

REFERENCE TITLE: **general appropriations act; 2023-2024**

State of Arizona
House of Representatives
Fifty-sixth Legislature
First Regular Session
2023

HB 2810

Introduced by
Representatives Livingston: Chaplik (with permission of Committee on
Rules)

AN ACT

AMENDING LAWS 2022, CHAPTER 313, SECTION 49; AMENDING LAWS 2022, CHAPTER
313, SECTION 126; 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 2022, chapter 313, section 49 is amended to read:
3 Sec. 49. ARIZONA DEPARTMENT OF HOUSING

4		<u>2022-23</u>
5	FTE positions	3.0
6	Operating lump sum appropriation	\$ 322,700
7	Housing trust fund deposit	60,000,000
8	Homeless services grant pilot	<u>10,000,000</u>
9	Total appropriation – Arizona department	
10	of housing	\$ 70,322,700
11	Fund sources:	
12	State general fund	\$ 70,000,000
13	Housing trust fund	322,700

14 All monies from the housing trust fund deposit shall be distributed
15 in the form of grants, not loans, to projects in cities, towns and
16 counties in this state. Of the \$60,000,000 appropriated to the housing
17 trust fund, \$20,000,000 must be distributed to projects in counties other
18 than Maricopa and Pima counties and an additional \$4,000,000 must be
19 distributed to, **OR FOR PROJECTS ON**, the Navajo and Hopi tribal nations.

20 The Arizona department of housing shall use the monies appropriated
21 for the homeless services grant pilot to establish a grant program for
22 cities, towns and counties in this state for homeless services programs
23 designed to reduce homelessness. Eligible programs must allow homeless
24 individuals to be compensated for daily work, offer a daily remuneration
25 rate and help participants to access support services. Participating
26 cities, towns and counties must provide a dollar-for-dollar local match
27 for each grant dollar received. The department shall prioritize awarding
28 grants to cities, towns and counties that have an established program that
29 meets the grant requirements.

30 Sec. 2. Laws 2022, chapter 313, section 126 is amended to read:

31 Sec. 126. Appropriation: new school facilities fund: use:
32 fiscal year 2023-2024

33 ~~A.~~ The sum of ~~\$31,753,900~~ \$26,365,000 is appropriated from the
34 state general fund in fiscal year 2023-2024 for a onetime deposit in the
35 new school facilities fund established by section 41-5741, Arizona Revised
36 Statutes. The division of school facilities within the department of
37 administration shall use the monies only for facilities that will be
38 constructed for school districts that received final approval from the
39 division of school facilities within the department of administration on
40 or before December 15, 2021.

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

1	Sec. 4. ARIZONA STATE BOARD OF ACCOUNTANCY	
2		<u>2023-24</u>
3	FTE positions	14.0
4	Lump sum appropriation	\$ 2,236,600
5	Fund sources:	
6	Board of accountancy fund	\$ 2,236,600
7	Sec. 5. ACUPUNCTURE BOARD OF EXAMINERS	
8		<u>2023-24</u>
9	FTE positions	1.0
10	Lump sum appropriation	\$ 194,300
11	Fund sources:	
12	Acupuncture board of examiners	
13	fund	\$ 194,300
14	Sec. 6. DEPARTMENT OF ADMINISTRATION	
15		<u>2023-24</u>
16	FTE positions	539.1
17	Operating lump sum appropriation	\$ 91,914,700
18	Utilities	7,649,900
19	Arizona financial information	
20	system	14,442,100
21	Risk management administrative	
22	expenses	10,870,700
23	Risk management losses and	
24	premiums	52,436,300
25	Workers' compensation losses	
26	and premiums	28,395,000
27	Cyber risk insurance	23,037,200
28	Information technology project	
29	management and oversight	1,667,300
30	State surplus property sales	
31	agency proceeds	1,810,000
32	Employee compensation study	4,000,000
33	Health care interoperability grants	3,000,000
34	Fire incident management	
35	fund deposit	12,200,000
36	K-12 transportation grants	15,000,000
37	Miami unified school district	
38	gym floors	350,000
39	Southwest defense contracts	25,000
40	Government transformation office	<u>2,063,000</u>
41	Total appropriation – department of	
42	administration	\$268,861,200

1	Fund sources:	
2	State general fund	\$ 43,900,900
3	Air quality fund	928,000
4	Arizona financial information	
5	system collections fund	14,442,100
6	Automation operations fund	29,901,000
7	Capital outlay stabilization fund	19,200,200
8	Corrections fund	634,600
9	Cyber risk insurance fund	23,037,200
10	Federal surplus materials revolving	
11	fund	468,500
12	Information technology fund	2,292,000
13	Personnel division fund	13,779,500
14	Risk management revolving fund	99,955,800
15	Special employee health insurance	
16	trust fund	5,719,900
17	Special services revolving fund	1,257,300
18	State surplus materials revolving	
19	fund	3,064,600
20	State web portal fund	8,465,600
21	Telecommunications fund	1,814,000

22 The amount appropriated for southwest defense contracts shall be
 23 distributed to a nonprofit organization that advocates for preserving and
 24 enhancing critical defense missions and assets in the southwestern United
 25 States.

