY

18		<u>2022-23</u>
19	FTE positions	355.7
20	Operating lump sum appropriation	\$ 60,312,100
21	Direct potable reuse of treated	
22	wastewater program	1,500,000
23	Safe drinking water program	1,814,300
24	Water quality fee fund deposit	6,400,000
25	Emissions control contractor	
26	payment	<u>26,219,500</u>

27 Total appropriation – department of
 28 environmental quality \$ 96,245,900

29 Fund sources:
 30 State general fund \$ 7,900,000
 31 Air quality fund 5,382,800
 32 Emergency response fund 528,300
 33 Emissions inspection fund 30,293,600
 34 Hazardous waste management fund 1,748,300
 35 Indirect cost fund 19,683,300
 36 Permit administration fund 7,166,500
 37 Recycling fund 2,365,100
 38 Safe drinking water program
 39 fund 1,814,300
 40 Solid waste fee fund 2,373,000
 41 Water quality fee fund 16,990,700

42 The department of environmental quality shall report annually on the
 43 progress of WQARF activities, including emergency response, priority site
 44 remediation, cost recovery activity, revenue and expenditure activity and
 45 other WQARF-funded program activity. The department shall submit the

1 fiscal year 2022-2023 report to the joint legislative budget committee on
 2 or before September 1, 2022. This report shall also include a budget for
 3 the WQARF program that is developed in consultation with the WQARF
 4 advisory board. This budget shall specify the monies budgeted for each
 5 listed site during fiscal year 2022-2023. In addition, the department and
 6 the WQARF advisory board shall prepare and submit to the joint legislative
 7 budget committee, on or before October 1, 2022, a report in a table format
 8 summarizing the current progress on remediation of each listed site on the
 9 WQARF registry. The table shall include the stage of remediation for each
 10 site at the end of fiscal year 2021-2022, indicate whether the current
 11 stage of remediation is anticipated to be completed in fiscal year
 12 2022-2023 and indicate the anticipated stage of remediation at each listed
 13 site at the end of fiscal year 2022-2023, assuming fiscal year 2022-2023
 14 funding levels. The department and the WQARF advisory board may include
 15 other relevant information about the listed sites in the table.

16 All permit administration fund monies received by the department of
 17 environmental quality in excess of \$7,166,500 in fiscal year 2022-2023 are
 18 appropriated to the department. Before spending permit administration
 19 fund monies in excess of \$7,166,500 in fiscal year 2022-2023, the
 20 department shall report the intended use of the monies to the joint
 21 legislative budget committee.

22 All monies in the department of environmental quality indirect cost
 23 fund, including the beginning balance, that are in excess of \$19,683,300
 24 in fiscal year 2022-2023 are appropriated to the department. Before
 25 spending indirect cost fund monies in excess of \$19,683,300 in fiscal year
 26 2022-2023, the department shall report the intended use of the monies to
 27 the joint legislative budget committee.

28 The department of environmental quality shall establish an
 29 interagency service agreement with the Arizona department of forestry and
 30 fire management to transfer \$1,000,000 from the recycling fund established
 31 by section 49-837, Arizona Revised Statutes, to the Arizona department of
 32 forestry and fire management to administer grants for the purpose of
 33 recovering and processing biomass waste.

34 Sec. 34. GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

35			<u>2022-23</u>
36	FTE positions		4.0
37	Lump sum appropriation	\$	191,300
38	Fund sources:		
39	Personnel division fund	\$	191,300

40 Sec. 35. STATE BOARD OF EQUALIZATION

41			<u>2022-23</u>
42	FTE positions		7.0
43	Lump sum appropriation	\$	738,900
44	Fund sources:		
45	State general fund	\$	738,900

1 Sec. 36. BOARD OF EXECUTIVE CLEMENCY

2		<u>2022-23</u>
3	FTE positions	14.5
4	Lump sum appropriation	\$ 1,185,700
5	Fund sources:	
6	State general fund	\$ 1,185,700

7 On or before November 1, 2022, the board of executive clemency shall
 8 report to the directors of the joint legislative budget committee and the
 9 governor's office of strategic planning and budgeting the total number and
 10 types of cases the board reviewed in fiscal year 2021-2022.

11 Sec. 37. ARIZONA EXPOSITION AND STATE FAIR BOARD

12		<u>2022-23</u>
13	FTE positions	184.0
14	Lump sum appropriation	\$ 18,297,500
15	Fund sources:	
16	Arizona exposition and state	
17	fair fund	\$ 18,297,500

18 Of the monies in the Arizona exposition and state fair board
 19 operating budget, \$5,000,000 shall be spent for enhanced state fair
 20 operations. Before spending monies in the operating budget on capital
 21 projects, the board shall report the scope, purpose and estimated cost of
 22 the capital improvements to the joint committee on capital review.

23 Sec. 38. ARIZONA DEPARTMENT OF FORESTRY AND FIRE MANAGEMENT

24		<u>2022-23</u>
25	FTE positions	235.5
26	Operating lump sum appropriation	\$ 3,393,800
27	Environmental county grants	250,000
28	Gila River nonnative species	
29	eradication	5,000,000
30	Inmate firefighting crews	784,400
31	Postrelease firefighting crews	1,151,000
32	Fire suppression	200,000
33	Mount Lemmon fire district renovation	2,230,900
34	State fire marshal	1,865,100
35	State fire school	279,700
36	Hazardous vegetation removal	3,000,000
37	US forest service land thinning	2,150,900
38	Wildfire emergency response	65,000,000
39	Wildfire mitigation	<u>38,837,300</u>
40	Total appropriation – Arizona department	
41	of forestry and fire management	\$124,143,100
42	Fund sources:	
43	State general fund	\$124,143,100

1 The monies in the Gila River nonnative species eradication line item
 2 are for nonnative vegetation species eradication projects, including
 3 projects to replace nonnative vegetation species with native vegetation
 4 species and restoring habitat for wildlife, in and along the portion of
 5 the Gila River between the western boundary of the city of Avondale and
 6 the bridge over the Gila River at State Route 85. The Arizona department
 7 of forestry and fire management shall serve as the fiscal agent and
 8 contractor for the projects described in this paragraph. The department
 9 may subcontract for the eradication and other required services for the
 10 projects pursuant to title 34, chapter 6, article 1, Arizona Revised
 11 Statutes, to expedite the projects.

12 On or before September 1, 2023, September 1, 2024 and September 1,
 13 2025, the department shall report to the director of the joint legislative
 14 budget committee on the expected amount and purpose of expenditures from
 15 the Gila River nonnative species eradication line item. The report shall
 16 include projected line item detail. The reports shall also provide
 17 follow-up on areas previously treated with funding from the line item and
 18 whether the nonnative species have returned.

19 The appropriation made in the Gila River nonnative species
 20 eradication line item is exempt from the provisions of section 35-190,
 21 Arizona Revised Statutes, relating to lapsing of appropriations, except
 22 all monies remaining unencumbered or unexpended for the purposes of this
 23 section on June 30, 2025 revert to the state general fund.

24 The appropriation for the hazardous vegetation removal line item is
 25 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 26 relating to lapsing of appropriations, until June 30, 2024.

27 The appropriation for the wildfire emergency response line item
 28 shall be used for the purposes and is subject to the restrictions outlined
 29 in Laws 2021, first special session, chapter 1, as amended by Laws 2022,
 30 chapter 1, section 1. The monies appropriated in the wildfire emergency
 31 response line item are exempt from the provisions of section 35-190,
 32 Arizona Revised Statutes, relating to lapsing of appropriations, through
 33 June 30, 2025.

34 From the amount appropriated for the wildfire emergency response
 35 line item, \$3,000,000 shall be used for purposes related to the Woodbury
 36 fire.

37 Sec. 39. STATE BOARD OF FUNERAL DIRECTORS AND EMBALMERS

	<u>2022-23</u>
38 FTE positions	4.0
39 Lump sum appropriation	\$ 438,100
40 Fund sources:	
41 Board of funeral directors' and	
42 embalmers' fund	\$ 438,100
43	

1	Sec. 40. ARIZONA GAME AND FISH DEPARTMENT	
2		<u>2022-23</u>
3	FTE positions	273.5
4	Operating lump sum appropriation	\$45,224,100
5	Pittman-Robertson/Dingell-Johnson	
6	act	<u>3,058,000</u>
7	Total appropriation – Arizona game and fish	
8	department	\$48,282,100
9	Fund sources:	
10	Capital improvement fund	\$ 1,001,200
11	Game and fish fund	41,951,900
12	Wildlife endowment fund	16,200
13	Watercraft licensing fund	4,955,200
14	Game, nongame, fish and	
15	endangered species fund	357,600
16	Sec. 41. DEPARTMENT OF GAMING	
17		<u>2022-23</u>
18	FTE positions	155.8
19	Operating lump sum appropriation	\$ 9,973,100
20	Additional operating expenses	3,761,900
21	Arizona breeders' award	250,000
22	Casino operations certification	2,104,900
23	County fairs livestock and	
24	agriculture promotion	6,029,500
25	Division of racing	2,261,100
26	Contract veterinarian	175,000
27	Horseracing integrity and safety	
28	act assessment	355,100
29	Racing purse enhancement	5,000,000
30	Racetrack purse and maintenance	
31	and operations funding	5,396,900
32	Problem gambling	<u>3,320,000</u>
33	Total appropriation – department of gaming	\$ 38,627,500
34	Fund sources:	
35	State general fund	\$ 16,956,500
36	Fantasy sports contest fund	145,000
37	Tribal-state compact fund	2,104,900
38	Arizona benefits fund	16,610,000
39	State lottery fund	300,000
40	Racing regulation fund	2,411,500
41	Racing regulation fund – unarmed	
42	combat subaccount	99,600

1 On or before October 1, 2022, the department of gaming shall report
2 to the directors of the joint legislative budget committee and the
3 governor's office of strategic planning and budgeting on the expected
4 amount and purpose of expenditures from the additional operating expenses
5 line item for fiscal year 2022-2023. The report shall include the
6 projected line item detail.

7 The amount appropriated to the county fairs livestock and
8 agriculture promotion line item is for deposit in the county fairs
9 livestock and agriculture promotion fund established by section 5-113,
10 Arizona Revised Statutes, and to be administered by the office of the
11 governor.

12 The amount appropriated to the racing purse enhancement line item
13 shall be distributed to a recognized nonprofit horsemen's organization
14 that has represented since 1988 the horsemen participating in racing
15 meetings to be used to promote racing and enhance the general purse
16 structure for eligible horse races held in this state.

17 The appropriation made in the racetrack purse and maintenance and
18 operations funding line item shall be distributed to commercial live
19 racing permittees to enhance the general purse structure and for track
20 maintenance and operations. From the amount appropriated in the racetrack
21 purse and maintenance and operations funding line item, the department of
22 gaming shall allocate the monies as follows:

23 1. \$4,231,800 to a commercial live racing permittee located in
24 Maricopa county.

25 2. \$815,600 to a commercial live racing permittee located in
26 Yavapai county.

27 3. \$349,500 to a commercial live racing permittee located in Pima
28 county.

29 On or before August 1, 2022, the department of gaming shall report
30 to the directors of the joint legislative budget committee and the
31 governor's office of strategic planning and budgeting on the expected
32 amount and purpose of expenditures from the event wagering fund
33 established by section 5-1318, Arizona Revised Statutes, for fiscal year
34 2022-2023. The report shall include the projected line item detail and
35 the number of filled full-time equivalent positions.

36 On or before the final day of each quarter of fiscal year 2022-2023,
37 the department of gaming shall report to the members of the joint
38 legislative budget committee on the number of equine deaths and injuries
39 that occurred as a result of a horse race and the commercial live racing
40 facility where each incident occurred. The report shall include the number
41 of pre-race inspections performed by a veterinarian employed by or
42 contracted with this state.

1 The amount appropriated to the horseracing integrity and safety act
 2 assessment line item shall be distributed to commercial live racing
 3 permittees during fiscal year 2022-2023 to pay the calendar year 2022
 4 assessment levied by the horseracing integrity and safety authority. If
 5 the appropriated amount for the horseracing integrity act assessment line
 6 item is insufficient to fund all assessments levied by the horseracing
 7 integrity and safety authority, the department shall reduce the
 8 distribution amounts on a proportional basis in order to cap total
 9 statewide distributions at \$355,100. The distributions for fiscal year
 10 2022-2023 are estimated to be \$309,300 to a commercial live racing
 11 permittee located in Maricopa county and \$45,800 to a commercial live
 12 racing permittee located in Yavapai county.

13 Sec. 42. OFFICE OF THE GOVERNOR

	<u>2022-23</u>
14	
15	Operating lump sum appropriation \$ 7,313,600*
16	Foster youth education success
17	fund deposit <u>1,500,000</u>
18	Total appropriation – office of the governor \$ 8,813,600

19 Fund sources:

20	State general fund \$ 8,813,600
21	Included in the lump sum appropriation of \$7,313,600 for fiscal year
22	2022-2023 is \$10,000 for the purchase of mementos and items for visiting
23	officials.

24 Sec. 43. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING

	<u>2022-23</u>
25	
26	FTE positions 22.0
27	Lump sum appropriation \$ 2,688,700*

28 Fund sources:

29	State general fund \$ 2,688,700
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30 Sec. 44. DEPARTMENT OF HEALTH SERVICES

	<u>2022-23</u>
31	
32	FTE positions 1,141.5
33	Operating lump sum appropriation \$ 55,756,200
34	<u>Public health/family health</u>
35	Accelerated nursing programs 50,000,000
36	Adult cystic fibrosis care 105,200
37	AIDS reporting and surveillance 1,000,000
38	Alzheimer's disease research 3,625,000
39	Behavioral health care provider
40	loan repayment program 2,000,000
41	Biomedical research support 2,000,000
42	Breast and cervical cancer and
43	bone density screening 1,369,400

1	County tuberculosis provider	
2	care and control	590,700
3	Family health pilot program	3,000,000
4	Folic acid program	400,000
5	High-risk perinatal services	2,343,400
6	Homeless pregnant women services	500,000
7	Newborn screening program	12,132,300
8	Nonrenal disease management	198,000
9	Arizona nurse education investment	
10	pilot program	15,000,000
11	Nursing care special projects	200,000
12	Poison control centers funding	990,000
13	Preceptor grant program for graduate	
14	students	500,000
15	Renal dental care and nutrition	
16	supplements	300,000
17	Renal transplant drugs	183,000
18	<u>Arizona state hospital</u>	
19	Arizona state hospital –	
20	operating	79,182,500
21	Arizona state hospital –	
22	restoration to competency	900,000
23	Arizona state hospital –	
24	sexually violent persons	<u>9,736,100</u>
25	Total appropriation – department of	
26	health services	\$242,011,800
27	Fund sources:	
28	State general fund	\$ 187,018,600
29	Arizona state hospital fund	3,145,700
30	Arizona state hospital land fund	650,000
31	Child fatality review fund	196,500
32	Disease control research fund	1,000,000
33	DHS indirect cost fund	11,436,800
34	Emergency medical services	
35	operating fund	3,831,300
36	Environmental laboratory licensure	
37	revolving fund	933,300
38	Federal child care and development	
39	fund block grant	884,100
40	Health services licensing fund	15,570,600
41	Health services lottery monies fund	200,000
42	Newborn screening program fund	12,565,100
43	Nursing care institution resident	
44	protection revolving fund	238,200

1	Tobacco tax and health care	
2	fund – medically needy account	700,000
3	Vital records electronic systems	
4	fund	3,641,600

5 Public health/family health

6 The amount appropriated to the department of health services for
7 accelerated nursing programs is exempt from the provisions of section
8 35-190, Arizona Revised Statutes, relating to the lapsing of
9 appropriations. Any monies remaining unexpended on July 1, 2024 revert to
10 the state general fund.

11 Of the amount appropriated for the operating lump sum, \$100,000
12 shall be used for a suicide prevention coordinator to assist school
13 districts and charter schools in suicide prevention efforts. On or before
14 September 1, 2023, the department of health services, in consultation with
15 the department of education, shall report to the governor, the president
16 of the senate, the speaker of the house of representatives, the director
17 of the joint legislative budget committee and the director of the
18 governor's office of strategic planning and budgeting on the suicide
19 prevention coordinator's accomplishments in fiscal year 2022-2023.

20 The department of health services may use up to four percent of the
21 amount appropriated for nonrenal disease management for the administrative
22 costs to implement the program.

23 The department of health services shall distribute the monies
24 appropriated for the family health pilot program line item to at least two
25 nonprofit organizations to implement a statewide system to provide direct
26 services, support services, social services case management and referrals
27 to the biological or adoptive parents of children under two years of age,
28 including unborn children. The purpose of the statewide system is to
29 encourage healthy childbirth, support childbirth as an alternative to
30 abortion, promote family formation, aid successful parenting and increase
31 families' economic self-sufficiency. The statewide system services must
32 be available to all residents of this state in both urban and rural areas.
33 Monies may not be used for abortion referral services or distributed to
34 entities that promote, provide referrals for or perform abortions. Each
35 nonprofit organization that receives the monies must demonstrate both:

36 1. Experience in marketing and serving the eligible patient
37 population.

