

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

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

## **SB 1729**

Introduced by  
Senators Fann: Borrelli, Gowan, Gray, Leach (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 |
|-----------------------|---------------|

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

|    |  |
|----|--|
|    | <u>2022-23</u>                               |
| 42 |  |
| 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

|    |                                 |                |
|----|---------------------------------|----------------|
| 21 |                                 | <u>2022-23</u> |
| 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

|    | <u>2022-23</u> |
|----|----------------|
| 38 |                |
| 39 | 63.1           |
| 40 | \$ 1,866,400   |
| 41 | 758,700        |
| 42 | 1,885,500      |
| 43 | 1,544,900      |
| 44 | 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 |
|----|---------------------------------|

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 |
|----|--------------------|---------------|

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

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

42 Sec. 57. ARIZONA STATE LOTTERY COMMISSION

|                                  |                |
|----------------------------------|----------------|
|                                  | <u>2022-23</u> |
| FTE positions                    | 98.8           |
| 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     |

18 Sec. 96. WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA

|   |                    |
|---|--------------------|
|   | <u>2022-23</u>     |
| 20 Eastern Arizona water projects             |                    |
| 21 assistance grants                          | <u>10,000,000*</u> |
| 22 Total appropriation – water infrastructure |                    |
| 23 finance authority of Arizona               | \$ 10,000,000      |
| 24 Fund sources:                              |                    |
| 25 State general fund                         | \$ 10,000,000      |

26 Of the amount appropriated to the eastern Arizona water projects  
 27 assistance grants line item, \$6,000,000 is allocated to provide financial  
 28 assistance to cities and towns that provide water in Navajo and Apache  
 29 counties to contract for services of outside advisors, attorneys,  
 30 consultants and aides that are reasonably necessary or desirable to enable  
 31 the cities and towns to adequately perform their duties. The water  
 32 infrastructure finance authority of Arizona shall develop a separate grant  
 33 program to distribute these monies to qualified entities on or before June  
 34 30, 2023.

35 Of the amount appropriated to the eastern Arizona water projects  
 36 assistance grants line item, \$4,000,000 is allocated to provide financial  
 37 assistance to irrigation districts in Cochise and Graham counties to  
 38 contract for services of outside advisors, attorneys, consultants and  
 39 aides that are reasonably necessary or desirable to enable the irrigation  
 40 districts to adequately perform their duties. Each county shall receive a  
 41 \$2,000,000 allocation. The water infrastructure finance authority of  
 42 Arizona shall develop a separate grant program to distribute these monies  
 43 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<br/>fund</u> | <u>Other appropriated<br/>funds</u> |
|--|-------------------------------|-------------------------------------|
| 42 Arizona department of agriculture                 | \$1,173,200                   | \$ 0                                |
| 43 Arizona health care cost<br>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.