26 The appropriation from the automation operations fund established by
 27 section 41-711, Arizona Revised Statutes, is an estimate representing all
 28 monies, including balance forward, revenues and transfers during fiscal
 29 year 2023-2024. These monies are appropriated to the department of
 30 administration for the purposes established in section 41-711, Arizona
 31 Revised Statutes. The appropriation is adjusted as necessary to reflect
 32 monies credited to the automation operations fund for automation operation
 33 center projects. Before spending any automation operations fund monies in
 34 excess of \$29,901,000 in fiscal year 2023-2024, the department shall
 35 report the intended use of the monies to the joint legislative budget
 36 committee.

37 On or before September 1, 2024, the department shall submit a report
 38 to the joint legislative budget committee on the results of pilot projects
 39 implemented in fiscal year 2023-2024 for the state employee public
 40 transportation service reimbursements pursuant to section 41-710.01,
 41 Arizona Revised Statutes, in a vehicle emissions control area as defined
 42 in section 49-541, Arizona Revised Statutes, of a county with a population
 43 of more than four hundred thousand persons.

1 All state surplus materials revolving fund monies received by the
 2 department of administration in excess of \$3,064,600 in fiscal year
 3 2023-2024 are appropriated to the department. Before spending state
 4 surplus materials revolving fund monies in excess of \$3,064,600 in fiscal
 5 year 2023-2024, the department shall report the intended use of the monies
 6 to the joint legislative budget committee.

7 Of the amount appropriated for the Arizona financial information
 8 system line item in fiscal year 2023-2024, \$4,000,000 is exempt from the
 9 provisions of section 35-190, Arizona Revised Statutes, relating to
 10 lapsing of appropriations, until June 30, 2025.

11 On or before November 1, 2024, the department shall submit a report
 12 to the director of the joint legislative budget committee on expenditures
 13 made from the cyber risk insurance fund established by section 41-622,
 14 Arizona Revised Statutes, from the prior year.

15 On or before October 1, 2024, the department shall submit a report
 16 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 and the director of the joint
 19 legislative budget committee on the outcome of the employee compensation
 20 study.

21 The amount appropriated for the K-12 transportation grants line item
 22 in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section 5 is
 23 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 24 relating to the lapsing of appropriations, until June 30, 2024.

25 Sec. 7. DEPARTMENT OF ADMINISTRATION, DIVISION OF SCHOOL FACILITIES

26		<u>2023-24</u>
27	FTE positions	17.0
28	Operating lump sum appropriation	\$ 1,647,100
29	School facilities inspections	1,000,000*
30	New school facilities debt service	9,938,100
31	Building renewal grants deposit	199,967,900
32	Santa Cruz Valley new school	2,000,000
33	New school facilities	<u>116,089,400</u>
34	Total appropriation – department of	
35	administration, division	
36	of school facilities	\$330,642,500
37	Fund sources:	
38	State general fund	\$330,642,500

39 Pursuant to section 35-142.01, Arizona Revised Statutes, any
 40 reimbursement received by or allocated to the division of school
 41 facilities under the federal qualified school construction bond program in
 42 fiscal year 2023-2024 shall be deposited in or revert to the state general
 43 fund.

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

5 Pursuant to section 41-5741, Arizona Revised Statutes, the amount
 6 appropriated for new school facilities shall be used only for facilities
 7 and land costs for school districts that received final approval from the
 8 division of school facilities on or before December 15, 2022.

9 The division of school facilities may also use the unencumbered
 10 balance of up to \$22,811,800 in the new school facilities fund established
 11 by section 41-5741, Arizona Revised Statutes, for facilities and land
 12 costs for school districts that received final approval from the division
 13 of school facilities on or before December 15, 2022, pursuant to section
 14 41-5741, Arizona Revised Statutes.

15 After approving a distribution of funding for a land purchase, a
 16 land lease or the construction of a new school, the division of school
 17 facilities shall report to the joint legislative budget committee and the
 18 governor's office of strategic planning and budgeting the final amount of
 19 the distribution.