38 2. That the organization can begin serving clients statewide within
39 sixty days after receiving monies pursuant to this section.

40 When determining which nonprofit organizations will participate in
41 the family health pilot program, the department shall give preference to
42 nonprofit organizations that are working and providing services in this
43 state.

1 Each nonprofit organization that participates in the family health
2 pilot program shall submit to the department of health services on a form
3 prescribed by the department a quarterly report of the services and
4 referrals the nonprofit organization provides, including all of the
5 following information:

- 6 1. The number of clients served, either by referral or direct
7 services.
- 8 2. The number of direct services provided and referrals made.
- 9 3. The number of women referred for medical services or medical
10 care.
- 11 4. The number of women who received prenatal care.
- 12 5. The number of women who were referred for prenatal care.
- 13 6. The number of women who received nutrition services.
- 14 7. The number of women who were referred for nutrition services.
- 15 8. The number of individuals who received adoption services.
- 16 9. The number of individuals who were referred for adoption
17 services.
- 18 10. The number of individuals who received educational and
19 employment services.

20 The department of health services shall distribute monies
21 appropriated for homeless pregnant women services to nonprofit
22 organizations that are located in a county with a population of more than
23 three million persons and whose primary function is to provide shelter,
24 food, clothing, transportation for health services and support to homeless
25 pregnant women and their children who are under one year of age. Monies
26 may not be granted for abortion referral services or distributed to
27 entities that promote, refer or perform abortions.

28 The department of health services shall distribute monies
29 appropriated for the biomedical research support line item to a nonprofit
30 medical research institute headquartered in this state that specializes in
31 biomedical research focusing on applying genomic technologies and
32 sequencing to clinical care, that has served as a resource to this state
33 to conduct molecular epidemiologic analyses to assist with disease
34 outbreak investigations and that collaborates with universities, hospitals
35 and health science research centers and other public and private
36 bioscience and related industries in this state. The recipient of these
37 monies shall commission an audit of the expenditure of these monies and
38 shall submit a copy of the audit to the department of health services on
39 or before February 1, 2024.

40 The department of health services shall distribute monies
41 appropriated for Alzheimer's disease research through a grant to a
42 charitable organization that is qualified under section 501(c)(3) of the
43 internal revenue code and that meets the following criteria:

- 44 1. Is headquartered in this state.

1 2. Has been operating in this state for at least the last ten
2 years.

3 3. Has participating member institutions that work together to end
4 Alzheimer's disease within a statewide collaborative model by using their
5 complementary strengths in brain imaging, computer science, genomics,
6 basic and cognitive neurosciences and clinical and neuropathology
7 research.

8 4. Has participating member institutions that educate residents of
9 this state about Alzheimer's disease, research progress and resources to
10 help patients, families and professionals manage the disease.

11 The terms of the grant made to the charitable organization may not
12 impose any requirements that were not imposed in prior grant agreements
13 entered into between the department of health services and the charitable
14 organization.

15 The amount appropriated to the department of health services for the
16 preceptor grant program for graduate students is exempt from the
17 provisions of section 35-190, Arizona Revised Statutes, relating to the
18 lapsing of appropriations. Any monies remaining unexpended on July 1,
19 2026 revert to the state general fund.

20 Of the amount appropriated for the department of health services
21 operating lump sum in fiscal year 2021-2022, \$1,000,000 from the state
22 general fund is exempt from the provisions of section 35-190, Arizona
23 Revised Statutes, relating to the lapsing of appropriations, until June
24 30, 2023 for the purpose of vital records electronic system upgrades.

25 Arizona state hospital

26 Of the amount appropriated for the Arizona state hospital –
27 operating line item, \$7,100,000 is appropriated onetime to replace the
28 state hospital surveillance system with a system that includes both video
29 and audio capability.

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

34 Departmentwide

35 The department of health services shall electronically forward to
36 the president of the senate, the speaker of the house of representatives,
37 the chairpersons of the senate and house of representatives appropriations
38 committees and the director of the joint legislative budget committee a
39 monthly report comparing total expenditures for the month and year-to-date
40 as compared to prior-year totals on or before the thirtieth of the
41 following month. Each report shall include an estimate of potential
42 shortfalls in programs, potential federal and other monies, such as the
43 statewide assessment for indirect costs, that may be available to offset
44 these shortfalls, and a plan, if necessary, for eliminating any shortfall
45 without a supplemental appropriation.

1	Sec. 45. ARIZONA HISTORICAL SOCIETY	
2		<u>2022-23</u>
3	FTE positions	50.9
4	Operating lump sum appropriation	\$ 2,334,600
5	Field services and grants	62,500
6	Papago park museum	<u>508,900</u>
7	Total appropriation – Arizona historical	
8	society	\$ 2,906,000
9	Fund sources:	
10	State general fund	\$ 2,906,000
11	Sec. 46. PRESCOTT HISTORICAL SOCIETY	
12		<u>2022-23</u>
13	FTE positions	13.0
14	Lump sum appropriation	\$ 900,600
15	Fund sources:	
16	State general fund	\$ 900,600
17	Sec. 47. ARIZONA DEPARTMENT OF HOMELAND SECURITY	
18		<u>2022-23</u>
19	FTE positions	20.0
20	Statewide information security	
21	and privacy operations and	
22	controls	\$ 11,757,200
23	Cybersecurity software	2,000,000
24	Statewide cybersecurity grants	<u>10,000,000</u>
25	Total appropriation – Arizona department of	
26	homeland security	\$ 23,757,200
27	Fund sources:	
28	State general fund	\$ 12,000,000
29	Information technology fund	11,757,200

30 Of the amount appropriated for statewide cybersecurity grants, the
 31 Arizona department of homeland security may spend up to \$310,000 for grant
 32 administration.

33 The department shall use the amount appropriated in the
 34 cybersecurity software line item to procure and implement, through a
 35 competitive bidding process, an enterprise license for use by agencies of
 36 this state for security software that will integrate security into the
 37 development process and scan software code in development, production and
 38 postproduction to detect and improve security threats by using at least
 39 two of the following testing mechanisms:

- 40 1. Static analysis security testing.
- 41 2. Dynamic testing.
- 42 3. Penetration testing.
- 43 4. Software composition analysis.

1	Sec. 48. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS	
2		<u>2022-23</u>
3	FTE positions	1.0
4	Lump sum appropriation	\$ 48,400
5	Fund sources:	
6	Board of homeopathic and	
7	integrated medicine	
8	examiners' fund	\$ 48,400
9	Sec. 49. ARIZONA DEPARTMENT OF HOUSING	
10		<u>2022-23</u>
11	FTE positions	3.0
12	Operating lump sum appropriation	\$ 322,700
13	Housing trust fund deposit	60,000,000
14	Homeless services grant pilot	<u>10,000,000</u>
15	Total appropriation – Arizona department	
16	of housing	\$ 70,322,700
17	Fund sources:	
18	State general fund	\$ 70,000,000
19	Housing trust fund	322,700
20	All monies from the housing trust fund deposit shall be distributed	
21	in the form of grants, not loans, to projects in cities, towns and	
22	counties in this state. Of the \$60,000,000 appropriated to the housing	
23	trust fund, \$20,000,000 must be distributed to projects in counties other	
24	than Maricopa and Pima counties and an additional \$4,000,000 must be	
25	distributed to the Navajo and Hopi tribal nations.	
26	The Arizona department of housing shall use the monies appropriated	
27	for the homeless services grant pilot to establish a grant program for	
28	cities, towns and counties in this state for homeless services programs	
29	designed to reduce homelessness. Eligible programs must allow homeless	
30	individuals to be compensated for daily work, offer a daily remuneration	
31	rate and help participants to access support services. Participating	
32	cities, towns and counties must provide a dollar-for-dollar local match	
33	for each grant dollar received. The department shall prioritize awarding	
34	grants to cities, towns and counties that have an established program that	
35	meets the grant requirements.	
36	Sec. 50. INDUSTRIAL COMMISSION OF ARIZONA	
37		<u>2022-23</u>
38	FTE positions	236.6
39	Operating lump sum appropriation	\$ 20,122,000
40	Municipal firefighter reimbursement	
41	administration	<u>80,000</u>
42	Total appropriation – industrial commission	
43	of Arizona	\$ 20,202,000

1 Fund sources:

2	State general fund	\$ 80,000
3	Administrative fund	20,122,000

4 The legislature intends that the state general fund appropriation be
 5 used only for administrative costs of title 23, chapter 11, Arizona
 6 Revised Statutes, and that this appropriation does not convey any
 7 responsibility for firefighter cancer compensation and benefits claims on
 8 to this state.

9 Sec. 51. DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

10		<u>2022-23</u>
11	FTE positions	152.4
12	Operating lump sum appropriation	\$ 10,640,800
13	Arizona vehicle theft task force	4,343,500
14	Automobile theft authority	
15	operating budget	659,300
16	Information technology upgrades	700,000
17	Insurance fraud unit	1,800,500
18	Local grants	957,700
19	Reimbursable programs	<u>50,000</u>

20 Total appropriation – department of insurance
 21 and financial institutions \$ 19,151,800

22 Fund sources:

23	State general fund	\$ 7,663,400
24	Automobile theft authority fund	6,010,500
25	Financial services fund	5,427,600
26	Department revolving fund	50,300

27 Monies in the Arizona vehicle theft task force line item shall be
 28 used by the department of insurance and financial institutions to pay
 29 seventy-five percent of the personal services and employee-related
 30 expenditures for city, town and county sworn officers who participate in
 31 the Arizona vehicle theft task force.

32 Local grants shall be awarded with consideration given to areas with
 33 greater automobile theft problems and shall be used to combat economic
 34 automobile theft operations.

35 The department of insurance and financial institutions shall submit
 36 a report to the joint legislative budget committee before spending any
 37 monies for the reimbursable programs line item. The department shall show
 38 sufficient monies collected to cover the expenses indicated in the report.

39 Of the department fees required to be deposited in the state general
 40 fund by statute, the legislature intends that the department of insurance
 41 and financial institutions shall assess and set the fees at a level to
 42 ensure that the monies deposited in the state general fund will equal or
 43 exceed the department's expenditure from the state general fund.

1	Sec. 52. ARIZONA JUDICIARY	
2		<u>2022-23</u>
3	<u>Supreme court</u>	
4	FTE positions	202.0
5	Operating lump sum appropriation	\$ 15,992,100
6	Arizona trial and digital	
7	evidence fund deposit	1,620,000
8	Automation	22,738,300
9	County reimbursements	187,900
10	Court appointed special advocate	4,946,300
11	Courthouse security	750,000
12	Domestic relations	646,500
13	State foster care review board	3,283,000
14	Commission on judicial conduct	524,400
15	Judicial nominations and	
16	performance review	543,900
17	Model court	659,700
18	State aid	<u>5,679,000</u>
19	Total appropriation – supreme court	\$ 57,571,100
20	Fund sources:	
21	State general fund	\$ 25,267,300
22	Confidential intermediary and	
23	fiduciary fund	494,300
24	Court appointed special advocate	
25	fund	5,327,000
26	Criminal justice enhancement fund	4,407,800
27	Defensive driving school fund	4,233,500
28	Judicial collection enhancement	
29	fund	14,895,800
30	State aid to the courts fund	2,945,400

31 On or before September 1, 2022, the supreme court shall report to
32 the joint legislative budget committee and the governor's office of
33 strategic planning and budgeting on current and future automation projects
34 coordinated by the administrative office of the courts. The report shall
35 include a list of court automation projects that receive or are
36 anticipated to receive state monies in the current or next two fiscal
37 years as well as a description of each project, the number of FTE
38 positions, the entities involved and the goals and anticipated results for
39 each automation project. The report shall be submitted in one summary
40 document. The report shall indicate each project's total multiyear cost
41 by fund source and budget line item, including any prior-year,
42 current-year and future-year expenditures.

43 Automation expenses of the judiciary shall be funded only from the
44 automation line item. Monies in the operating lump sum appropriation or

1 other line items intended for automation purposes shall be transferred to
2 the automation line item before expenditure.

3 Included in the operating lump sum appropriation for the supreme
4 court is \$1,000 for the purchase of mementos and items for visiting
5 officials.

6 Of the \$187,900 appropriated for county reimbursements, state grand
7 jury is limited to \$97,900 and capital postconviction relief is limited to
8 \$90,000.

9 The operating lump sum includes \$263,500 for a pay increase for
10 supreme court justices. Pursuant to section 41-1904, Arizona Revised
11 Statutes, as of January 1, 2023, the annual salary for the chief justice
12 of the supreme court is \$212,000 and the annual salary for the other
13 justices of the supreme court is \$205,000.

14 Court of appeals

15	FTE positions	162.8
16	Division one	\$ 13,656,300
17	Division two	<u>6,909,700</u>
18	Total appropriation – court of appeals	\$ 20,566,000

19 Fund sources:

20	State general fund	\$ 20,566,000
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21 Of the 162.8 FTE positions for fiscal year 2022-2023, 111.3 FTE
22 positions are for division one and 51.5 FTE positions are for division
23 two.

24 The operating lump sum for division one includes \$468,600 for a pay
25 increase for court of appeals judges. Pursuant to section 41-1904, Arizona
26 Revised Statutes, as of January 1, 2023, the annual salary for a court of
27 appeals judge is \$190,000.

28 The operating lump sum for division one includes \$1,115,400 for a
29 new three-judge court of appeals panel and ten support staff, effective
30 January 1, 2023.

31 The operating lump sum for division one includes \$450,000 for the
32 remodeling of chambers to accommodate a new three-judge court of appeals
33 panel. Notwithstanding section 41-1252, Arizona Revised Statutes, the
34 appropriation is not subject to review by the joint committee on capital
35 review.

36 The operating lump sum for division two includes \$175,800 for a pay
37 increase for court of appeals judges. Pursuant to section 41-1904, Arizona
38 Revised Statutes, as of January 1, 2023, the annual salary for a court of
39 appeals judge is \$190,000.

40 The operating lump sum for division two includes \$1,115,400 for a
41 new three-judge court of appeals panel and ten support staff, effective
42 January 1, 2023.

43 The operating lump sum for division two includes \$450,000 for the
44 remodeling of chambers to accommodate a new three-judge court of appeals
45 panel. Notwithstanding section 41-1252, Arizona Revised Statutes, the

1 appropriation is not subject to review by the joint committee on capital
 2 review.

3 Superior court

4	FTE positions	238.5
5	Operating lump sum appropriation	\$ 4,954,600
6	Judges' compensation	26,098,600
7	Centralized service payments	4,135,000
8	Adult standard probation	22,297,600
9	Adult intensive probation	13,150,200
10	Community punishment	2,310,300
11	Court-ordered removals	315,000
12	Interstate compact	513,700
13	Drug court	1,096,300
14	General adjudication personnel	
15	and support fund deposit	2,000,000
16	Juvenile standard probation	3,781,800
17	Juvenile intensive probation	6,087,200
18	Juvenile treatment services	20,803,000
19	Juvenile family counseling	500,000
20	Juvenile crime reduction	3,313,500
21	Juvenile diversion consequences	9,088,500
22	Probation incentive payments	1,000,000
23	Special water master	<u>497,200</u>
24	Total appropriation – superior court	\$121,942,500
25	Fund sources:	
26	State general fund	\$109,966,900
27	Criminal justice enhancement fund	5,456,200
28	Drug treatment and education fund	504,200
29	Judicial collection enhancement	
30	fund	6,015,200

31 Operating budget

32 All expenditures made by the administrative office of the courts to
 33 administer superior court line items shall be funded only from the
 34 superior court operating budget. Monies in superior court line items
 35 intended for this purpose shall be transferred to the superior court
 36 operating budget before expenditure.

37 Judges

38 Of the 238.5 FTE positions, 180 FTE positions represent superior
 39 court judges. This FTE position clarification does not limit the
 40 counties' ability to add judges pursuant to section 12-121, Arizona
 41 Revised Statutes.

42 All monies in the judges' compensation line item shall be used to
 43 pay for fifty percent of superior court judges' salaries, elected
 44 officials' retirement plan costs and related state benefit costs for
 45 judges pursuant to section 12-128, Arizona Revised Statutes. Monies in

1 the operating lump sum appropriation or other line items intended for this
2 purpose shall be transferred to the judges' compensation line item before
3 expenditure.

4 The judges' compensation line item includes \$2,272,100 for a pay
5 increase for superior court judges. Pursuant to section 41-1904, Arizona
6 Revised Statutes, as of January 1, 2023, the annual salary for a superior
7 court judge is \$180,000.

