

Senate Engrossed

state parks; lottery; heritage fund

State of Arizona  
Senate  
Fifty-fifth Legislature  
Second Regular Session  
2022

# SENATE BILL 1270

AN ACT

AMENDING SECTIONS 5-572 AND 41-502, ARIZONA REVISED STATUTES;  
APPROPRIATING MONIES; RELATING TO THE ARIZONA STATE PARKS HERITAGE FUND.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Section 5-572, Arizona Revised Statutes, is amended to  
3 read:

4 5-572. Use of monies in state lottery fund; report

5 A. If there are any bonds or bond related obligations payable from  
6 the state lottery revenue bond debt service fund, the state lottery  
7 revenue bond debt service fund shall be secured by a first lien on the  
8 monies in the state lottery fund after the payment of operating costs of  
9 the lottery, as prescribed in section 5-555, subsection A, paragraph 1,  
10 until the state lottery bond debt service fund contains sufficient monies  
11 to meet all the requirements for the current period as required by the  
12 bond documents. Debt service for revenue bonds issued pursuant to this  
13 chapter shall be paid first from monies that would have otherwise been  
14 deposited pursuant to this section in the state general fund. After the  
15 requirements for the current period have been satisfied as required by the  
16 bond documents, the monies in the state lottery fund shall be expended for  
17 the expenses of the commission incurred in carrying out its powers and  
18 duties and in the operation of the lottery.

19 B. Of the monies remaining in the state lottery fund each fiscal  
20 year after appropriations and deposits authorized in subsection A of this  
21 section, ~~ten million dollars~~ \$10,000,000 shall be deposited in the Arizona  
22 game and fish commission heritage fund established by section 17-297.

23 C. Of the monies remaining in the state lottery fund each fiscal  
24 year after appropriations and deposits authorized in subsections A and B  
25 of this section, ~~five million dollars~~ \$5,000,000 shall be allocated to the  
26 department of child safety for the healthy families program established by  
27 section 8-481, ~~four million dollars~~ \$4,000,000 shall be allocated to the  
28 Arizona board of regents for the Arizona area health education system  
29 established by section 15-1643, ~~three million dollars~~ \$3,000,000 shall be  
30 allocated to the department of health services to fund the teenage  
31 pregnancy prevention programs established in Laws 1995, chapter 190,  
32 sections 2 and 3, ~~two million dollars~~ \$2,000,000 shall be allocated to the  
33 department of health services for the health start program established by  
34 section 36-697, ~~two million dollars~~ \$2,000,000 shall be deposited in the  
35 disease control research fund established by section 36-274, ~~and one~~  
36 ~~million dollars~~ \$1,000,000 shall be allocated to the department of health  
37 services for the federal women, infants and children food program AND  
38 BEGINNING IN FISCAL YEAR 2023-2024 AND EACH YEAR THEREAFTER, \$3,000,000  
39 SHALL BE DEPOSITED IN THE ARIZONA STATE PARKS HERITAGE FUND ESTABLISHED BY  
40 SECTION 41-502. The allocations in this subsection shall be adjusted  
41 annually according to changes in the GDP price deflator as defined in  
42 section 41-563 and the allocations are exempt from the provisions of  
43 section 35-190 relating to lapsing of appropriations. If there are not  
44 sufficient monies available pursuant to this subsection, the allocation of  
45 monies for each program shall be reduced on a pro rata basis.

1 D. If the state lottery director determines that monies available  
2 to the state general fund may not equal ~~eighty-four million one hundred~~  
3 ~~fifty thousand dollars~~ \$84,150,000 in a fiscal year, the director shall  
4 not authorize deposits to the Arizona game and fish commission heritage  
5 fund OR THE ARIZONA STATE PARKS HERITAGE FUND pursuant to subsection B OR  
6 C of this section until the deposits to the state general fund equal  
7 ~~eighty-four million one hundred fifty thousand dollars~~ \$84,150,000 in a  
8 fiscal year.

9 E. Of the monies remaining in the state lottery fund each fiscal  
10 year after appropriations and deposits authorized in subsections A through  
11 D of this section, ~~one million dollars~~ \$1,000,000 or the remaining balance  
12 in the fund, whichever is less, is appropriated to the department of  
13 economic security for grants to nonprofit organizations, including faith  
14 based organizations, for homeless emergency and transitional shelters and  
15 related support services. The department of economic security shall  
16 submit a report on the amounts, recipients, purposes and results of each  
17 grant to the governor, the speaker of the house of representatives and the  
18 president of the senate on or before December 31 of each year for the  
19 prior fiscal year and shall provide a copy of this report to the secretary  
20 of state.

21 F. Of the monies remaining in the state lottery fund each fiscal  
22 year after appropriations and deposits authorized in subsections A through  
23 E of this section, and after a total of at least ~~ninety-nine million six~~  
24 ~~hundred forty thousand dollars~~ \$99,640,000 has been deposited in the state  
25 general fund, ~~three million five hundred thousand dollars~~ \$3,500,000 shall  
26 be deposited in the Arizona competes fund established by section  
27 41-1545.01. The balance in the state lottery fund remaining after  
28 deposits into the Arizona competes fund shall be deposited in the  
29 university capital improvement lease-to-own and bond fund established by  
30 section 15-1682.03, up to a maximum of eighty percent of the total annual  
31 payments of lease-to-own and bond agreements entered into by the Arizona  
32 board of regents.

33 G. All monies remaining in the state lottery fund after the  
34 appropriations and deposits authorized in this section shall be deposited  
35 in the state general fund.

36 H. Except for monies expended for debt service of revenue bonds as  
37 provided in subsection A of this section, monies expended under subsection  
38 A of this section are subject to legislative appropriation.

39 I. The commission shall transfer monies prescribed in this section  
40 on a quarterly basis.

41 Sec. 2. Section 41-502, Arizona Revised Statutes, is amended to  
42 read:

43 41-502. Arizona state parks heritage fund; exemption

44 A. The Arizona state parks heritage fund is established consisting  
45 of MONIES DEPOSITED FROM THE STATE LOTTERY FUND PURSUANT TO SECTION 5-572

1 AND INTEREST EARNED ON THOSE MONIES, legislative appropriations, grants  
2 and donations.

3 B. The Arizona state parks board shall administer the fund. Monies  
4 in the fund are continuously appropriated. On notice from the Arizona  
5 state parks board, the state treasurer shall invest and divest monies in  
6 the fund as provided by section 35-313, and monies earned from investment  
7 shall be credited to the fund. Monies in the fund are exempt from the  
8 provisions of section 35-190 relating to lapsing of appropriations.

9 Sec. 3. Exemption from rulemaking

10 For the purposes of this act, the Arizona state parks board is  
11 exempt from the rulemaking requirements of title 41, chapter 6, Arizona  
12 Revised Statutes, for one year after the effective date of this act.

13 Sec. 4. State lottery fund; appropriations; Arizona state  
14 parks heritage fund

15 A. Of the monies remaining in the state lottery fund established by  
16 section 5-571, Arizona Revised Statutes, each fiscal year after  
17 appropriations and deposits authorized in section 5-572, subsections A and  
18 B, Arizona Revised Statutes, as amended by this act, the sum of \$1,000,000  
19 in fiscal year 2022-2023 and the sum of \$2,000,000 in fiscal year  
20 2023-2024 are appropriated from the state lottery fund to the Arizona  
21 state parks heritage fund established by section 41-502, Arizona Revised  
22 Statutes, as amended by this act.

23 B. The requirements prescribed in section 5-572, subsections C and  
24 D, Arizona Revised Statutes, as amended by this act, apply to the  
25 appropriations made in this section.