20 Sec. 8. OFFICE OF ADMINISTRATIVE HEARINGS

		<u>2023-24</u>
21		
22	FTE positions	12.0
23	Operating lump sum appropriation	\$ 998,900
24	Increased workload	<u>180,000</u>
25	Total appropriation – office of	
26	administrative hearings	\$ 1,178,900
27	Fund sources:	
28	State general fund	\$ 1,178,900

29 The amount appropriated in the increased workload line item reverts
 30 to the state general fund if a bill addressing provider claims against
 31 insurers does not become law in the first regular session of the
 32 fifty-sixth legislature.

33 Sec. 9. ARIZONA DEPARTMENT OF AGRICULTURE

		<u>2023-24</u>
34		
35	FTE positions	209.9
36	Operating lump sum appropriation	\$ 17,504,200
37	Agricultural employment relations	
38	board	23,300
39	Animal damage control	65,000
40	Red imported fire ant control	23,200
41	Agricultural consulting and	
42	training	<u>136,300</u>
43	Total appropriation – Arizona department	
44	of agriculture	\$ 17,752,000

1	Fund sources:	
2	State general fund	\$ 16,154,200
3	Air quality fund	1,597,800
4	Sec. 10. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM	
5		<u>2023-24</u>
6	FTE positions	2,358.3
7	Operating lump sum appropriation	\$ 137,506,600
8	Administration	
9	AHCCCS data storage	19,325,800
10	DES eligibility	97,074,500
11	Proposition 204 – AHCCCS	
12	administration	15,367,300
13	Proposition 204 – DES eligibility	44,358,700
14	<u>Medicaid services</u>	
15	Traditional medicaid services	7,977,675,900
16	Proposition 204 services	7,038,319,000
17	Adult expansion services	926,824,300
18	Comprehensive medical and	
19	dental program	203,903,500
20	KidsCare services	186,394,000
21	ALTCS services	2,680,175,800
22	Behavioral health services	
23	in schools	9,120,600
24	<u>Nonmedicaid behavioral health services</u>	
25	Crisis services	16,391,300
26	Nonmedicaid seriously mentally	
27	ill services	77,646,900
28	Supported housing	65,324,800
29	<u>Hospital payments</u>	
30	Disproportionate share payments	5,087,100
31	Disproportionate share payments –	
32	voluntary match	69,735,200
33	Rural hospitals	41,074,400
34	Graduate medical education	426,531,500
35	Targeted investments program	26,000,000
36	On-call obstetrics and	
37	gynecological services	<u>7,500,000*</u>
38	Total appropriation and expenditure	
39	authority – Arizona health	
40	care cost containment system	\$20,071,337,200
41	Fund sources:	
42	State general fund	\$ 2,515,415,000
43	Budget neutrality compliance fund	4,669,300

1	Children's health insurance	
2	program fund	150,835,600
3	Prescription drug rebate	
4	fund – state	165,160,800
5	Seriously mentally ill	
6	housing trust fund	217,300
7	Substance abuse services fund	2,250,200
8	Tobacco products tax fund –	
9	emergency health services	
10	account	17,458,500
11	Tobacco tax and health care	
12	fund – medically needy account	67,258,900
13	Expenditure authority	17,148,071,600

14 Operating budget

15 The amount appropriated for the DES eligibility line item shall be
16 used for intergovernmental agreements with the department of economic
17 security for eligibility determination and other functions. The state
18 general fund share may be used for eligibility determination for other
19 programs administered by the division of benefits and medical eligibility
20 based on the results of the Arizona random moment sampling survey.

21 The amounts included in the proposition 204 – AHCCCS administration,
22 proposition 204 – DES eligibility and proposition 204 services line items
23 include all available sources of funding consistent with section
24 36-2901.01, subsection B, Arizona Revised Statutes.

25 Of the amount appropriated in the operating lump sum, \$700,000 from
26 the state general fund and \$6,300,000 from expenditure authority is for
27 replacement of the prepaid medicaid management information system and is
28 exempt from the provisions of section 35-190, Arizona Revised Statutes,
29 relating to lapsing of appropriations, until June 30, 2025.

30 Before spending the monies for the replacement of the prepaid
31 medicaid management information system, the Arizona strategic enterprise
32 technology office shall submit, on behalf of the Arizona health care cost
33 containment system, an expenditure plan for review by the joint
34 legislative budget committee. The report shall include the project cost,
35 deliverables, the timeline for completion and the method of procurement
36 that are consistent with the department's prior reports for its
37 appropriations from the automation projects fund.