8 Probation

9 Monies appropriated to juvenile treatment services and juvenile
10 diversion consequences shall be deposited in the juvenile probation
11 services fund established by section 8-322, Arizona Revised Statutes.

12 Receipt of state probation monies by the counties is contingent on
13 the county maintenance of fiscal year 2019-2020 expenditure levels for
14 each probation program. State probation monies are not intended to
15 supplant county dollars for probation programs.

16 On or before November 1, 2022, the administrative office of the
17 courts shall report to the joint legislative budget committee and the
18 governor's office of strategic planning and budgeting the fiscal year
19 2021-2022 actual, fiscal year 2022-2023 estimated and fiscal year
20 2023-2024 requested amounts for each of the following:

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

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

31 All centralized service payments made by the administrative office
32 of the courts on behalf of counties shall be funded only from the
33 centralized service payments line item. Centralized service payments
34 include only training, motor vehicle payments, CORP review board funding,
35 LEARN funding, research, operational reviews and GPS vendor payments.
36 This footnote does not apply to treatment or counseling services payments
37 made from the juvenile treatment services and juvenile diversion
38 consequences line items. Monies in the operating lump sum appropriation
39 or other line items intended for centralized service payments shall be
40 transferred to the centralized service payments line item before
41 expenditure.

42 All monies in the adult standard probation, adult intensive
43 probation, community punishment, interstate compact, juvenile standard
44 probation, juvenile intensive probation, juvenile treatment services,
45 juvenile diversion consequences, juvenile crime reduction and probation

1 incentive payments line items shall be used only as pass-through monies to
 2 county probation departments. Monies in the operating lump sum
 3 appropriation or other line items intended as pass-through for the purpose
 4 of administering a county probation program shall be transferred to the
 5 appropriate probation line item before expenditure.

6 On or before November 1, 2022, the administrative office of the
 7 courts shall submit a report to the joint legislative budget committee on
 8 the county-approved salary adjustments provided to probation officers
 9 since the last report on November 1, 2021. The administrative office
 10 shall also submit a copy of the report to the governor's office of
 11 strategic planning and budgeting. The report shall include, for each
 12 county, the:

- 13 1. Approved percentage salary increase by year.
- 14 2. Net increase in the amount allocated to each probation
 15 department by the administrative office of the courts for each applicable
 16 year.
- 17 3. Average number of probation officers by applicable year.
- 18 4. Average salary of probation officers for each applicable year.

19 The amounts appropriated in the adult standard probation, adult
 20 intensive probation, interstate compact, drug court, juvenile standard
 21 probation, juvenile intensive probation, juvenile treatment services and
 22 juvenile diversion consequences line items in fiscal year 2022-2023
 23 include an increase of \$1,227,300 to cover the state's share of a 2.5
 24 percent probation officer salary increase. If the counties approve
 25 probation officer step or inflation salary increases in fiscal year
 26 2022-2023 that increase the state's share above the amount appropriated,
 27 the legislature intends that the counties absorb any additional cost to
 28 this state in fiscal year 2022-2023 and subsequent years.

29 The \$187,500 appropriated in the probation officer vehicles line
 30 item pursuant to laws 2021, chapter 408, section 51 is exempt from the
 31 provisions of section 35-190, Arizona Revised Statutes, relating to the
 32 lapsing of appropriations, until June 30, 2023 for the purchase of six
 33 vehicles for adult intensive probation officers.

34 Sec. 53. DEPARTMENT OF JUVENILE CORRECTIONS

	<u>2022-23</u>
35	
36 FTE positions	738.5
37 Lump sum appropriation	\$ 45,618,500
38 Fund sources:	
39 State general fund	\$ 30,696,600
40 State charitable, penal and	
41 reformatory institutions	
42 land fund	4,044,100
43 Criminal justice enhancement fund	533,200

1 State education fund for committed
 2 youth 1,893,700
 3 Department of juvenile corrections
 4 local cost sharing fund 8,450,900
 5 Twenty-five percent of land earnings and interest from the state
 6 charitable, penal and reformatory institutions land fund shall be
 7 distributed to the department of juvenile corrections, in compliance with
 8 section 25 of the enabling act and the Constitution of Arizona, to be used
 9 to support state juvenile institutions and reformatories.

10 Sec. 54. STATE LAND DEPARTMENT

11		<u>2022-23</u>
12	FTE positions	131.7
13	Operating lump sum appropriation	\$ 17,758,800
14	Natural resource conservation	
15	districts	650,000
16	CAP user fees	1,700,000
17	Due diligence fund deposit	1,500,000
18	Due diligence program	5,000,000
19	Streambed navigability litigation	<u>220,000</u>
20	Total appropriation – state land department	\$ 26,828,800
21	Fund sources:	
22	State general fund	\$ 13,540,100
23	Environmental special plate fund	260,600
24	Due diligence fund	5,000,000
25	Trust land management fund	8,028,100

26 The appropriation includes \$1,700,000 for CAP user fees in fiscal
 27 year 2022-2023. For fiscal year 2022-2023, from municipalities that
 28 assume their allocation of central Arizona project water for every dollar
 29 received as reimbursement to this state for past central Arizona water
 30 conservation district payments, \$1 reverts to the state general fund in
 31 the year that the reimbursement is collected.

32 Of the amount appropriated for natural resource conservation
 33 districts in fiscal year 2022-2023, \$30,000 shall be used to provide
 34 grants to natural resource conservation districts environmental education
 35 centers.

36 Sec. 55. LEGISLATURE

37		<u>2022-23</u>
38	<u>Senate</u>	
39	Lump sum appropriation	\$ 22,145,000*
40	Fund sources:	
41	State general fund	\$ 22,145,000
42	Included in the lump sum appropriation of \$22,145,000 for fiscal	
43	year 2022-2023 is \$5,000 for the purchase of mementos and items for	
44	visiting officials.	

1	<u>House of representatives</u>	
2	Lump sum appropriation	\$ 25,385,800*
3	Fund sources:	
4	State general fund	\$ 25,385,800
5	Included in the lump sum appropriation of \$25,385,800 for fiscal	
6	year 2022-2023 is \$5,000 for the purchase of mementos and items for	
7	visiting officials.	
8	<u>Legislative council</u>	
9	FTE positions	56.0
10	Lump sum appropriation	\$ 8,975,000*
11	Fund sources:	
12	State general fund	\$ 8,975,000
13	Dues for the council of state governments may be expended only on an	
14	affirmative vote of the legislative council.	
15	Included in the lump sum appropriation of \$8,975,000 for fiscal year	
16	2022-2023 is \$50,000 for planning and operational costs for this state's	
17	participation in an Article V convention. These monies may be spent on	
18	the joint authorization of the president of the senate and the speaker of	
19	the house of representatives.	
20	<u>Ombudsman-citizens aide office</u>	
21	FTE positions	12.0
22	Lump sum appropriation	\$ 1,390,400*
23	Fund sources:	
24	State general fund	\$ 1,390,400
25	The legislature intends that the ombudsman-citizens aide prioritize	
26	investigating and processing complaints relating to the department of	
27	child safety.	
28	The operating budget includes \$137,500 and 1 FTE position to address	
29	complaints relating to the administration of the Arizona empowerment	
30	scholarship account program established by section 15-2402, Arizona	
31	Revised Statutes.	
32	<u>Joint legislative budget committee</u>	
33	FTE positions	29.0
34	Lump sum appropriation	\$ 2,841,900*
35	Fund sources:	
36	State general fund	\$ 2,841,900
37	<u>Auditor general</u>	
38	FTE positions	224.8
39	Operating lump sum appropriation	\$ 23,808,500
40	Adult protective services audit	<u>300,000</u>
41	Total appropriation – auditor general	\$ 24,108,500*
42	Fund sources:	
43	State general fund	\$ 24,108,500

1 Of the amount appropriated for the operating lump sum appropriation,
2 the auditor general shall use \$3,300,000 for additional agency performance
3 audits and school district audits.

4 The auditor general shall engage an independent consultant with
5 expertise in adult protective services operations and investigations to
6 examine the current adult protective services and consider best practices
7 to improve the delivery of services in this state, including all of the
8 following:

9 1. Developing a strategic direction that ensures the safety of
10 vulnerable adults and establishes protocols for services after an
11 investigation.

12 2. Creating accountability mechanisms, including the capacity to
13 produce accurate data on performance and outcome measures, use of the data
14 for performance management, processes for continuous quality review,
15 mechanisms for qualitative review of system functioning and outcomes for
16 vulnerable adults.

17 3. Strategies for community engagement, including engagement with
18 families, vulnerable adults and service providers.

19 4. The need for and frequency of regular, periodic performance
20 evaluations and the recommended areas for future reviews of adult
21 protective services by an independent outside evaluator.

22 The auditor general shall consider, in its decision to enter into a
23 contract with an independent consultant, the consultant's history of
24 working with states or counties in evaluating its operations for adult
25 protective services, the satisfaction of the states or counties with the
26 work of the consultant, the knowledge of the consultant's staff or
27 contractors in adult protective services reform and operations, the
28 consultant's knowledge of related laws governing adult protective services
29 and the consultant's knowledge of evidence-based and promising best
30 practices in adult protective services. On or before October 1, 2023, the
31 consultant shall submit a report of its work, including findings and
32 recommendations, to the governor, the president of the senate, the speaker
33 of the house of representatives and the chairperson of the house ad hoc
34 committee on abuse and neglect of vulnerable adults and shall provide a
35 copy of its report to the secretary of state.

36 Sec. 56. DEPARTMENT OF LIQUOR LICENSES AND CONTROL

37		<u>2022-23</u>
38	FTE positions	51.2
39	Lump sum appropriation	\$ 6,342,800
40	Fund sources:	
41	Liquor licenses fund	\$ 6,342,800

42 Sec. 57. ARIZONA STATE LOTTERY COMMISSION

43		<u>2022-23</u>
44	FTE positions	98.8
45	Operating lump sum appropriation	\$ 9,657,700

1	Advertising	<u>15,500,000</u>
2	Total appropriation – Arizona state	
3	lottery commission	\$ 25,157,700
4	Fund sources:	
5	State lottery fund	\$ 25,157,700
6	An amount equal to twenty percent of tab ticket sales is	
7	appropriated to pay sales commissions to charitable organizations. This	
8	amount is currently estimated to be \$1,560,000 in fiscal year 2022-2023.	
9	An amount equal to 3.6 percent of actual instant ticket sales is	
10	appropriated to print instant tickets or to pay contractual obligations	
11	concerning instant ticket distribution. This amount is currently	
12	estimated to be \$38,680,100 in fiscal year 2022-2023.	
13	An amount equal to a percentage of actual online game sales as	
14	determined by contract is appropriated to pay online vendor fees. This	
15	amount is currently estimated to be \$12,659,000, or 4.256 percent of	
16	actual online ticket sales, in fiscal year 2022-2023.	
17	An amount equal to 6.5 percent of gross lottery game sales, minus	
18	charitable tab tickets, is appropriated to pay sales commissions to ticket	
19	retailers. An additional amount not to exceed 0.5 percent of gross	
20	lottery game sales is appropriated to pay sales commissions to ticket	
21	retailers. The combined amount is currently estimated to be 6.7 percent	
22	of total ticket sales, or \$91,393,900 in fiscal year 2022-2023.	
23	Sec. 58. BOARD OF MASSAGE THERAPY	
24		<u>2022-23</u>
25	FTE positions	5.0
26	Lump sum appropriation	\$ 553,900
27	Fund sources:	
28	Board of massage therapy fund	\$ 553,900
29	Sec. 59. ARIZONA MEDICAL BOARD	
30		<u>2022-23</u>
31	FTE positions	61.5
32	Operating lump sum appropriation	\$ 7,515,100
33	Employee performance incentive	
34	program	<u>165,600</u>
35	Total appropriation – Arizona medical	
36	board	\$ 7,680,700
37	Fund sources:	
38	Arizona medical board fund	\$ 7,680,700
39	Sec. 60. STATE MINE INSPECTOR	
40		<u>2022-23</u>
41	FTE positions	22.0
42	Operating lump sum appropriation	\$ 1,294,600
43	Abandoned mines	1,316,700
44	Aggregate mining land reclamation	<u>181,800</u>
45	Total appropriation – state mine inspector	\$ 2,793,100

1 Fund sources:
 2 State general fund \$ 2,680,200
 3 Aggregate mining reclamation fund 112,900
 4 All aggregate mining reclamation fund monies received by the state
 5 mine inspector in excess of \$112,900 in fiscal year 2022-2023 are
 6 appropriated to the aggregate mining land reclamation line item. Before
 7 spending any aggregate mining reclamation fund monies in excess of
 8 \$112,900 in fiscal year 2022-2023, the state mine inspector shall report
 9 the intended use of the monies to the joint legislative budget committee
 10 and the governor's office of strategic planning and budgeting.
 11 Sec. 61. NATUROPATHIC PHYSICIANS MEDICAL BOARD
 12 2022-23
 13 FTE positions 2.0
 14 Lump sum appropriation \$ 198,400
 15 Fund sources:
 16 Naturopathic physicians medical
 17 board fund \$ 198,400
 18 Sec. 62. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION
 19 2022-23
 20 FTE positions 2.0
 21 Lump sum appropriation \$ 329,300
 22 Fund sources:
 23 State general fund \$ 129,300
 24 Arizona water banking fund 200,000
 25 Sec. 63. ARIZONA STATE BOARD OF NURSING
 26 2022-23
 27 FTE positions 52.0
 28 Operating lump sum appropriation \$ 4,743,400
 29 Certified nursing assistant
 30 credentialing program 538,400
 31 Total appropriation – Arizona state
 32 board of nursing \$ 5,281,800
 33 Fund sources:
 34 Board of nursing fund \$ 5,281,800
 35 Sec. 64. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS
 36 AND ASSISTED LIVING FACILITY MANAGERS
 37 2022-23
 38 FTE positions 7.0
 39 Lump sum appropriation \$ 571,200
 40 Fund sources:
 41 Nursing care institution
 42 administrators' licensing and
 43 assisted living facility
 44 managers' certification fund \$ 571,200

1	Sec. 65. BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
2			<u>2022-23</u>
3	FTE positions		1.5
4	Lump sum appropriation	\$	245,300
5	Fund sources:		
6	Occupational therapy fund	\$	245,300
7	Sec. 66. STATE BOARD OF DISPENSING OPTICIANS		
8			<u>2022-23</u>
9	FTE positions		1.0
10	Lump sum appropriation	\$	178,900
11	Fund sources:		
12	Board of dispensing opticians fund	\$	178,900
13	Sec. 67. STATE BOARD OF OPTOMETRY		
14			<u>2022-23</u>
15	FTE positions		2.0
16	Lump sum appropriation	\$	275,500
17	Fund sources:		
18	Board of optometry fund	\$	275,500
19	Sec. 68. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY		
20			<u>2022-23</u>
21	FTE positions		10.0
22	Lump sum appropriation	\$	1,293,700
23	Fund sources:		
24	Arizona board of osteopathic		
25	examiners in medicine		
26	and surgery fund	\$	1,293,700
27	Sec. 69. ARIZONA STATE PARKS BOARD		
28			<u>2022-23</u>
29	FTE positions		163.0
30	Operating lump sum appropriation	\$	14,590,600
31	Arizona state parks heritage		
32	fund deposit		2,500,000
33	Arizona trail		250,000
34	State parks store		1,000,000
35	State lake improvement fund deposit		4,000,000
36	Kartchner caverns state park		<u>2,354,500</u>
37	Total appropriation – Arizona state parks		
38	board	\$	24,695,100
39	Fund sources:		
40	State general fund	\$	6,500,000
41	State parks revenue fund		17,178,400
42	State parks store fund		1,000,000
43	Off-highway vehicle recreation fund		16,700

1 In addition to the operating lump sum appropriation, an amount equal
 2 to the revenue share agreement with the United States forest service for
 3 Fool Hollow Lake recreation area is appropriated to the Arizona state
 4 parks board from the state parks revenue fund established by section
 5 41-511.21, Arizona Revised Statutes.

6 The Arizona state parks board may distribute the monies in the
 7 Arizona state parks heritage fund deposit line item to grantees for local,
 8 regional and state historic preservation projects, local, regional and
 9 state nonmotorized trails and outdoor and environmental education.

10 The Arizona state parks board may not distribute the monies in the
 11 Arizona trail line item to any nonprofit entity.