38 Medical services and behavioral health services

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

1 The Arizona health care cost containment system administration shall
2 report to the joint legislative budget committee on or before March 1,
3 2024 on preliminary actuarial estimates of the capitation rate changes for
4 the following fiscal year along with the reasons for the estimated
5 changes. For any actuarial estimates that include a range, the total
6 range from minimum to maximum may not be more than two percent. Before
7 implementing any changes in capitation rates, the administration shall
8 report its expenditure plan for review by the joint legislative budget
9 committee. Before the administration implements any change in policy
10 affecting the amount, sufficiency, duration and scope of health care
11 services and who may provide services, the administration shall prepare a
12 fiscal impact analysis on the potential effects of this change on the
13 following year's capitation rates. If the fiscal impact analysis
14 demonstrates that this change will result in additional state costs of
15 \$1,000,000 or more for any fiscal year, the administration shall submit
16 the policy change for review by the joint legislative budget committee.

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

20 The Arizona health care cost containment system administration shall
21 transfer up to \$1,200,000 from the traditional medicaid services line item
22 for fiscal year 2023-2024 to the attorney general for costs associated
23 with e-cigarette enforcement and tobacco settlement litigation.

24 The Arizona health care cost containment system administration shall
25 transfer \$836,000 from the traditional medicaid services line item for
26 fiscal year 2023-2024 to the department of revenue for enforcement costs
27 associated with the March 13, 2013 master settlement agreement with
28 tobacco companies.

29 The amount appropriated for the ALTCS services line item includes
30 \$347,740,500 from expenditure authority to implement the American rescue
31 plan act of 2021 (P.L. 117-2) home and community-based services spending
32 plan in fiscal year 2023-2024. The administration may not use these
33 monies for marketing purposes, and any direct payments or grants provided
34 with the monies shall include a notification to the recipient that the
35 monies are onetime funding. Beginning on or before July 31, 2023, the
36 administration shall provide quarterly reports to the joint legislative
37 budget committee at the same time that the information is provided to the
38 centers for medicare and medicaid services, reflecting any changes to the
39 administration's spending plan. Of the amount appropriated for the ALTCS
40 services line item in fiscal year 2023-2024, \$347,740,500 is exempt from
41 the provisions of section 35-190, Arizona Revised Statutes, relating to
42 lapsing of appropriations.

1 On or before June 30, 2024, 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 Long-term care

14 Any federal monies that the Arizona health care cost containment
15 system administration passes through to the department of economic
16 security for use in long-term care for persons with developmental
17 disabilities do not count against the long-term care expenditure
18 authority.

19 Pursuant to section 11-292, subsection B, Arizona Revised Statutes,
20 the county portion of the fiscal year 2023-2024 nonfederal costs of
21 providing long-term care system services is \$366,205,400. This amount is
22 included in the expenditure authority fund source.

23 Any supplemental payments received in excess of \$101,756,900 for
24 nursing facilities that serve Arizona long-term care system medicaid
25 patients in fiscal year 2023-2024, including any federal matching monies,
26 by the Arizona health care cost containment system administration are
27 appropriated to the administration in fiscal year 2023-2024. Before
28 spending these increased monies, the administration shall notify the joint
29 legislative budget committee and the governor's office of strategic
30 planning and budgeting of the amount of monies that will be spent under
31 this provision. These payments are included in the expenditure authority
32 fund source.

33 Payments to hospitals

34 The \$5,087,100 appropriation for disproportionate share payments for
35 fiscal year 2023-2024 made pursuant to section 36-2903.01, subsection 0,
36 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county
37 health care district and \$884,800 for private qualifying disproportionate
38 share hospitals.

39 Any monies received for disproportionate share hospital payments
40 from political subdivisions of this state, tribal governments and any
41 university under the jurisdiction of the Arizona board of regents, and any
42 federal monies used to match those payments, in fiscal year 2023-2024 by
43 the Arizona health care cost containment system administration in excess
44 of \$69,735,200 are appropriated to the administration in fiscal year
45 2023-2024. Before spending these increased monies, the administration

1 shall notify the joint legislative budget committee and the governor's
2 office of strategic planning and budgeting of the amount of monies that
3 will be spent under this provision.

4 The expenditure authority fund source includes voluntary payments
5 made from political subdivisions for payments to hospitals that operate a
6 graduate medical education program or treat low-income patients and for
7 payments to qualifying providers affiliated with teaching hospitals. The
8 political subdivision portions of the fiscal year 2023-2024 costs of
9 graduate medical education, disproportionate share payments – voluntary
10 match, traditional medicaid services, proposition 204 services and adult
11 expansion services line items are included in the expenditure authority
12 fund source.

13 Any monies for graduate medical education received in fiscal year
14 2023-2024, including any federal matching monies, by the Arizona health
15 care cost containment system administration in excess of \$426,531,500 are
16 appropriated to the administration in fiscal year 2023-2024. Before
17 spending these increased monies, the administration shall notify the joint
18 legislative budget committee and the governor's office of strategic
19 planning and budgeting of the amount of monies that will be spent under
20 this provision.

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 \$5,000,000 from the state general fund
24 and \$15,721,100 from expenditure authority for the direct and indirect
25 costs of graduate medical education programs located in counties with a
26 population of less 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. The administration shall prioritize
30 distribution to programs at hospitals in counties with a higher percentage
31 of persons residing in a health professional shortage area as defined in
32 42 Code of Federal Regulations part 5.

33 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
34 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
35 graduate medical education includes \$4,000,000 from the state general fund
36 and \$12,576,900 from expenditure authority for the direct and indirect
37 costs of graduate medical education programs located in counties with a
38 population of more than five hundred thousand persons. The state general
39 fund amount may supplement, but not supplant, voluntary payments made from
40 political subdivisions for payments to hospitals that operate a graduate
41 medical education program.

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

1 The Arizona health care cost containment system administration shall
 2 allocate the amount appropriated for the on-call obstetrics and
 3 gynecological services line item to maintain service availability in
 4 low-volume obstetric delivery areas and rural communities with populations
 5 of less than three hundred fifty thousand persons. The administration
 6 shall distribute up to \$2,500,000 each year to qualifying community health
 7 centers and rural hospitals for the unreimbursed cost necessary to
 8 maintain the availability of on-call obstetrics and gynecological services
 9 in low-volume obstetric delivery areas and rural communities. On or
 10 before July 1 in 2024, 2025 and 2026, the Arizona health care cost
 11 containment system administration shall submit a report to the joint
 12 legislative budget committee regarding the use of the monies from the on-call
 13 obstetrics and gynecological services line item, including the number of
 14 deliveries and emergency procedures provided by the on-call health care
 15 providers for which the monies were spent. The appropriated amount for
 16 the on-call obstetrics and gynecological services line item is exempt from
 17 the provisions of section 35-190, Arizona Revised Statutes, relating to
 18 lapsing of appropriations, until June 30, 2026.

19 Other

20 On or before July 1, 2024, the Arizona health care cost containment
 21 system administration shall report to the director of the joint
 22 legislative budget committee the total amount of medicaid reconciliation
 23 payments and penalties received on or before that date since July 1, 2023.

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

27 Sec. 11. ARIZONA COMMISSION ON THE ARTS

	<u>2023-24</u>
Arizona arts trust fund deposit	\$ 5,000,000
Fund sources:	
State general fund	\$ 5,000,000

32 Sec. 12. BOARD OF ATHLETIC TRAINING

	<u>2023-24</u>
FTE positions	1.5
Lump sum appropriation	\$ 150,000
Fund sources:	
Athletic training fund	\$ 150,000

38 Sec. 13. ATTORNEY GENERAL – DEPARTMENT OF LAW

	<u>2023-24</u>
FTE positions	658.7
Operating lump sum appropriation	\$ 68,308,600
Capital postconviction prosecution	881,400
Child and family advocacy centers	600,000

1	Criminal division major fraud unit	1,194,000
2	Internet crimes against children	
3	enforcement	1,271,500
4	Government accountability and	
5	special litigation	1,334,200
6	Organized retail theft	
7	task force	1,570,700
8	Opioid abatement	12,000,000
9	Risk management interagency	
10	service agreement	10,703,900
11	State grand jury	194,100
12	Southern Arizona law enforcement	1,678,900
13	Tobacco enforcement	877,600
14	Victims' rights	<u>4,023,400</u>
15	Total appropriation – attorney general –	
16	department of law	\$104,638,300
17	Fund sources:	
18	State general fund	\$ 27,437,900
19	Antitrust enforcement revolving	
20	fund	161,400
21	Attorney general legal services	
22	cost allocation fund	2,326,200
23	Collection enforcement revolving	
24	fund	7,599,300
25	Consumer protection-consumer	
26	fraud revolving fund	19,003,900
27	Consumer restitution and	
28	remediation revolving fund -	
29	consumer remediation subaccount	12,000,000
30	Interagency service agreements fund	18,199,300
31	Internet crimes against children	
32	enforcement fund	900,000
33	Risk management revolving fund	13,197,600
34	Victims' rights fund	3,812,700

35 All monies appropriated to the attorney general legal services line
 36 item in the department of child safety budget do not count toward the
 37 attorney general's interagency service agreements fund appropriation in
 38 fiscal year 2023-2024.