12 Sec. 70. STATE PERSONNEL BOARD

	<u>2022-23</u>
13	
14	FTE positions 2.0
15	Lump sum appropriation \$ 326,400
16	Fund sources:
17	Personnel division fund –
18	personnel board subaccount \$ 326,400

19 Sec. 71. ARIZONA STATE BOARD OF PHARMACY

	<u>2022-23</u>
20	
21	FTE positions 25.4
22	Operating lump sum appropriation \$ 3,224,400
23	Prescriber report card <u>50,000</u>
24	Total appropriation – Arizona state
25	board of pharmacy \$ 3,274,400
26	Fund sources:
27	Arizona state board of pharmacy
28	fund \$ 3,274,400

29 Sec. 72. BOARD OF PHYSICAL THERAPY

	<u>2022-23</u>
30	
31	FTE positions 4.0
32	Lump sum appropriation \$ 592,100
33	Fund sources:
34	Board of physical therapy fund \$ 592,100

35 Sec. 73. ARIZONA PIONEERS' HOME

	<u>2022-23</u>
36	
37	FTE positions 107.3
38	Lump sum appropriation \$ 7,138,300
39	Fund sources:
40	Miners' hospital for miners with
41	disabilities land fund \$ 2,074,100
42	State charitable fund 5,064,200

1	Earnings on state lands and interest on the investment of the	
2	permanent land funds are appropriated for the Arizona pioneers' home and	
3	the state hospital for miners with disabilities in compliance with the	
4	enabling act and the Constitution of Arizona.	
5	Sec. 74. STATE BOARD OF PODIATRY EXAMINERS	
6		<u>2022-23</u>
7	FTE positions	1.0
8	Lump sum appropriation	\$ 172,700
9	Fund sources:	
10	Podiatry fund	\$ 172,700
11	Sec. 75. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION	
12		<u>2022-23</u>
13	FTE positions	4.0
14	Lump sum appropriation	\$ 416,000
15	Fund sources:	
16	Board for private postsecondary	
17	education fund	\$ 416,000
18	Sec. 76. STATE BOARD OF PSYCHOLOGIST EXAMINERS	
19		<u>2022-23</u>
20	FTE positions	4.5
21	Lump sum appropriation	\$ 596,000
22	Fund sources:	
23	Board of psychologist examiners	
24	fund	\$ 596,000
25	Sec. 77. DEPARTMENT OF PUBLIC SAFETY	
26		<u>2022-23</u>
27	FTE positions	2,074.2
28	Operating lump sum appropriation	\$327,408,500
29	ACTIC	1,450,000
30	AZPOST	6,576,000
31	Border strike task force ongoing	18,057,600
32	Border strike task force	
33	local support	12,232,900
34	Civil air patrol infrastructure	5,000,000*
35	Civil air patrol maintenance and	
36	operations	150,000
37	Commercial vehicle enforcement	
38	consolidation	978,400
39	GIITEM	28,311,100
40	GIITEM subaccount	2,396,400
41	Major incident division	10,000,000*
42	Motor vehicle fuel	5,454,600
43	Onetime vehicle bumper tethers	1,800,000
44	Onetime helicopter replacement	13,459,600
45	Onetime K-9 support	1,900,000

1	Onetime vehicle replacement	11,709,300
2	Pharmaceutical diversion and	
3	drug theft task force	693,800
4	Public safety equipment	<u>2,890,000</u>
5	Total appropriation – department of public	
6	safety	\$450,468,200
7	Fund sources:	
8	State general fund	\$373,053,700
9	State highway fund	8,167,000
10	Arizona highway patrol fund	27,004,300
11	Criminal justice enhancement fund	2,931,500
12	Department of public safety	
13	forensics fund	22,528,600
14	Gang and immigration intelligence	
15	team enforcement mission border	
16	security and law enforcement	
17	subaccount	2,396,400
18	Motorcycle safety fund	198,900
19	Motor vehicle liability insurance	
20	enforcement fund	1,254,100
21	Risk management revolving fund	1,351,000
22	Parity compensation fund	4,000,300
23	Public safety equipment fund	2,894,000
24	Concealed weapons permit fund	3,107,300
25	Fingerprint clearance card fund	1,581,100

26 Of the \$28,311,100 appropriated to the GIITEM line item, \$16,257,200
 27 shall be used for one hundred department of public safety GIITEM
 28 personnel. The additional staff shall include at least fifty sworn
 29 department of public safety positions to be used for immigration
 30 enforcement and border security and fifty department of public safety
 31 positions to assist GIITEM in various efforts, including:

- 32 1. Strictly enforcing all federal laws relating to illegal aliens
 33 and arresting illegal aliens.
- 34 2. Responding to or assisting any county sheriff or attorney in
 35 investigating complaints of employment of illegal aliens.
- 36 3. Enforcing Arizona's law known as the Legal Arizona Workers Act,
 37 strictly enforcing Arizona's SB 1070, Arizona's "Support Our Law
 38 Enforcement and Safe Neighborhoods Act" and investigating crimes of
 39 identity theft in the context of hiring illegal aliens and the unlawful
 40 entry into this country.
- 41 4. Taking strict enforcement action.

42 Any change in the GIITEM mission or allocation of monies shall be
 43 approved by the joint legislative budget committee. The department shall
 44 submit an expenditure plan to the joint legislative budget committee for

1 review before expending any monies not identified in the department's
2 previous expenditure plans.

3 Of the \$28,311,100 appropriated to the GIITEM line item, only
4 \$1,403,400 is deposited in the GIITEM fund established by section 41-1724,
5 Arizona Revised Statutes, and is appropriated for the purposes of that
6 section. The \$1,403,400 is exempt from the provisions of section 35-190,
7 Arizona Revised Statutes, relating to lapsing of appropriations. This
8 state recognizes that states have inherent authority to arrest a person
9 for any immigration violation.

10 Any monies remaining in the department of public safety joint
11 account on June 30, 2023 revert to the funds from which they were
12 appropriated. The reverted monies shall be returned in direct proportion
13 to the amounts appropriated.

14 On or before September 1, 2022, the department of public safety
15 shall submit an expenditure plan for the border strike task force local
16 support line item to the joint legislature budget committee and the
17 governor's office of strategic planning and budgeting.

18 Of the \$12,232,900 appropriated for the border strike task force
19 local support line item, \$11,732,900 shall be used to fund local law
20 enforcement officer positions within the border strike task force. Any
21 city, town, county or other entity that enters into an agreement with the
22 department to participate in the border strike task force shall provide at
23 least twenty-five percent of the cost of the services, and the department
24 shall provide not more than seventy-five percent of personal services and
25 employee-related expenditures for each agreement or contract. The
26 department may fund all capital-related equipment.

27 Of the \$12,232,900 appropriated for the border strike task force
28 local support line item, \$500,000 shall be used for grants to cities,
29 towns or counties for costs associated with prosecuting and imprisoning
30 individuals charged with drug trafficking, human smuggling, illegal
31 immigration and other border-related crimes.

32 Of the \$13,459,600 appropriated for the onetime helicopter
33 replacement line item, \$2,559,600 shall be used to cover the cost of
34 upfitting a previously purchased helicopter.

35 The department shall use the \$11,709,300 appropriated for the
36 onetime vehicle replacement line item to replace at least 276 vehicles.
37 This appropriation is exempt from the provisions of section 35-190,
38 Arizona Revised Statutes, relating to lapsing of appropriations until June
39 30, 2024.

40 Until all of the monies in the civil air patrol infrastructure line
41 item have been distributed, on or before December 1 of each year, the
42 department shall submit a report to the joint legislative budget committee
43 on the monies distributed from the civil air patrol infrastructure line
44 item and the intended purposes of the distributions.

1 Before spending the \$978,400 appropriated for the commercial vehicle
 2 enforcement consolidation line item, the department shall submit an
 3 operational and expenditure plan, including a description of how the
 4 department of public safety will split the commercial vehicle enforcement
 5 duties with the department of transportation, to the joint legislative
 6 budget committee for review.

7 Of the amount appropriated in the total appropriation for the
 8 department of public safety, \$161,717,600 is designated for personal
 9 services and \$143,165,500 is designated for employee-related expenditures.
 10 The department shall submit an expenditure plan to the joint legislative
 11 budget committee for review before spending these monies for other than
 12 personal services or employee-related expenditures.

13	Sec. 78. STATE REAL ESTATE DEPARTMENT	
14		<u>2022-23</u>
15	FTE positions	37.0
16	Lump sum appropriation	\$ 2,922,100
17	Fund sources:	
18	State general fund	\$ 2,922,100
19	Sec. 79. RESIDENTIAL UTILITY CONSUMER OFFICE	
20		<u>2022-23</u>
21	FTE positions	12.0
22	Operating lump sum appropriation	\$ 1,307,200
23	Professional witnesses	<u>145,000*</u>
24	Total appropriation – residential utility	
25	consumer office	\$ 1,452,200
26	Fund sources:	
27	Residential utility consumer	
28	office revolving fund	\$ 1,452,200
29	Sec. 80. BOARD OF RESPIRATORY CARE EXAMINERS	
30		<u>2022-23</u>
31	FTE positions	4.0
32	Lump sum appropriation	\$ 370,000
33	Fund sources:	
34	Board of respiratory care	
35	examiners fund	\$ 370,000
36	Sec. 81. ARIZONA STATE RETIREMENT SYSTEM	
37		<u>2022-23</u>
38	FTE positions	240.9
39	Lump sum appropriation	\$25,599,400
40	Fund sources:	
41	Arizona state retirement system	
42	administration account	\$23,799,400
43	Long-term disability trust fund	
44	administration account	1,800,000

1	Sec. 82. DEPARTMENT OF REVENUE	
2		<u>2022-23</u>
3	FTE positions	892.8
4	Operating lump sum appropriation	\$69,726,000
5	BRITS operational support	7,567,500
6	E-commerce compliance and outreach	854,900
7	Unclaimed property administration	
8	and audit	1,467,800
9	TPT simplification	984,100
10	Tax fraud prevention	<u>3,150,000</u>
11	Total appropriation – department of revenue	\$83,750,300
12	Fund sources:	
13	State general fund	\$56,589,100
14	Department of revenue	
15	administrative fund	25,669,800
16	Liability setoff program	
17	revolving fund	806,900
18	Tobacco tax and health care fund	684,500

19 If the total value of properties retained by unclaimed property
 20 contract auditors exceeds \$1,467,800, the excess amount is transferred
 21 from the state general fund to the department of revenue administrative
 22 fund established by section 42-1116.01, Arizona Revised Statutes, and is
 23 appropriated to the department for contract auditor fees.

24 The department shall report the department's general fund revenue
 25 enforcement goals for fiscal year 2022-2023 to the joint legislative
 26 budget committee on or before September 30, 2022. On or before September
 27 30, 2023, the department shall provide an annual progress report to the
 28 joint legislative budget committee as to the effectiveness of the
 29 department's overall enforcement and collections program for fiscal year
 30 2022-2023. The reports shall compare projected and actual state general
 31 fund, total state tax, total county tax and total municipal tax revenue
 32 enforcement collections for fiscal year 2021-2022 and fiscal year
 33 2022-2023, including the amount of projected and actual enforcement
 34 collections for all tax types. The reports shall also include the total
 35 number of transaction privilege tax delinquent accounts, the total dollar
 36 value of those accounts classified by age of account and the total dollar
 37 amount of delinquent account write-offs determined to be uncollectible for
 38 fiscal year 2021-2022.

39 The department may not transfer any monies to or from the tax fraud
 40 prevention line item without prior review by the joint legislative budget
 41 committee.

42 The operating lump sum appropriation includes \$2,000,000 and 25 FTE
 43 positions for additional audit and collections staff.

44 On or before November 1, 2022, the department shall report the
 45 results of private fraud prevention investigation services during fiscal

1 year 2021-2022 to the joint legislative budget committee. The report
 2 shall include the total number of fraudulent returns prevented and the
 3 total dollar amount of fraudulent returns prevented during fiscal year
 4 2021-2022.

5 Sec. 83. DEPARTMENT OF STATE – SECRETARY OF STATE

6		<u>2022-23</u>
7	FTE positions	143.1
8	Operating lump sum appropriation	\$13,347,100
9	Access voter information database	483,500
10	Election services	4,000,000
11	Library grants-in-aid	651,400*
12	Statewide radio reading service	
13	for the blind	97,000
14	Uniform state laws commission	<u>99,000</u>
15	Total appropriation – department of	
16	state – secretary of state	\$18,678,000
17	Fund sources:	
18	State general fund	\$16,907,700
19	Election systems improvement fund	483,500
20	Records services fund	1,286,800

21 Included in the operating lump sum appropriation of \$13,347,100 for
 22 fiscal year 2022-2023 is \$5,000 for the purchase of mementos and items for
 23 visiting officials.

24 Included in the operating lump sum appropriation of \$13,347,100 for
 25 fiscal year 2022-2023 is \$1,286,800 from the records services fund. This
 26 appropriation may be used for the payment of obligations incurred in
 27 fiscal year 2021-2022.

28 The secretary of state may hire one full-time equivalent position to
 29 serve as legal advisor and to represent the secretary of state, but the
 30 secretary of state may not make expenditures or incur indebtedness to
 31 employ outside or private attorneys to provide representation or services.

32 Before transferring any monies in or out of the election services
 33 line item, the secretary of state shall submit a report for review by the
 34 joint legislative budget committee.

35 Monies in the access voter information database line item may be
 36 used only for the exclusive purpose of developing and administering the
 37 statewide database of voter registration information required by section
 38 16-168, Arizona Revised Statutes. The secretary of state may not transfer
 39 any monies in or out of the access voter information database line item.

40 Notwithstanding section 35-190, Arizona Revised Statutes, the
 41 appropriation of \$5,352,200 to the secretary of state for the county
 42 allocation of help America vote act election security grant monies made by
 43 Laws 2020, chapter 58, section 104 that remains unexpended on June 30,
 44 2023 reverts to the fund from which the monies were appropriated.

1	Sec. 84. STATE BOARD OF TAX APPEALS	
2		<u>2022-23</u>
3	FTE positions	4.0
4	Lump sum appropriation	\$ 283,300
5	Fund sources:	
6	State general fund	\$ 283,300
7	Sec. 85. STATE BOARD OF TECHNICAL REGISTRATION	
8		<u>2022-23</u>
9	FTE positions	25.0
10	Lump sum appropriation	\$ 2,375,400
11	Fund sources:	
12	Technical registration fund	\$ 2,375,400
13	Sec. 86. OFFICE OF TOURISM	
14		<u>2022-23</u>
15	FTE positions	28.0
16	Tourism fund deposit	\$ 7,131,500
17	Arizona promotion	1,000,000
18	Wine promotion	<u>1,100,000*</u>
19	Total appropriation – office of tourism	\$ 9,231,500
20	Fund sources:	
21	State general fund	\$ 9,231,500
22	On or before July 31, 2023, July 31, 2024 and July 31, 2025, the	
23	director of the office of tourism shall submit a report to the joint	
24	legislative budget committee detailing the uses of the monies in the wine	
25	promotion line item during the previous fiscal year.	
26	Sec. 87. DEPARTMENT OF TRANSPORTATION	
27		<u>2022-23</u>
28	FTE positions	4,554.0
29	Operating lump sum appropriation	\$223,578,200
30	Attorney general legal services	3,623,700
31	Highway maintenance	202,636,900
32	Vehicles and heavy equipment	
33	maintenance	25,285,200
34	State fleet operations	25,267,100
35	State fleet vehicle replacement	10,715,800
36	Driver license security software	2,260,000
37	Driver safety and livestock control	800,000
38	Vehicle and heavy equipment	
39	replacement	22,400,000
40	Highway damage recovery account	8,000,000
41	Preventive surface treatments	36,142,000
42	Authorized third parties	<u>2,104,400</u>
43	Total appropriation – department of	
44	transportation	\$562,813,300

1	Fund sources:	
2	Air quality fund	\$ 324,500
3	Arizona highway user revenue fund	701,600
4	Highway damage recovery account	8,000,000
5	Ignition interlock device fund	351,100
6	Motor vehicle liability	
7	insurance enforcement fund	5,154,100
8	State fleet operations fund	25,267,100
9	State vehicle replacement fund	10,715,800
10	State aviation fund	2,014,200
11	State highway fund	482,905,100
12	Department fleet operations fund	25,285,200
13	Vehicle inspection and certificate	
14	of title enforcement fund	2,094,600

15 Motor vehicle division

16 The department shall submit an annual report to the joint
 17 legislative budget committee on progress in improving motor vehicle
 18 division wait times and vehicle registration renewal by mail turnaround
 19 times in a format similar to prior years. The report is due on or before
 20 July 31, 2023 for fiscal year 2022-2023.

21 On or before February 1, 2023, the Arizona strategic enterprise
 22 technology office shall submit, on behalf of the department of
 23 transportation, an annual progress report to the joint legislative budget
 24 committee staff. The annual report shall provide updated plans for
 25 spending the department-dedicated portion of the authorized third-party
 26 electronic service partner's fee retention on the motor vehicle
 27 modernization project in fiscal year 2022-2023, including any amounts for
 28 stabilization, maintenance, ongoing operations, support and enhancements
 29 for the motor vehicle modernization solution, maintenance of legacy
 30 mainframe processing and support capability, and other system projects
 31 outside the scope of the motor vehicle modernization project.

32 On or before August 1, 2022, the department shall report to the
 33 director of the joint legislative budget committee the state's share of
 34 fees retained by the service Arizona vendor in the prior fiscal year. The
 35 report shall include the amount spent by the service Arizona vendor on
 36 behalf of this state in the prior fiscal year and a list of the projects
 37 funded with those monies.

38 Other

39 Of the total amount appropriated, \$202,636,900 in fiscal year
 40 2022-2023 for highway maintenance is exempt from the provisions of section
 41 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
 42 except that all unexpended and unencumbered monies of the appropriation
 43 revert to the state highway fund established by section 28-6991, Arizona
 44 Revised Statutes, on August 31, 2023.

1 The amount appropriated to the preventive surface treatments line
 2 item is exempt from the provisions of section 35-190, Arizona Revised
 3 Statutes, relating to lapsing of appropriations, except that all
 4 unexpended and unencumbered monies of the appropriation revert to the
 5 state highway fund established by section 28-6991, Arizona Revised
 6 Statutes, on August 31, 2023.

7 Of the total amount appropriated, the department of transportation
 8 shall pay \$15,981,300 in fiscal year 2022-2023 from all funds to the
 9 department of administration for its risk management payment.

10 All expenditures made by the department of transportation for
 11 attorney general legal services shall be funded only from the attorney
 12 general legal services line item. Monies in the operating lump sum
 13 appropriation or other line items intended for this purpose shall be
 14 transferred to the attorney general legal services line item before
 15 expenditure.

16 In accordance with section 35-142.01, Arizona Revised Statutes,
 17 reimbursements for monies expended from the highway maintenance line item
 18 may not be credited to the account out of which the expenditure was
 19 incurred. The department shall deposit all reimbursements for monies
 20 expended from the highway maintenance line item in the highway damage
 21 recovery account established by section 28-6994, Arizona Revised Statutes.

22 Expenditures made by the department of transportation for vehicle
 23 and heavy equipment replacement shall be funded only from the vehicle and
 24 heavy equipment replacement line item. Monies in the operating lump sum
 25 appropriation or other line items intended for this purpose shall be
 26 transferred to the vehicle and heavy equipment replacement line item
 27 before expenditure.

28 The department may use \$37,954.04 from the fiscal year 2022-2023
 29 state highway fund appropriation to pay a fiscal year 2016-2017 invoice.

30 Sec. 88. STATE TREASURER

31		<u>2022-23</u>
32	FTE positions	35.4
33	Operating lump sum appropriation	\$ 3,888,800
34	Arizona health innovation trust	
35	fund deposit	100,000
36	Justice of the peace salaries	2,818,200
37	Law enforcement/boating safety	
38	fund grants	<u>2,183,800</u>
39	Total appropriation – state treasurer	\$ 8,990,800
40	Fund sources:	
41	State general fund	\$ 3,223,300
42	Law enforcement and boating	
43	safety fund	2,183,800
44	State treasurer's operating fund	3,583,700

1 On or before June 30, 2023, the state treasurer shall report to the
 2 joint legislative budget committee staff on the state treasurer's current
 3 fiscal year and estimated next fiscal year expenditures of interest
 4 earnings spent pursuant to sections 35-315 and 35-318, Arizona Revised
 5 Statutes, for the state treasurer's banking service contract, external
 6 investment management agreement, administrative and information technology
 7 costs and any other costs.

8 Sec. 89. GOVERNOR'S OFFICE ON TRIBAL RELATIONS

9			<u>2022-23</u>
10	FTE positions		3.0
11	Lump sum appropriation	\$	63,500
12	Fund sources:		
13	State general fund	\$	63,500

14 Sec. 90. ARIZONA BOARD OF REGENTS

15			<u>2022-23</u>
16	FTE positions		30.9
17	Operating lump sum appropriation	\$	2,455,400
18	Adaptive athletics		160,000
19	Camp Verde meat processing facility		9,700,000
20	Enclosed feeding facility		9,500,000
21	Food product and safety laboratory		10,900,000
22	Arizona promise program		20,000,000
23	Spouses of military veterans		
24	tuition scholarships		10,000,000
25	Arizona teachers academy		15,000,000
26	Arizona teachers incentive program		90,000
27	Arizona teacher student loan program		426,000
28	Arizona transfer articulation		
29	support system		213,700
30	Leveraging educational assistance		
31	partnership program		1,220,800
32	Veterinary loan assistance program		6,000,000
33	Washington, D.C. internships		300,000*
34	Western interstate commission		
35	office		153,000
36	WICHE student subsidies		<u>4,078,000</u>
37	Total appropriation – Arizona board of		
38	regents	\$	90,196,900
39	Fund sources:		
40	State general fund	\$	90,196,900

41 The Arizona board of regents shall distribute monies appropriated
 42 for the adaptive athletics line item to each university under the
 43 jurisdiction of the board to maintain and operate an intercollegiate
 44 adaptive athletics program that provides opportunities for competitive
 45 wheelchair and adaptive sports to students and community members with

1 disabilities. The monies may be spent only when the university collects
2 matching monies of gifts, grants and donations for the intercollegiate
3 adaptive athletics program from sources other than this state.
4 Universities may spend the monies only on scholarships, equipment,
5 uniforms, travel expenses and tournament fees for participants in the
6 intercollegiate adaptive athletics program. The monies may not be used
7 for administrative costs, personal services or employee-related
8 expenditures.

9 The Arizona board of regents shall distribute the monies
10 appropriated in the Camp Verde meat processing facility line item to the
11 university of Arizona for distribution to an entity for construction of a
12 meat processing facility and truck handling facilities in Camp Verde. The
13 entity receiving the monies shall provide an education component as part
14 of its operations. These monies may not be used for administrative costs.

15 The Arizona board of regents shall distribute monies appropriated in
16 the enclosed feeding facility line item to the university of Arizona to
17 construct an enclosed feeding facility at the campus agricultural center.
18 These monies may not be used for administrative costs.

19 The Arizona board of regents shall distribute monies appropriated in
20 the food product and safety laboratory line item to the university of
21 Arizona for capital improvements to the food product and safety laboratory
22 at the campus agricultural center. These monies may not be used for
23 administrative costs.

24 In order to be eligible to receive state matching monies under the
25 leveraging educational assistance partnership program for grants to
26 students, each participating institution, public or private, shall provide
27 an amount of institutional matching monies that equals the amount of
28 monies provided by this state to the institution for the leveraging
29 educational assistance partnership program. Administrative expenses
30 incurred by the Arizona board of regents shall be paid from institutional
31 matching monies and may not exceed twelve percent of the monies
32 appropriated in fiscal year 2022-2023.

33 The Arizona board of regents shall distribute monies appropriated
34 for Washington, D.C. internships in equal amounts to each of the three
35 universities under the jurisdiction of the board for the purpose of
36 providing student internships in Washington, D.C. in partnership with a
37 third-party organization. The third-party organization must meet the
38 following requirements:

- 39 1. Have partnerships with Washington, D.C.-based organizations to
40 provide full-time, semester-long student internships.
- 41 2. Have the ability to place as many students in internships as
42 needed by the universities.
- 43 3. Have experience placing students in internships for at least ten
44 consecutive years.

1 4. Have dedicated staff to ensure that student interns have access
2 to internships in their areas of interest.

3 Within ten days after the acceptance of the universities' semiannual
4 all funds budget reports, the Arizona board of regents shall submit a
5 current year expenditure plan to the joint legislative budget committee
6 for review. The expenditure plan shall include the use of all projected
7 tuition and fee revenues by expenditure category, including operating
8 expenses, plant fund, debt service and financial aid. The plan shall
9 include the amount by which each expenditure category is projected to
10 increase over the prior year and shall provide as much detail as the
11 university budget requests. The plan shall include the total revenue and
12 expenditure amounts from all tuition and student fee revenues, including
13 base tuition, differential tuition, program fees, course fees, summer
14 session fees and other miscellaneous and mandatory student fee revenues.

15 Sec. 91. ARIZONA STATE UNIVERSITY

	<u>2022-23</u>
16	
17	8,171.0
18	\$838,575,000
19	3,723,500
20	250,000
21	
22	5,818,300
23	5,985,800
24	<u>104,815,500</u>
25	
26	\$959,168,100
27	
28	\$361,449,300
29	597,718,800

30 The state general fund appropriation may not be used for alumni
31 association funding.

32 The increased state general fund appropriation from Laws 2014,
33 chapter 18 may not be used for medical marijuana research.

34 Other than scholarships awarded through the Arizona financial aid
35 trust, the appropriated monies may not be used for scholarships or any
36 student newspaper.

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

41 Of the amount appropriated to the Arizona state university operating
42 budget, \$21,200,000 is onetime funding. On or before September 1, 2022,
43 Arizona state university shall provide a detailed expenditure plan to the
44 joint legislative budget committee that includes a description of the
45 intended purposes and the estimated costs of each expenditure.

1 Arizona state university shall use monies appropriated for the
2 eastern Europe cultural collaborative to facilitate cultural and academic
3 exchanges between university faculty and students and academic
4 institutions in eastern Europe.

5 The appropriated amount for the school of civic and economic thought
6 and leadership line item shall be used to operate a single stand-alone
7 academic entity within Arizona state university. The appropriated amount
8 may not supplant any existing state funding or private or external
9 donations to the existing centers or to the school. The appropriated
10 monies and all private and external donations to the school, including any
11 remaining balances from prior fiscal years, shall be deposited in a
12 separate account, shall be used only for the direct operation of the
13 school and may not be used for indirect costs of the university. On or
14 before October 1, 2022, the school shall submit a report to the president
15 of the senate, the speaker of the house of representatives, the
16 chairpersons of the senate education committee and the house of
17 representatives education committee and the director of the joint
18 legislative budget committee that includes at least the following
19 information for the school:

- 20 1. The total amount of funding received from all sources.
- 21 2. A description of faculty positions and courses offered.
- 22 3. The total undergraduate and graduate student enrollment.
- 23 4. Significant community events, initiatives or publications.

24 The chairpersons of the senate education committee and the house of
25 representatives education committee may request the director of the school
26 to appear before the committees to report on the school's annual
27 achievements.

28 Any unencumbered balances remaining in the university collections
29 fund on June 30, 2022 and all collections received by the university
30 during the fiscal year are appropriated for operating expenditures,
31 capital outlay and fixed charges. Earnings on state lands and interest on
32 the investment of the permanent land funds are appropriated in compliance
33 with the enabling act and the Constitution of Arizona. No part of this
34 appropriation may be spent for supplemental life insurance or supplemental
35 retirement.

36 Sec. 92. NORTHERN ARIZONA UNIVERSITY

	<u>2022-23</u>
37	
38 FTE positions	2,619.3
39 Operating lump sum appropriation	\$251,294,400
40 Arizona financial aid trust	1,326,000
41 Biomedical research funding	3,000,000
42 Economic policy institute	865,300
43 NAU – Yuma	3,075,600

1	Teacher training	<u>2,292,700</u>
2	Total appropriation – Northern Arizona	
3	university	\$261,854,000
4	Fund sources:	
5	State general fund	\$126,870,700
6	University collections fund	134,983,300

7 The state general fund appropriation may not be used for alumni
8 association funding.

9 The increased state general fund appropriation from Laws 2014,
10 chapter 18 may not be used for medical marijuana research.

11 Other than scholarships awarded through the Arizona financial aid
12 trust, the appropriated monies may not be used for scholarships or any
13 student newspaper.

14 Of the amount appropriated to the northern Arizona university
15 operating budget, \$10,100,000 is onetime funding. On or before September
16 1, 2022, northern Arizona university shall provide a detailed expenditure
17 plan to the joint legislative budget committee that includes a description
18 of the intended purposes and the estimated costs of each expenditure.

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

23 Any unencumbered balances remaining in the university collections
24 fund on June 30, 2022 and all collections received by the university
25 during the fiscal year are appropriated for operating expenditures,
26 capital outlay and fixed charges. Earnings on state lands and interest on
27 the investment of the permanent land funds are appropriated in compliance
28 with the enabling act and the Constitution of Arizona. No part of this
29 appropriation may be spent for supplemental life insurance or supplemental
30 retirement.

31 The biomedical research funding shall be distributed to a nonprofit
32 medical research foundation in this state that collaborates with
33 universities, hospitals and biotechnology and health research centers. A
34 nonprofit foundation that receives monies shall submit an expenditure and
35 performance report to Northern Arizona university. The university shall
36 transmit the report to the joint legislative budget committee and the
37 director of the governor's office of strategic planning and budgeting on
38 or before February 1, 2023. The report must include at least the
39 following:

40 1. The type and amount of expenditures from all state sources of
41 monies, including the amount leveraged for local, state, federal and
42 private grants.

43 2. A description of each grant received as well as the percentage
44 and locations of positions funded solely or partly by state monies and the
45 nonprofit foundation's projects with which those positions are associated.

- 1 3. Performance measures, including:
 2 (a) Outcomes that are specifically related to the use of state
 3 monies.
 4 (b) Progress that has been made toward achieving each outcome,
 5 including activities, resources and other evidence of the progress.
 6 (c) Reportable inventions or discoveries related to each outcome.
 7 (d) Publications, presentations and narratives related to each
 8 outcome and how the expenditures from all state sources of monies that the
 9 nonprofit foundation received have benefited this state.

10 The appropriated amount for the economic policy institute line item
 11 may not supplant any existing state funding or private or external
 12 donations to the institute or to the university. The appropriated monies
 13 and all private and external donations to the institute, including any
 14 remaining balances from prior fiscal years, shall be deposited in a
 15 separate account, shall be used only for the direct operation of the
 16 institute and may not be used for indirect costs of the university. On or
 17 before October 1, 2022, the institute shall submit to the president of the
 18 senate, the speaker of the house of representatives, the chairpersons of
 19 the senate education committee and the house of representatives education
 20 committee and the director of the joint legislative budget committee a
 21 report that includes at least the following information for the institute:

- 22 1. The total amount of funding received from all sources.
 23 2. A description of the faculty positions and courses offered.
 24 3. The total undergraduate and graduate student participation.
 25 4. Significant community events, initiatives or publications.

26 The chairpersons of the senate education committee and the house of
 27 representatives education committee may request the director of the
 28 institute to appear before the committees to report on the institute's
 29 annual achievements.

30 Sec. 93. UNIVERSITY OF ARIZONA

	<u>2022-23</u>
31 <u>Main campus</u>	
32 FTE positions	5,975.5
33 Operating lump sum appropriation	\$463,099,000
34 Agriculture	37,317,700
35 Arizona cooperative extension	15,077,000
36 Arizona financial aid trust	2,729,400
37 Arizona geological survey	1,148,500
38 Center for the philosophy	
39 of freedom	4,344,600
40 College of veterinary medicine	8,000,000
41 Kazakhstan studies program	250,000
42 Mining, mineral and natural	
43 resources educational museum	428,800
44	

1	Natural resource users law and	
2	policy center	1,950,000
3	School of mining	4,000,000
4	Sierra Vista campus	6,277,200
5	Veterinary diagnostic laboratory	<u>5,000,000</u>
6	Total – main campus	\$549,622,200
7	Fund sources:	
8	State general fund	\$245,033,200
9	University collections fund	304,589,000
10	<u>Health sciences center</u>	
11	FTE positions	1,268.7
12	Operating lump sum appropriation	\$ 86,455,700
13	Clinical rural rotation	353,600
14	Clinical teaching support	8,587,000
15	Liver research institute	440,400
16	Phoenix medical campus	35,754,300
17	Telemedicine network	<u>1,670,000</u>
18	Total – health sciences center	\$133,261,000
19	Fund sources:	
20	State general fund	\$ 76,897,700
21	University collections fund	<u>56,363,300</u>
22	Total appropriation - university of	
23	Arizona	\$682,883,200
24	Fund sources:	
25	State general fund	\$321,930,900
26	University collections fund	360,952,300

27 The state general fund appropriation may not be used for alumni
 28 association funding.

29 The increased state general fund appropriation from Laws 2014,
 30 chapter 18 may not be used for medical marijuana research.

31 Other than scholarships awarded through the Arizona financial aid
 32 trust, the appropriated monies may not be used for scholarships or any
 33 student newspaper.

34 Of the amount appropriated to the university of Arizona operating
 35 budget, \$14,700,000 is onetime funding. On or before September 1, 2022,
 36 the university of Arizona shall provide a detailed expenditure plan to the
 37 joint legislative budget committee that includes a description of the
 38 intended purposes and the estimated costs of each expenditure.

39 The university of Arizona may not use monies appropriated for the
 40 Arizona geological survey line item for any other purpose and may not
 41 transfer the monies appropriated for the Arizona geological survey to the
 42 operating budget or any other line item.