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

1 The appropriated amount for the operating lump sum includes a
 2 onetime increase of \$3,000,000 from the consumer protection-consumer fraud
 3 revolving fund established by section 44-1531.01, Arizona Revised
 4 Statutes, in fiscal year 2023-2024 for operating expenses. This increase
 5 is exempt from the provisions of section 35-190, Arizona Revised Statutes,
 6 relating to lapsing of appropriations.

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

10 Of the amount appropriated for the child and family advocacy centers
 11 line item in fiscal year 2023-2024, \$500,000 shall be used to support an
 12 entity that provides child victim advocacy and mental health services
 13 through a child advocacy center that is based in a county with a
 14 population of more than three million persons.

15 The \$900,000 appropriation from the internet crimes against children
 16 enforcement fund established by section 41-199, Arizona Revised Statutes,
 17 and the \$371,500 appropriation from the state general fund for the
 18 internet crimes against children enforcement line item are continuing
 19 appropriations and are exempt from the provisions of section 35-190,
 20 Arizona Revised Statutes, relating to lapsing of appropriations, until
 21 June 30, 2025.

22 The attorney general shall submit an expenditure plan for review by
 23 the joint legislative budget committee before spending any monies
 24 appropriated for the opioid abatement line item. Monies in the opioid
 25 abatement line item shall be used to treat opioid use disorders, to
 26 support persons who are in opioid treatment and recovery or for any other
 27 specified purposes that are included in a court order or a settlement or
 28 compromise that is entered into by this state and other parties to the
 29 opioid litigation.

30 The \$1,570,700 appropriation for the organized retail theft task
 31 force line item shall be used for operational expenses of the organized
 32 retail task force and for hiring one attorney, one paralegal, two
 33 investigators and one support staff person within the office of the
 34 attorney general and four peace officers who are assigned to the task
 35 force to focus specifically on investigating and prosecuting organized
 36 retail crime.

37 Sec. 14. BARBERING AND COSMETOLOGY BOARD

38		<u>2023-24</u>
39	FTE positions	29.5
40	Lump sum appropriation	\$ 2,715,500
41	Fund sources:	
42	Barbering and cosmetology fund	\$ 2,715,500

1	Sec. 15. BOARD OF BEHAVIORAL HEALTH EXAMINERS	
2		<u>2023-24</u>
3	FTE positions	20.0
4	Lump sum appropriation	\$ 2,123,000
5	Fund sources:	
6	Board of behavioral health	
7	examiners fund	\$ 2,123,000
8	Sec. 16. STATE BOARD FOR CHARTER SCHOOLS	
9		<u>2023-24</u>
10	FTE positions	25.0
11	Lump sum appropriation	\$ 2,939,200
12	Fund sources:	
13	State general fund	\$ 2,939,200
14	Sec. 17. DEPARTMENT OF CHILD SAFETY	
15		<u>2023-24</u>
16	FTE positions	3,283.1
17	Operating lump sum appropriation	\$147,938,100
18	<u>Additional operating resources</u>	
19	Attorney general legal services	25,522,800
20	Caseworkers	124,293,500
21	Office of child welfare	
22	investigations	11,245,700
23	Training resources	9,150,000
24	<u>Out-of-home placements</u>	
25	Congregate group care	114,918,700
26	Extended foster care	26,553,900
27	Extended foster care service model	
28	fund deposit	19,243,300*
29	Foster home placement	51,929,500
30	Foster home recruitment,	
31	study and supervision	32,753,600
32	Kinship care	24,811,200
33	<u>Permanent placements</u>	
34	Adoption services	294,923,500
35	Permanent guardianship subsidy	12,516,900
36	Positive parenting program for post	
37	permanency placements pilot	4,000,000*
38	<u>Support services</u>	
39	DCS child care subsidy	61,675,400
40	In-home mitigation	28,988,100
41	Out-of-home support services	122,710,800
42	Preventive services	29,648,300

1	<u>Comprehensive health plan</u>	
2	Comprehensive health plan	
3	services	161,546,700
4	Comprehensive health plan	
5	administration	27,461,200
6	Comprehensive health plan	
7	premium tax	<u>3,857,300</u>
8	Total appropriation and expenditure	
9	authority – department of	
10	child safety	\$1,335,688,500
11	Fund sources:	
12	State general fund	\$ 496,179,600
13	Federal child care and	
14	development fund block grant	40,516,000
15	Federal temporary assistance	
16	for needy families block	
17	grant	161,082,200
18	Child abuse prevention fund	1,459,300
19	Children and family services	
20	training program fund	208,000
21	Child safety expenditure authority	442,357,400
22	Child welfare licensing fee fund	1,020,800
23	Comprehensive health plan	
24	expenditure authority fund –	
25	expenditure authority	192,865,200

26 Additional operating resources

27 The department of child safety shall provide training to any new
 28 child safety FTE positions before assigning any client caseload duties to
 29 any of these employees.