43 The legislature intends that \$8,000,000 of the amount appropriated
 44 to the health sciences center operating lump sum appropriation line item
 45 be used to expand the college of medicine Phoenix campus and to develop

1 and administer a primary care physician scholarship program at the college
2 of medicine Phoenix campus and the college of medicine Tucson campus. The
3 legislature intends that the \$8,000,000 not be annualized in future years.

4 The appropriated amount for the center for the philosophy of freedom
5 line item may not supplant any existing state funding or private or
6 external donations to the center or the philosophy department of the
7 university of Arizona. The appropriated monies and all private and
8 external donations to the center, including any remaining balances from
9 prior fiscal years, shall be deposited in a separate account, shall be
10 used only for the direct operation of the center and may not be used for
11 indirect costs of the university. On or before October 1, 2022, the
12 center shall submit a report to the president of the senate, the speaker
13 of the house of representatives, the chairpersons of the senate education
14 committee and the house of representatives education committee and the
15 director of the joint legislative budget committee that includes at least
16 the following information for the center:

- 17 1. The total amount of funding received from all sources.
- 18 2. A description of faculty positions and courses offered.
- 19 3. The total undergraduate and graduate student participation.
- 20 4. Significant community events, initiatives or publications.

21 The chairpersons of the senate education committee and the house of
22 representatives education committee may request the director of the center
23 to appear before the committees to report on the center's annual
24 achievements.

25 The amount appropriated to the college of veterinary medicine line
26 item shall be distributed to the college of veterinary medicine to
27 increase the number of students that are residents of this state. Before
28 spending these monies, the university of Arizona shall report to the joint
29 legislative budget committee all of the following information for the
30 college of veterinary medicine:

- 31 1. The current number of students who are residents of this state.
- 32 2. The current number of students who are not residents of this
33 state.
- 34 3. With these monies, the proposed number of students who are
35 residents of this state.
- 36 4. With these monies, the proposed number of students who are not
37 residents of this state.

38 The university of Arizona shall use monies appropriated for the
39 Kazakhstan studies program to facilitate academic exchanges between
40 university students and academic institutions in Kazakhstan.

41 The amount appropriated for the natural resource users law and
42 policy center line item shall be used by the natural resource users law
43 and policy center within the Arizona cooperative extension to assist
44 claimants in the general stream adjudication of water rights pursuant to
45 section 15-1647, Arizona Revised Statutes.

1 The amount appropriated to the veterinary diagnostic laboratory line
 2 item shall be used for operating expenditures or capital improvements for
 3 the veterinary diagnostic laboratory. Before spending these monies, the
 4 university of Arizona shall report to the joint legislative budget
 5 committee the intended use of the monies for operating expenditures and to
 6 the joint committee on capital review the scope, purpose and estimated
 7 cost of the capital improvements.

8 Any unencumbered balances remaining in the university collections
 9 fund on June 30, 2022 and all collections received by the university
 10 during the fiscal year are appropriated for operating expenditures,
 11 capital outlay and fixed charges. Earnings on state lands and interest on
 12 the investment of the permanent land funds are appropriated in compliance
 13 with the enabling act and the Constitution of Arizona. No part of this
 14 appropriation may be spent for supplemental life insurance or supplemental
 15 retirement.

16 Sec. 94. DEPARTMENT OF VETERANS' SERVICES

	<u>2022-23</u>
17 FTE positions	772.3
18 Operating lump sum appropriation	\$ 2,364,000
19 Arizona state veterans' homes	57,011,900
20 Hyperbaric oxygen therapy for military	
21 veterans fund deposit	3,640,000
22 Arizona state veterans' cemeteries	941,600
23 Veterans' benefit counseling	3,601,800
24 Veterans' support services	1,226,100
25 Veterans' trauma treatment	
26 services	<u>450,000</u>
27	
28 Total appropriation – department of	
29 veterans' services	\$ 69,235,400
30 Fund sources:	
31 State general fund	\$ 12,223,500
32 State home for veterans' trust	
33 fund	57,011,900

34 The amount appropriated for veterans' support services line item
 35 shall be distributed to a nonprofit veterans' services organization that
 36 provides support services among this state's military and veteran
 37 population. The department may spend up to \$76,500 of this appropriation
 38 to hire a program specialist to liaise between the department and the
 39 selected nonprofit organization. Before the expenditure of the monies,
 40 the department shall submit an expenditure report to the joint legislative
 41 budget committee that includes the status of non-state matching grant
 42 monies.

43 Monies appropriated for the veterans' trauma treatment services line
 44 item shall be used to provide grants to contractors as defined in section
 45 36-2901, Arizona Revised Statutes, that provide trauma treatment services

1 training to any of the following health professionals licensed pursuant to
 2 title 32, Arizona Revised Statutes:

- 3 1. Physicians.
- 4 2. Registered nurse practitioners.
- 5 3. Physician assistants.
- 6 4. Psychologists.
- 7 5. Behavioral health professionals who are either licensed for
 8 individual practice or supervised by a psychologist, registered nurse
 9 practitioner or behavioral health professional licensed pursuant to
 10 title 32, Arizona Revised Statutes, for independent practice.

11 Sec. 95. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

	<u>2022-23</u>
12 FTE positions	6.0
13 Lump sum appropriation	\$ 714,600

14 Fund sources:

15 Veterinary medical examining 16 board fund	\$ 714,600
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17 Sec. 96. WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

	<u>2022-23</u>
18 Eastern Arizona water projects 19 assistance grants	<u>10,000,000*</u>

20 Total appropriation – water infrastructure 21 finance authority of Arizona	\$ 10,000,000
----------------------------------------------------------------------------------	---------------

22 Fund sources:

23 State general fund	\$ 10,000,000
-----------------------	---------------

24 Of the amount appropriated to the eastern Arizona water projects
 25 assistance grants line item, \$6,000,000 is allocated to provide financial
 26 assistance to cities and towns that provide water in Navajo and Apache
 27 counties to contract for services of outside advisors, attorneys,
 28 consultants and aides that are reasonably necessary or desirable to enable
 29 the cities and towns to adequately perform their duties. The water
 30 infrastructure finance authority of Arizona shall develop a separate grant
 31 program to distribute these monies to qualified entities on or before June
 32 30, 2023.

33 Of the amount appropriated to the eastern Arizona water projects
 34 assistance grants line item, \$4,000,000 is allocated to provide financial
 35 assistance to irrigation districts in Cochise and Graham counties to
 36 contract for services of outside advisors, attorneys, consultants and
 37 aides that are reasonably necessary or desirable to enable the irrigation
 38 districts to adequately perform their duties. Each county shall receive a
 39 \$2,000,000 allocation. The water infrastructure finance authority of
 40 Arizona shall develop a separate grant program to distribute these monies
 41 to qualified entities on or before June 30, 2023.

1	Sec. 97. DEPARTMENT OF WATER RESOURCES	
2		<u>2022-23</u>
3	FTE positions	149.0
4	Operating lump sum appropriation	\$ 13,840,600
5	Adjudication support	1,757,300
6	Arizona water protection fund	
7	deposit	1,250,000
8	Assured and adequate water supply	
9	administration	2,323,600
10	Rural water studies	1,169,300
11	Conservation and drought program	414,600
12	Automated groundwater monitoring	410,400
13	Colorado River legal expenses	500,000*
14	New River flood insurance study	<u>350,000</u>
15	Total appropriation - department of water	
16	resources	\$ 22,015,800
17	Fund sources:	
18	State general fund	\$ 20,052,300
19	Water resources fund	1,695,400
20	Assured and adequate water	
21	supply administration fund	268,100

22 Monies in the assured and adequate water supply administration line
 23 item may be used only for the exclusive purposes prescribed in sections
 24 45-108, 45-576, 45-577, 45-578 and 45-579, Arizona Revised Statutes. The
 25 department of water resources may not transfer any monies into or out of
 26 the assured and adequate water supply administration line item.

27 The legislature intends that monies in the rural water studies line
 28 item be spent only to assess local water use needs and to develop plans
 29 for sustainable future water supplies in rural areas outside this state's
 30 active management areas and not be made available for other department
 31 operating expenditures.

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

37 The department of water resources may not transfer any monies from
 38 the Colorado River legal expenses line item without prior review by the
 39 joint legislative budget committee.

40 The department of water resources shall use the monies in the New
 41 River flood insurance study line item to complete a study of and report on
 42 the hydrology and hydraulics of the New River from the New River Dam to
 43 the confluence with the Agua Fria River. The department may contract with
 44 an engineering firm that has not contracted with or otherwise associated
 45 with a county flood control district located in a county in this state

1 with a population of more than one million five hundred thousand persons.
2 On or before March 31, 2024, the department shall complete the report.

3 Fiscal Year 2021-2022 Appropriation Adjustments

4 Sec. 98. Supplemental appropriation; department of
5 administration; risk management revolving fund;
6 review; fiscal year 2021-2022

7 A. In addition to any other appropriations made in fiscal year
8 2021-2022, the sum of \$1,110,600 is appropriated from the risk management
9 revolving fund established by section 41-622, Arizona Revised Statutes, in
10 fiscal year 2021-2022 to the department of administration for the
11 following purposes:

- 12 1. To pay disallowed costs relating to excess retained earnings.
- 13 2. To pay disallowed costs relating to the statewide information
14 technology charges.
- 15 3. For fund transfers in fiscal year 2020-2021.
- 16 4. To pay interest owed from prior-year disallowed costs.

17 B. The legislature intends that the department of administration
18 not enter into any agreements to pay for any federal reimbursements
19 related to excess balances in the special employee health insurance trust
20 fund established by section 38-654, Arizona Revised Statutes, unless the
21 proposed agreements have been reviewed by the joint legislative budget
22 committee.

23 Sec. 99. Supplemental appropriation; department of
24 administration; financing agreements;
25 notification; exemption; fiscal year 2021-2022

26 A. In addition to any other appropriations made in fiscal year
27 2021-2022, the sum of \$93,500,000 is appropriated from the state general
28 fund in fiscal year 2021-2022 to the department of administration to pay
29 for the retirement or defeasance of the financing agreements entered into
30 pursuant to Laws 2007, chapter 257, section 8 and Laws 2007, chapter 261,
31 section 9.

32 B. The director of the department of administration shall notify
33 the directors of the joint legislative budget committee and the governor's
34 office of strategic planning and budgeting not more than ten days after
35 each retirement or defeasance is executed as required in subsection A of
36 this section. Each notification shall include the date and final cost of
37 each retirement or defeasance.

38 C. 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 the lapsing of appropriations. Any amounts remaining after the
41 retirements or defeasances are executed as required by subsection A of
42 this section revert to the state general fund.

1 Sec. 105. Supplemental appropriations: public safety
2 personnel retirement system; corrections officer
3 retirement plan group; pension liability; report;
4 exemption; fiscal year 2021-2022; exemption

5 A. In addition to any other appropriations made in fiscal year
6 2021-2022, the sum of \$420,559,600 is appropriated from the state general
7 fund in fiscal year 2021-2022 to the public safety personnel retirement
8 system to be deposited in the employer account of the department of public
9 safety public safety personnel retirement system group to reduce the
10 unfunded accrued liability.

11 B. In addition to any other appropriations made in fiscal year
12 2021-2022, the sum of \$82,243,000 is appropriated from the state general
13 fund in fiscal year 2021-2022 to the public safety personnel retirement
14 system to be deposited in the employer account of the Arizona game and
15 fish department public safety personnel retirement system group to reduce
16 the unfunded accrued liability.

17 C. In addition to any other appropriations made in fiscal year
18 2021-2022, the sum of \$15,000,000 is appropriated from the game and fish
19 fund established by section 17-261, Arizona Revised Statutes, in fiscal
20 year 2021-2022 to the public safety personnel retirement system to be
21 deposited in the employer account of the Arizona game and fish department
22 public safety personnel retirement system group to reduce the unfunded
23 accrued liability.

24 D. In addition to any other appropriations made in fiscal year
25 2021-2022, the sum of \$474,635,300 is appropriated from the state general
26 fund in fiscal year 2021-2022 to the public safety personnel retirement
27 system to be deposited in the employer account of the state department of
28 corrections corrections officer retirement plan group to reduce the
29 unfunded accrued liability.

30 E. In addition to any other appropriations made in fiscal year
31 2021-2022, the sum of \$73,940,800 is appropriated from the state general
32 fund in fiscal year 2021-2022 to the public safety personnel retirement
33 system to be deposited in the employer account of the department of
34 juvenile corrections corrections officer retirement plan group to reduce
35 the unfunded accrued liability.

36 F. The board of trustees of the public safety personnel retirement
37 system shall account for the appropriations made in this section in the
38 June 30, 2022 actuarial valuation of the public safety personnel
39 retirement system and the corrections officer retirement plan. The board
40 shall account for the appropriations when calculating the employee
41 contribution rates and employer contribution rates pursuant to section
42 38-843, Arizona Revised Statutes, and section 38-891, Arizona Revised
43 Statutes, during fiscal year 2023-2024.

1 G. Within twelve months after receiving the appropriations made in
2 this section, the board of trustees of the public safety personnel
3 retirement system shall transmit to the joint legislative budget committee
4 and the governor's office of strategic planning and budgeting a
5 comprehensive report on the actuarial assumptions for the public safety
6 personnel retirement system and corrections officer retirement plan. The
7 report shall analyze the current policies and potential future changes for
8 the following actuarial assumptions: investment returns, payroll growth,
9 inflation, cost-of-living adjustments, actuarial asset smoothing method
10 and member experience related to mortality, service and disability. The
11 report shall also include a comparison of the board's current and
12 potential future actuarial assumptions to other comparable public
13 retirement systems and generally accepted actuarial funding policies.

14 H. The appropriations made in this section are exempt from the
15 provisions of section 35-190, Arizona Revised Statutes, relating to
16 lapsing of appropriations.

17 Fiscal Year 2022-2023 Appropriations

18 Sec. 106. Appropriations; department of administration;
19 counties; allocations; report; fiscal year
20 2022-2023

21 A. The sum of \$7,150,650 is appropriated from the state general
22 fund in fiscal year 2022-2023 to the department of administration for
23 distribution to counties to maintain essential county services. The
24 department shall allocate the appropriation equally among all counties
25 with a population of less than nine hundred thousand persons according to
26 the 2020 United States decennial census.

27 B. The sum of \$500,000 is appropriated from the state general fund
28 in fiscal year 2022-2023 to the department of administration for
29 distribution to Graham county to maintain essential county services.

30 C. The sum of \$3,000,000 is appropriated from the state general
31 fund in fiscal year 2022-2023 to the department of administration for
32 distribution to counties to supplement the normal cost plus an amount to
33 amortize the unfunded accrued liability pursuant to section 38-810,
34 subsection C, Arizona Revised Statutes. The department shall allocate the
35 appropriation equally among all counties with a population of less than
36 three hundred thousand persons according to the 2020 United States
37 decennial census. The counties may use these monies only for required
38 employer contributions to the elected officials' retirement plan.

39 D. The sum of \$7,000,000 is appropriated from the state general
40 fund in fiscal year 2022-2023 to the department of administration for
41 distribution to counties to establish a coordinated reentry planning
42 services program.

1 estimate the fiscal impact of proposed tax legislation. The model shall
2 only include data from state and federal tax returns that are captured by
3 the tax system. The individual income tax model shall include procedures
4 to protect taxpayer confidentiality under applicable state and federal
5 law.

6 4. Makes individual and corporate income tax data available for
7 querying, modeling and reporting within twenty-four months following the
8 end of a tax year.

9 Before awarding any procurement contract for the tax system, the
10 department of revenue shall submit a report addressing the project
11 specifications contained in this subsection for review by the joint
12 legislative budget committee.

13 E. The sum of \$300,000 is appropriated from the secretary of state
14 subaccount in the automation projects fund established pursuant to section
15 41-714, Arizona Revised Statutes, in fiscal year 2022-2023 to the
16 secretary of state to conduct a feasibility study to electronic records
17 storage.

18 F. The sum of \$1,700,000 is appropriated from the department of
19 water resources subaccount in the automation projects fund established
20 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
21 2022-2023 to the department of water resources to develop, modernize and
22 consolidate the department's applications.

23 Quarterly Reports

24 G. Within thirty days after the last day of each calendar quarter,
25 the department of administration shall submit to the joint legislative
26 budget committee a quarterly report on implementing projects approved by
27 the information technology authorization committee established by section
28 18-121, Arizona Revised Statutes, including the projects' expenditures to
29 date, deliverables, timeline for completion and current status.

30 Nonlapsing

31 H. The amount appropriated pursuant to this section from the
32 automation projects fund established by section 41-714, Arizona Revised
33 Statutes, in fiscal year 2022-2023 is exempt from the provisions of
34 section 35-190, Arizona Revised Statutes, relating to lapsing of
35 appropriations, until June 30, 2024.