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

32 All expenditures made by the department of child safety for attorney
 33 general legal services shall be funded only from the attorney general
 34 legal services line item. Monies in department of child safety line items
 35 intended for this purpose shall be transferred to the attorney general
 36 legal services line item before expenditure.

37 Out-of-home placements

38 The department of child safety may transfer up to ten percent of the
 39 total amount of federal temporary assistance for needy families block
 40 grant monies appropriated to the department of economic security and the
 41 department of child safety to the social services block grant. Before
 42 transferring federal temporary assistance for needy families block grant
 43 monies to the social services block grant, the department of child safety
 44 shall report the proposed amount of the transfer to the director of the
 45 joint legislative budget committee. This report may be in the form of an

1 expenditure plan that is submitted at the beginning of the fiscal year and
2 updated, if necessary, throughout the fiscal year.

3 The amount appropriated for kinship care shall be used for a stipend
4 of \$300 per month for a relative caretaker, including a grandparent, any
5 level of great-grandparent or any nongrandparent relative, or a caretaker
6 of fictive kinship, if a dependent child is placed in the care of a
7 relative caretaker or caretaker of fictive kinship pursuant to department
8 guidelines. The department shall provide the stipend on behalf of all
9 children placed with an unlicensed kinship foster care parent. The
10 unlicensed kinship foster care parent is not required to file an
11 application to receive the stipend. Before changing the eligibility for
12 the program or the amount of the stipend, the department shall submit a
13 report for review by the joint legislative budget committee detailing the
14 proposed changes.

15 On or before March 31, 2024, the department of child safety shall
16 report to the joint legislative budget committee the number of children
17 who are part of the kinship stipend program and reside with a nonrelative
18 caretaker of fictive kinship.

19 Departmentwide

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

25 Child safety expenditure authority includes all department funding
26 sources excluding the state general fund, the federal child care and
27 development fund block grant, the federal temporary assistance for needy
28 families block grant, the child abuse prevention fund, the children and
29 family services training program fund and the comprehensive health plan
30 expenditure authority fund.

31 On or before December 1, 2023, the department of child safety shall
32 submit a report to the joint legislative budget committee on the
33 department's efforts to implement the family first prevention services act
34 of 2018. The report shall quantify the department's efforts in at least
35 the following areas, including any associated fiscal impacts:

36 1. Reducing the number of children placed for more than two weeks
37 in congregate care settings, excluding qualified residential treatment
38 programs, facilities for pregnant and parenting youth, supervised
39 independent living and specialized programs for victims of sex
40 trafficking.

41 2. Assisting congregate care providers in attaining status as
42 qualified residential treatment programs.

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

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

3 Benchmarks

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

5 1. Means any nonactive case for which documentation has not been
6 entered in the child welfare automated system for at least sixty days and
7 for which services have not been authorized for at least sixty days and
8 any case that has had an investigation, has been referred to another unit
9 and has had no contact for at least sixty days.

10 2. Includes any case for which the investigation has been open
11 without any documentation or contact for at least sixty days, any case
12 involving in-home services for which there has been no contact or services
13 authorized for at least sixty days and any case involving foster care in
14 which there has been no contact or any documentation entered in the child
15 welfare automated system for at least sixty days.

16 For the purposes of this section:

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

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

21 On or before February 28, 2024 and August 31, 2024, the department
22 of child safety shall present a report to the joint legislative budget
23 committee on the progress made during July 2023 through December 2023 and
24 January 2024 through June 2024, respectively, in meeting the caseload
25 standard and reducing the number of backlog and long-term cases. Each
26 report shall include the number of backlog cases, the number of open
27 reports, the number of long-term cases and the caseworker workload in
28 comparison to the previous six months. Each report shall provide the
29 number of backlog cases by disposition, including the number of backlog
30 cases in the investigation phase, the number of backlog cases associated
31 with out-of-home placements and the number of backlog cases associated
32 with in-home cases.

33 To determine the caseworker workload, the department shall report
34 the number of case-carrying caseworkers at each field office and the
35 number of investigations, in-home cases and long-term cases assigned to
36 each field office.