36 Sec. 108. Department of economic security; loans;
37 reimbursement; prohibition; fiscal year 2022-2023

38 On or after April 1, 2023, the department of economic security may
39 use up to \$25,000,000 from the budget stabilization fund established by
40 section 35-144, Arizona Revised Statutes, for the purpose of providing
41 funding for reimbursement grants. Before using the monies from the budget
42 stabilization fund, the department shall notify the director of the joint
43 legislative budget committee and the director of the governor's office of
44 strategic planning and budgeting. This appropriation must be fully
45 reimbursed on or before September 1, 2023 and must be reimbursed in full

1 as part of the closing process for fiscal year 2022-2023. The department
2 shall notify the joint legislative budget committee of the reimbursement
3 on or before September 1, 2023. The appropriation may not be used for
4 additional programmatic expenditures.

5 Sec. 109. Department of emergency and military affairs;
6 border security; exemption; fiscal year 2022-2023

7 A. The sum of \$209,205,000 is appropriated from the border security
8 fund established by section 26-105, Arizona Revised Statutes, in fiscal
9 year 2022-2023 to the department of emergency and military affairs. The
10 department of emergency and military affairs shall allocate, in
11 consultation with the department of public safety, the following amounts:

12 1. \$20,000,000 to Cochise county to construct a new county jail
13 facility. The monies allocated in this paragraph are intended to fund up
14 to twenty percent of the total jail facility construction cost but not to
15 exceed \$20,000,000. The monies allocated in this paragraph shall not be
16 distributed until Cochise county has submitted to the director of the
17 joint legislative budget committee, the director of the governor's office
18 of strategic planning and budgeting and the director of the department of
19 administration a report that the county has raised sufficient monies to
20 fund the remainder of the project's budget. Notwithstanding section
21 41-1252, Arizona Revised Statutes, the monies allocated in this paragraph
22 are not subject to review by the joint committee on capital review. Any
23 monies allocated pursuant to this paragraph that remain unexpended and
24 unencumbered on June 30, 2027 revert to the border security fund
25 established by section 26-105, Arizona Revised Statutes.

26 2. \$15,000,000 to reimburse a county or local law enforcement
27 agency for costs incurred by the county or local law enforcement agency
28 for participating in a program with the United States immigration and
29 customs enforcement pursuant to 8 United States code section 1357(g).

30 3. \$10,000,000 for deposit in the antihuman trafficking grant fund
31 established by section 41-4259, Arizona Revised Statutes. The monies
32 shall be allocated as follows:

33 (a) \$2,000,000 to the department of public safety Arizona counter
34 terrorism information center for antihuman trafficking operations that
35 comply with the requirements prescribed in section 41-4259, Arizona
36 Revised Statutes.

37 (b) \$8,000,000 in award grants to city, town and county law
38 enforcement agencies, in an amount of not more than \$500,000 per agency,
39 for programs that reduce human trafficking and that comply with the
40 requirements prescribed in section 41-4259, Arizona Revised Statutes.

41 4. \$30,000,000 to distribute to cities, towns or counties for costs
42 associated with prosecuting and imprisoning individuals charged with drug
43 trafficking, human smuggling, illegal immigration and other border-related
44 crimes.

1 5. \$10,000,000 for costs incurred by Arizona national guard assets
2 augmenting and supporting the department of public safety and local law
3 enforcement agencies relating to violations of the laws of this state in
4 the southern Arizona border region.

5 6. \$10,000,000 for emergency health care and testing for immigrants
6 along the southern Arizona border.

7 7. \$15,000,000 for transportation of individuals who entered
8 Arizona seeking asylum to other states in the United States, including the
9 cost of meals, onboard staffing and support.

10 8. \$53,405,000 for deputy sheriff compensation to be distributed to
11 the department of administration for the following purposes:

12 (a) \$48,310,000 to counties for the purposes of a \$10,000 onetime
13 payment to line-level deputies and detention officers employed by each
14 county sheriff's office as of May 1, 2022. The county shall distribute
15 the payment to eligible employees in equal quarterly installments over two
16 years. If the amount is insufficient for a \$10,000 per employee payment,
17 the department shall distribute a prorated amount based on the total
18 number of deputies and detention officers employed. On or before August
19 30, 2023 and August 30, 2024, each county sheriff shall submit a report to
20 the department of administration on the actual use of the monies received
21 and the most recent staffing and retention data for the positions
22 receiving the payment. On or before September 30, 2023 and September 23,
23 2024, the department of administration shall submit a report to the
24 directors of the joint legislative budget committee and the governor's
25 office of strategic planning and budgeting detailing the total amounts
26 distributed by county and summarizing the individual county reports.

27 (b) \$5,095,000 to counties for the purposes of a \$5,000 onetime
28 payment to line-level deputies and detention officers hired between May 1,
29 2022 and May 1, 2023. The county shall distribute the payment to eligible
30 employees in equal quarterly installments over one year. On June 1, 2023,
31 the department of administration shall distribute the funding to the
32 counties based on the actual number of hires during this time period, as
33 demonstrated by each county. If the amount is insufficient for a \$5,000
34 per employee payment, the department shall distribute a prorated amount
35 based on the total number of hired detention officers and sheriff's
36 deputies. On or before June 30, 2023, the department shall submit a
37 report to the directors of the joint legislative budget committee and the
38 governor's office of strategic planning and budgeting detailing the
39 amounts distributed to each county.

40 9. \$800,000 for the purposes prescribed in section 26-174, Arizona
41 Revised Statutes, regarding the established chain of command within the
42 Arizona state guard.

43 10. \$30,000,000 for the construction costs of a state emergency
44 operations center. Pursuant to section 41-1252, Arizona Revised Statutes,
45 before spending the monies allocated in this paragraph, the department of

1 emergency and military affairs shall submit for review by the joint
2 committee on capital review the scope, purpose and estimated cost of the
3 capital improvements.

4 11. \$15,000,000 to the department of public safety for the
5 construction costs of a southern border coordinated response center.
6 Pursuant to section 41-1252, Arizona Revised Statutes, before spending the
7 monies allocated in this paragraph, the department of public safety shall
8 submit for review by the joint committee on capital review the scope,
9 purpose and estimated cost of the capital improvements.

10 B. Within thirty days after the end of each calendar quarter until
11 the monies appropriated by this section are fully expended, the department
12 of emergency and military affairs, in consultation with the Arizona
13 department of homeland security and the department of public safety, shall
14 report to the joint legislative budget committee on the status of the
15 project allocations and monies expended as prescribed by this section.

16 C. The department of emergency and military affairs may transfer
17 spending authority between and within the programs and purposes listed in
18 subsection A of this section. Before making a transfer, the department
19 shall submit the proposed transfer to the joint legislative budget
20 committee for review.

21 D. The appropriations made in subsection A of this section are
22 exempt from the provisions of section 35-190, Arizona Revised Statutes,
23 relating to lapsing of appropriations.

24 Sec. 110. Appropriation reductions; department of health
25 services; state department of corrections; fiscal
26 year 2022-2023

27 The sum of \$(18,944,000) is reduced from appropriations made from
28 the state general fund in fiscal year 2022-2023 to eliminate debt service
29 payments following the retirement or defeasance of financing agreements
30 entered into pursuant to Laws 2007, chapter 257, section 8 and Laws 2007,
31 chapter 261, section 9. Of this amount:

32 1. The sum of \$(2,973,000) is reduced from appropriations made from
33 the state general fund in fiscal year 2022-2023 to the department of
34 health services Arizona state hospital operating line item.

35 2. The sum of \$(15,971,000) is reduced from appropriations made
36 from the state general fund in fiscal year 2022-2023 to the state
37 department of corrections operating lump sum appropriation.

38 Sec. 111. Phoenix convention center; allocation; fiscal year
39 2022-2023

40 Pursuant to section 9-602, Arizona Revised Statutes, \$24,999,400 of
41 state general fund revenue is allocated in fiscal year 2022-2023 to the
42 Arizona convention center development fund established by section 9-601,
43 Arizona Revised Statutes.

1 one hundred miles or more from the nearest United States department of
2 veterans affairs service center.

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

6 Sec. 117. Appropriation; department of veterans' services;
7 tribal ceremonies; exemption; fiscal year
8 2022-2023

9 A. The sum of \$1,000,000 is appropriated from the state general
10 fund in fiscal year 2022-2023 to the department of veterans' services to
11 distribute to Indian tribes located in this state to conduct tribal
12 ceremonies for tribal members who are discharged from the military,
13 including those diagnosed with post-traumatic stress disorder.

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

17 Fund Balance Transfers

18 Sec. 118. Appropriations; fund balance transfers; automation
19 projects fund; fiscal year 2022-2023

20 A. The sum of \$15,614,300 is transferred from the state general
21 fund in fiscal year 2022-2023 for deposit in the department of
22 administration subaccount in the automation projects fund established
23 pursuant to section 41-714, Arizona Revised Statutes, to further develop
24 the business one stop portal.

25 B. The sum of \$2,000,000 is transferred from the state general fund
26 in fiscal year 2022-2023 for deposit in the Arizona department of
27 agriculture subaccount in the automation projects fund established
28 pursuant to section 41-714, Arizona Revised Statutes, for cloud migration
29 projects.

30 C. The following amounts are transferred from the following funds
31 in fiscal year 2022-2023 for deposit in the department of revenue
32 subaccount in the automation projects fund established pursuant to section
33 41-714, Arizona Revised Statutes, to implement the integrated tax system
34 modernization project:

35 1. \$9,632,700 from the state general fund.

36 2. \$6,187,100 from the department of revenue integrated tax system
37 project fund established by section 42-5041, Arizona Revised Statutes.

38 D. The sum of \$300,000 is transferred from the records services
39 fund established by section 41-151.12, Arizona Revised Statutes in fiscal
40 year 2022-2023 for deposit in the secretary of state subaccount in the
41 automation projects fund established pursuant to section 41-714, Arizona
42 Revised Statutes, to conduct a feasibility study to electronic records
43 storage.

1 E. The sum of \$1,700,000 is transferred from the water resources
2 fund established by section 45-117, Arizona Revised Statutes, in fiscal
3 year 2022-2023 for deposit in the department of water resources subaccount
4 in the automation projects fund established pursuant to section 41-714,
5 Arizona Revised Statutes, to develop, modernize and consolidate the
6 department's applications.

7 F. The transfers into the automation projects fund established by
8 section 41-714, Arizona Revised Statutes, as outlined in this section are
9 not appropriations out of the automation project fund. Only direct
10 appropriations out of the automation projects fund are appropriations.

11 Sec. 119. Appropriation; fund balance transfers; risk
12 management revolving fund; fiscal year 2022-2023

13 The sum of \$24,624,400 from the risk management revolving fund
14 established by section 41-622, Arizona Revised Statutes, is transferred in
15 fiscal year 2022-2023 to the cyber risk insurance fund established by
16 section 41-622, Arizona Revised Statutes.

17 Payment Deferrals

18 Sec. 120. Reduction in school district state aid
19 apportionment in fiscal year 2022-2023;
20 appropriation in fiscal year 2023-2024

21 A. In addition to any other appropriation reductions made in fiscal
22 year 2022-2023, the department of education shall defer until after June
23 30, 2023 but not later than July 12, 2023 \$800,727,700 of the basic state
24 aid and additional state aid entitlement that otherwise would be
25 apportioned to school districts during fiscal year 2022-2023 pursuant to
26 section 15-973, Arizona Revised Statutes. The funding deferral required
27 by this subsection does not apply to charter schools or to school
28 districts with a student count of less than four thousand pupils. The
29 department of education shall make the deferral by reducing the
30 apportionment of state aid for each month in the fiscal year by the same
31 amount.

32 B. In addition to any other appropriations made in fiscal year
33 2023-2024, the sum of \$800,727,700 is appropriated from the state general
34 fund in fiscal year 2023-2024 to the department of education and the
35 superintendent of public instruction for basic state aid and additional
36 state aid entitlement for fiscal year 2023-2024. This appropriation shall
37 be disbursed after June 30, 2023 but not later than July 12, 2023 to the
38 several counties for the school districts in each county in amounts equal
39 to the reductions in apportionment of basic state aid and additional state
40 aid that are required pursuant to subsection A of this section for fiscal
41 year 2022-2023.

42 C. School districts shall include in the revenue estimates they use
43 for computing their tax rates for fiscal year 2022-2023 the monies they
44 will receive pursuant to subsection B of this section.

1	<u>Statewide Adjustments</u>	
2	Sec. 121.	<u>Appropriations; operating adjustments</u>
3		<u>2022-23</u>
4	1.	Arizona financial information
5		system adjustment \$ 505,900
6		Fund sources:
7		State general fund \$ 330,900
8		Other funds 175,000
9	2.	Agency rent adjustment \$ (2,954,800)
10		Fund sources:
11		State general fund \$ (654,800)
12		Other funds (2,300,000)
13	3.	Retirement payoff adjustments \$(98,119,900)
14		Fund sources:
15		State general fund \$(98,119,900)
16	4.	Agency retirement adjustment \$ 15,118,500
17		Fund sources:
18		State general fund \$ 17,218,500
19		Other funds (2,100,000)
20	5.	Employer health insurance
21		contribution increase \$ 83,244,800
22		Fund sources:
23		State general fund \$ 63,244,800
24		Other funds 20,000,000
25	6.	University health insurance
26		backfill \$ 40,033,000
27		Fund sources:
28		State general fund \$ 40,033,000
29	7.	Human resources information system
30		replacement charge \$ 11,011,400
31		Fund sources:
32		State general fund \$ 8,011,400
33		Other funds 3,000,000
34	8.	Information technology pro rata \$ 2,217,400
35		Fund sources:
36		State general fund \$ 1,617,400
37		Other funds 600,000
38	9.	State fleet rate adjustments \$ 985,300
39		Fund sources:
40		State general fund \$ 628,000
41		Other funds 357,300

42 Arizona financial information system adjustments

43 The amount appropriated is for upgrades to the Arizona financial
 44 information system in fiscal year 2022-2023. The joint legislative budget
 45 committee staff, in consultation with the governor's office of strategic

1 planning and budgeting staff, shall determine and the department of
 2 administration shall allocate to each agency or department an amount for
 3 the Arizona financial information system collection charge. The joint
 4 legislative budget committee staff shall also determine and the department
 5 of administration shall allocate adjustments, as necessary, in expenditure
 6 authority to allow for the payment of Arizona financial information system
 7 charges.

8 Agency rent adjustments

9 The amount appropriated is for agency rent adjustments for agencies
 10 relocating to and within state-owned and lease-purchase buildings in
 11 fiscal year 2022-2023. The joint legislative budget committee staff, in
 12 consultation with the governor's office of strategic planning and
 13 budgeting staff, shall determine and the department of administration
 14 shall allocate to each agency or department an amount for the rent
 15 adjustment. The joint legislative budget committee staff shall also
 16 determine and the department of administration shall allocate adjustments,
 17 as necessary, in expenditure authority to allow implementation of the
 18 agency rent adjustments.

19 Retirement payoff adjustments

20 The amount appropriated is for retirement payoff adjustments in
 21 fiscal year 2022-2023. The joint legislative budget committee staff, in
 22 consultation with the governor's office of strategic planning and
 23 budgeting staff, shall determine and the department of administration
 24 shall allocate to each agency or department an amount for the retirement
 25 adjustments. The adjustments shall be \$(52,037,300) for the state
 26 department of corrections and \$(46,082,600) for the department of public
 27 safety.

28 Agency retirement adjustments

29 The amount appropriated is for retirement adjustments in fiscal year
 30 2022-2023. The joint legislative budget committee staff, in consultation
 31 with the governor's office of strategic planning and budgeting staff,
 32 shall determine and the department of administration shall allocate to
 33 each agency or department an amount for the agency retirement adjustments.
 34 The joint legislative budget committee staff shall also determine and the
 35 department of administration shall allocate adjustments, as necessary, in
 36 expenditure authority to allow implementation of the agency retirement
 37 adjustments.

38 Employer health insurance contribution increase

39 The amount appropriated is for a onetime employer contribution rate
 40 increase for employee health insurance in fiscal year 2022-2023. The
 41 joint legislative budget committee staff, in consultation with the
 42 governor's office of strategic planning and budgeting staff, shall
 43 determine and the department of administration shall allocate to each
 44 agency or department an amount for the health insurance contribution
 45 adjustment. The joint legislative budget committee staff shall also

1 determine and the department of administration shall allocate adjustments,
 2 as necessary, in expenditure authority to implement the increase in
 3 employer health insurance contribution rates. The joint legislative
 4 budget committee staff shall use the overall allocation of state general
 5 fund and appropriated tuition monies for each university in determining
 6 that university's specific adjustment. The joint legislative budget
 7 committee staff shall use the overall allocation of state general fund and
 8 appropriated tuition monies for each university in determining that
 9 university's specific adjustment.

10 University health insurance backfill

11 The amount appropriated is for the onetime university health
 12 insurance backfill to backfill university tuition for health insurance
 13 employer rate increases in fiscal year 2022-2023. The joint legislative
 14 budget committee staff, in consultation with the governor's office of
 15 strategic planning and budgeting staff, shall determine and the department
 16 of administration shall allocate to each university for the health
 17 insurance contribution adjustment. The legislature intends that any
 18 future employer health insurance premium increases continue to be
 19 allocated using the overall allocation of state general fund and
 20 appropriated tuition monies.

21 Human resources information system replacement charges

22 The amount appropriated is for the replacement of the human
 23 resources information system in fiscal year 2022-2023. These adjustments
 24 shall be deposited in the human resources information system subaccount in
 25 the automation projects fund established pursuant to section 41-714,
 26 Arizona Revised Statutes. The joint legislative budget committee staff,
 27 in consultation with the governor's office of strategic planning and
 28 budgeting staff, shall determine and the department of administration
 29 shall allocate to each agency or department an amount for the human
 30 resources information system replacement charge. The joint legislative
 31 budget committee staff shall also determine and the department of
 32 administration shall allocate adjustments, as necessary, in expenditure
 33 authority to allow for the payment of human resources information system
 34 replacement charge. The human resources information system replacement
 35 statewide adjustment shall be based on each state fund's proportional
 36 share of payments to the personnel division fund established pursuant to
 37 section 41-750, Arizona Revised Statutes.

38 Information technology pro rata adjustment

39 The amount appropriated is for information technology pro rata
 40 adjustments in fiscal year 2022-2023. These adjustments reflect an
 41 increase in the information technology prorated amount from 0.43 percent
 42 to 0.61 percent. The joint legislative budget committee staff, in
 43 consultation with the governor's office of strategic planning and
 44 budgeting staff, shall determine and the department of administration
 45 shall allocate to each agency or department an amount for the pro rata

1 adjustment. The joint legislative budget committee staff shall also
 2 determine and the department of administration shall allocate adjustments,
 3 as necessary, in expenditure authority to allow implementation of the
 4 information technology pro rata adjustments.

5 State fleet rate adjustment

6 The amount appropriated is for state fleet rate adjustments in
 7 fiscal year 2022-2023. The joint legislative budget committee staff, in
 8 consultation with the governor's office of strategic planning and
 9 budgeting staff, shall determine and the department of administration
 10 shall allocate to each agency or department an amount for the state fleet
 11 rate adjustments. The joint legislative budget committee staff shall also
 12 determine and the department of administration shall allocate adjustments,
 13 as necessary, in expenditure authority for state fleet rate adjustments.

14 Sec. 122. Appropriations; salary increases; report; budget
 15 estimates; report; expenditure plan; fiscal year
 16 2022-2023

17 A. In addition to any other appropriations made in fiscal year
 18 2022-2023, the sum of \$49,140,300 from the state general fund and
 19 \$61,635,400 from other funds are appropriated for a ten percent salary
 20 increase for state employees other than elected officials, judges and
 21 employees in state universities, the state department of corrections, the
 22 department of juvenile corrections and the department of public safety
 23 beginning from and after July 8, 2022.

24 B. In addition to any other appropriations made in fiscal year
 25 2022-2023, the sum of \$116,656,800 is appropriated from the state general
 26 fund to the state department of corrections for a twenty percent salary
 27 increase for all department staff beginning from and after July 8, 2022.

28 C. In addition to any other appropriations made in fiscal year
 29 2022-2023, the sum of \$24,478,800 is appropriated from the state general
 30 fund to the department of public safety for a fifteen percent salary
 31 increase for all department staff beginning from and after July 8, 2022.

32 D. In addition to any other appropriations made in fiscal year
 33 2022-2023, the sum of \$5,154,100 is appropriated from the state general
 34 fund to the department of juvenile corrections for a twenty percent salary
 35 increase for all department staff beginning from and after July 8, 2022.

36 E. In addition to any other appropriations made in fiscal year
 37 2022-2023, the following amounts are appropriated to the following
 38 agencies from the following fund sources for additional state employee
 39 salary increases in fiscal year 2022-2023:

<u>Agency</u>	<u>State general fund</u>	<u>Other appropriated funds</u>
42 Arizona department of agriculture	\$1,173,200	\$ 0
43 Arizona health care cost 44 containment system	\$ 288,300	\$ 0

1	Department of child safety	\$3,402,100	\$ 0
2	Corporation commission	\$ 0	\$ 19,300
3	Department of economic security	\$6,136,100	\$ 0
4	Board of executive clemency	\$ 44,300	\$ 0
5	State board of funeral		
6	directors and embalmers	\$ 0	\$ 14,000
7	Department of health services	\$2,278,900	\$ 0
8	Department of insurance		
9	and financial institutions	\$ 0	\$109,100
10	Arizona judiciary		
11	Supreme court	\$ 553,900	\$ 0
12	Court of appeals	\$ 386,500	\$ 0
13	Superior court	\$ 75,100	\$ 0
14	State land department	\$ 27,800	\$ 0
15	Legislature		
16	Auditor general	\$ 576,600	\$ 0
17	Department of liquor licenses		
18	and control	\$ 0	\$382,100
19	Arizona pioneers' home	\$ 0	\$412,700

20 F. For the purpose of implementing subsections A and E of this
21 section, the joint legislative budget committee staff, in consultation
22 with the governor's office of strategic planning and budgeting staff,
23 shall determine and the department of administration shall allocate to
24 each agency or department an amount by fund for the salary increases. The
25 joint legislative budget committee staff shall also determine and the
26 department of administration shall allocate adjustments, as necessary, in
27 expenditure authority to allow for the salary increases.

28 G. On or before September 30, 2022, the governor's office of
29 strategic planning and budgeting shall submit a report to the joint
30 legislative budget committee detailing the actual raises given by agency
31 and classification pursuant to subsection E of this section.

32 H. The state department of corrections and the department of public
33 safety shall submit an expenditure plan to the joint legislative budget
34 committee for review before spending any monies appropriated by this
35 section other than for personal services or employee-related expenditures.

36 I. Each budget unit that receives an increase pursuant to this
37 section shall request an allocation of these monies by fund and by line
38 item as an adjustment for fiscal year 2023-2024 when the budget unit
39 submits its fiscal year 2023-2024 budget estimates pursuant to section
40 35-113, Arizona Revised Statutes.

41 Sec. 123. Department of law; general agency counsel charges:
42 fiscal year 2022-2023

43 Pursuant to section 41-191.09, Arizona Revised Statutes, the
44 following state agencies and departments are charged the following amounts

1 in fiscal year 2022-2023 for general agency counsel provided by the
 2 department of law:

3	1. Department of administration	\$127,700
4	2. Office of administrative hearings	\$ 3,000
5	3. Arizona arts commission	\$ 3,100
6	4. Citizens clean elections commission	\$ 2,700
7	5. State department of corrections	\$ 2,000
8	6. Arizona criminal justice commission	\$ 8,700
9	7. Arizona state schools for the deaf	
10	and the blind	\$100,200
11	8. Commission for the deaf and the hard	
12	of hearing	\$ 4,100
13	9. Arizona early childhood development and	
14	health board	\$ 47,100
15	10. Department of education	\$132,000
16	11. Department of emergency and military affairs	\$ 30,000
17	12. Department of environmental quality	\$135,600
18	13. Arizona exposition and state fair board	\$ 20,900
19	14. Arizona department of forestry and fire	
20	management	\$ 13,400
21	15. Department of gaming	\$ 37,300
22	16. Department of health services	\$173,800
23	17. Arizona historical society	\$ 700
24	18. Arizona department of housing	\$ 19,300
25	19. Department of insurance and financial	
26	institutions	\$ 13,800
27	20. Department of juvenile corrections	\$ 9,400
28	21. State land department	\$ 2,100
29	22. Department of liquor licenses and control	\$ 11,400
30	23. Arizona state lottery commission	\$ 24,800
31	24. Arizona state parks board	\$ 45,800
32	25. State personnel board	\$ 600
33	26. Arizona pioneers' home	\$ 12,100
34	27. Department of public safety	\$677,400
35	28. Arizona board of regents	\$ 1,800
36	29. Arizona state retirement system	\$ 69,100
37	30. Department of revenue	\$ 4,900
38	31. Department of state – secretary of state	\$ 1,800
39	32. State treasurer	\$ 9,200
40	33. Department of veterans' services	\$ 52,700

41 Fiscal Year 2023-2024 and 2024-2025 appropriations

42 Sec. 124. Appropriation; new school facilities fund; use;
 43 fiscal year 2023-2024

44 A. The sum of \$31,753,900 is appropriated from the state general
 45 fund in fiscal year 2023-2024 for a onetime deposit in the new school

1 facilities fund established by section 41-5741, Arizona Revised Statutes.
2 The division of school facilities within the department of administration
3 shall use the monies only for facilities that will be constructed for
4 school districts that received final approval from the division of school
5 facilities within the department of administration on or before
6 December 15, 2021.

7 Sec. 125. Appropriation; state treasurer; accuracy; voter
8 registration rolls; fiscal year 2023-2024

9 The sum of \$6,000,000 is appropriated from the state general fund in
10 fiscal year 2023-2024 to the state treasurer's office for distribution to
11 county recorders offices in counties with a population of more than two
12 hundred thousand persons according to the 2020 United States decennial
13 census. The state treasurer shall allocate monies to the county recorder
14 offices proportionally based on population according to the 2020 United
15 State decennial census. The monies shall be used by county recorders to
16 review the accuracy of the voter registration rolls, including whether any
17 registrations should be canceled pursuant to section 16-165, Arizona
18 Revised Statutes.

19 Sec. 126. Appropriations; state treasurer; ballot paper;
20 exemption; fiscal year 2023-2024 and 2024-2025

21 A. The sum of \$5,000,000 is appropriated from the state general
22 fund in fiscal year 2023-2024 and the sum of \$6,000,000 is appropriated
23 from the state general fund in fiscal year 2024-2025 to the state
24 treasurer's office to distribute on a proportional basis to county
25 recorders that purchase ballot paper that uses specific security features,
26 including watermarks or unique ballot identifiers, or both.

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

30 Reporting Requirements and Definitions

31 Sec. 127. COVID-related expenditures; reporting requirements;
32 intent

33 A. Before spending monies from the coronavirus state fiscal
34 recovery fund and the coronavirus capital projects fund as appropriated by
35 section 9901 of the American rescue plan act of 2021 (P.L. 117-2) in the
36 amount of \$10,000,000 or more for one designated purpose, the office of
37 the governor shall notify the president of the senate, the speaker of the
38 house of representatives, the chairpersons of the senate and house of
39 representatives appropriations committees and the director of the joint
40 legislative budget committee of the intended use of the monies.

41 B. Within thirty days after the last day of each calendar quarter
42 through June 30, 2025, the office of the governor shall report to the
43 president of the senate, the speaker of the house of representatives, the
44 chairpersons of the senate and house of representatives appropriations
45 committees and the director of the joint legislative budget committee the

1 actual expenditures from the coronavirus state fiscal recovery fund and
2 the coronavirus capital projects fund as appropriated by section 9901 of
3 the American rescue plan act of 2021 (P.L. 117-2).

4 C. Before spending monies allocated to the superintendent of public
5 instruction from the elementary and secondary school emergency relief fund
6 as appropriated by section 2001 of the American rescue plan act of 2021
7 (P.L. 117-2) in the amount of \$10,000,000 or more for one designated
8 purpose, the superintendent of public instruction shall notify the
9 president of the senate, the speaker of the house of representatives, the
10 chairpersons of the senate and house of representatives appropriations
11 committees and the director of the joint legislative budget committee of
12 the intended use of the monies.

13 D. Within thirty days after the last day of each calendar quarter
14 through June 30, 2025, the superintendent of public instruction shall
15 report to the president of the senate, the speaker of the house of
16 representatives, the chairpersons of the senate and house of
17 representatives appropriations committees and the director of the joint
18 legislative budget committee the actual expenditure of monies allocated to
19 the superintendent of public instruction from the elementary and secondary
20 school emergency relief fund as appropriated by section 2001 of the
21 American rescue plan act of 2021 (P.L. 117-2).

22 E. Within thirty days after the last day of each calendar quarter
23 through June 30, 2025, the Arizona board of regents shall report to the
24 president of the senate, the speaker of the house of representatives, the
25 chairpersons of the senate and house of representatives appropriations
26 committees and the director of the joint legislative budget committee the
27 actual expenditure of monies from the higher education emergency relief
28 fund as appropriated by section 2003 of the American rescue plan act of
29 2021 (P.L. 117-2) by Arizona state university, the university of Arizona
30 and northern Arizona university.

31 F. Within thirty days after the last day of each calendar quarter
32 through June 30, 2025, each community college district shall report to the
33 president of the senate, the speaker of the house of representatives, the
34 chairpersons of the senate and house of representatives appropriations
35 committees and the director of the joint legislative budget committee the
36 actual expenditure of monies from the higher education emergency relief
37 fund as appropriated by section 2003 of the American rescue plan act of
38 2021 (P.L. 117-2).

39 G. Reports required pursuant to this section shall delineate
40 expenditures by agency and program and include descriptions of the purpose
41 of the expenditures.

42 H. The legislature intends that the executive branch of state
43 government report on its planned and actual use of any major additional
44 federal aid to this state through federal legislation enacted by the end
45 of fiscal year 2022-2023. The timing and frequency of these reports

1 should be the same as required by subsections A through F of this section.
 2 The chairperson and vice chairperson of the joint legislative budget
 3 committee may provide recommendations to the executive branch concerning
 4 federal legislation that would qualify under this subsection.

5 Sec. 128. Legislative intent; expenditure reporting

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

16 Sec. 129. FTE positions; reporting; definition

17 Full-time equivalent (FTE) positions contained in this act are
 18 subject to appropriation. The director of the department of
 19 administration shall account for the use of all appropriated and
 20 nonappropriated FTE positions, excluding those in the universities. The
 21 director of the department of administration shall submit the fiscal year
 22 2022-2023 report on or before October 1, 2023 to the director of the joint
 23 legislative budget committee. The report shall compare the level of
 24 appropriated FTE usage in each fiscal year to the appropriated level. For
 25 the purposes of this section, "FTE positions" means the total number of
 26 hours worked, including both regular and overtime hours as well as hours
 27 taken as leave, divided by the number of hours in a work year. The
 28 director of the department of administration shall notify the director of
 29 a budget unit if the budget unit's appropriated FTE usage has exceeded its
 30 number of appropriated FTE positions. Each university shall report to the
 31 director of the joint legislative budget committee in a manner comparable
 32 to the department of administration reporting.

33 Sec. 130. Filled FTE positions; reporting

34 On or before October 1, 2022, each agency, including the judiciary
 35 and universities, shall submit a report to the director of the joint
 36 legislative budget committee on the number of filled appropriated and
 37 nonappropriated FTE positions, by fund source, as of September 1, 2022.

38 Sec. 131. Transfer of spending authority

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

1 Sec. 132. Interim reporting requirements

2 A. State general fund revenue for fiscal year 2021-2022, including
3 a beginning balance of \$894,636,000 and other onetime revenues, is
4 forecasted to be \$17,808,800,000.

5 B. State general fund revenue for fiscal year 2022-2023, including
6 onetime revenues, is forecasted to be \$16,671,100,000.

7 C. State general fund revenue for fiscal year 2023-2024, including
8 onetime revenues, is forecasted to be \$15,797,700,000. State general fund
9 expenditures for fiscal year 2023-2024 are forecasted to be
10 \$15,194,800,000.

11 D. State general fund revenue for fiscal year 2024-2025, including
12 onetime revenues, is forecasted to be \$15,900,800,000. State general fund
13 expenditures for fiscal year 2024-2025 are forecasted to be
14 \$15,849,300,000.

15 E. On or before September 15, 2022, the executive branch shall
16 provide to the joint legislative budget committee a preliminary estimate
17 of the fiscal year 2021-2022 state general fund ending balance. The
18 estimate shall include projections of total revenues, total expenditures
19 and an ending balance. The department of administration shall continue to
20 provide the final report for the fiscal year in its annual financial
21 report pursuant to section 35-131, Arizona Revised Statutes.

22 F. Based on the information provided by the executive branch, the
23 staff of the joint legislative budget committee shall report to the joint
24 legislative budget committee on or before October 15, 2022 whether the
25 fiscal year 2022-2023 revenues and ending balance are expected to change
26 by more than \$50,000,000 from the budgeted projections. The joint
27 legislative budget committee staff may make technical adjustments to the
28 revenue and expenditure estimates in this section to reflect other bills
29 enacted into law. The executive branch may also provide its own estimates
30 to the joint legislative budget committee on or before October 15, 2022.

31 Sec. 133. Definition

32 For the purposes of this act, "*" means this appropriation is a
33 continuing appropriation and is exempt from the provisions of section
34 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

35 Sec. 134. Definition

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

39 Sec. 135. Definition

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