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

38 For open reports, the department's benchmark is fewer than 8,000
39 open reports.

40 For long-term cases, the department's benchmark is 3,323 cases.

41 If the department of child safety has not submitted a required
42 report within thirty days after the report is due, the director of the
43 joint legislative budget committee shall inform the general accounting
44 office of the department of administration, which shall withhold two
45 percent of the department of child safety's operating lump sum semiannual

1 budget allocation until the department of child safety submits the
 2 required report.

3 Sec. 18. STATE BOARD OF CHIROPRACTIC EXAMINERS

4		<u>2023-24</u>
5	FTE positions	5.0
6	Lump sum appropriation	\$ 537,200
7	Fund sources:	
8	Board of chiropractic examiners	
9	fund	\$ 537,200

10 Sec. 19. ARIZONA COMMERCE AUTHORITY

11		<u>2023-24</u>
12	Operating lump sum appropriation	\$ 13,500,000
13	Arizona competes fund deposit	500,000
14	Asia trade offices	750,000
15	Asia-Pacific trade office	750,000*
16	Canada trade office	750,000*
17	Economic development marketing	
18	and attraction	1,000,000
19	Economic transition resources	9,000,000
20	Frankfurt, Germany trade office	500,000
21	Israel trade office	300,000
22	Mexico trade offices	500,000
23	Rural broadband accelerated match	
24	fund deposit	25,000,000
25	Trade office funding	2,000,000
26	Water infrastructure and commerce	
27	grant fund deposit	7,000,000
28	Wearable technology research	<u>2,500,000</u>
29	Total appropriation – Arizona commerce	
30	authority	\$ 64,050,000
31	Fund sources:	
32	State general fund	\$ 64,050,000

33 Pursuant to section 43-409, Arizona Revised Statutes, of the amounts
 34 listed above, \$10,500,000 of the state general fund withholding tax
 35 revenues is allocated in fiscal year 2023-2024 to the Arizona commerce
 36 authority, of which \$10,000,000 is credited to the Arizona commerce
 37 authority fund established by section 41-1506, Arizona Revised Statutes,
 38 and \$500,000 is credited to the Arizona competes fund established by
 39 section 41-1545.01, Arizona Revised Statutes.

40 Of the amount appropriated in the operating lump sum, \$3,500,000 is
 41 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 42 relating to lapsing of appropriations, and is allocated as follows:

1 1. \$1,000,000 to distribute to a federally recognized state rural
2 development council in the national rural development partnership in this
3 state to partner with businesses, community leaders, service
4 organizations, economic development organizations and rural municipalities
5 to work directly in rural communities across this state.

6 2. \$500,000 to establish and administer a small business incubator
7 program to assist current and former inmates who are participating in a
8 state program in which the state department of corrections and the
9 department of economic security collaborate and bring comprehensive
10 services to inmates who are nearing release. On or before September 1,
11 2024, the authority shall submit a report to the directors of the joint
12 legislative budget committee and the governor's office of strategic
13 planning and budgeting on the program implementation, the number of
14 participants, the industry of employment or entrepreneurship and program
15 results, including the recidivism rates of program participants.

16 3. \$500,000 to distribute to a nonpartisan public foundation in
17 this state that is qualified under section 501(c)(3) of the internal
18 revenue code and that is associated with a statewide business trade
19 organization that is qualified under section 501(c)(6) of the internal
20 revenue code and that represents multiple industries to develop a
21 strategic framework for policymakers to continue job growth, economic
22 diversification and private sector investments that will make this state a
23 top state economy and international trading partner by 2030.

24 4. \$500,000 to distribute to a membership organization in this
25 state that is qualified under section 501(c)(6) of the internal revenue
26 code and that serves as a resource hub for all small businesses in this
27 state to establish a program to recruit and retain truck drivers.

28 5. \$1,000,000 to the Arizona state trade expansion program.

29 Monies in the economic transition resources line item shall be
30 distributed to a nonprofit organization for capital projects, economic
31 sustainability developments, renewable energy projects and broadband
32 projects located within twenty miles of a coal mine that closed within the
33 past five years.

34 The authority shall use the monies in the rural broadband
35 accelerated match fund deposit line item to provide funding for projects
36 that will receive matching monies from federal programs related to
37 broadband expansion.

38 On or before December 1, 2023, the authority shall report to the
39 president of the senate, the speaker of the house of representatives and
40 the director of the joint legislative budget committee detailing the
41 authority's implementation plan for the monies in the trade office funding
42 line item, including proposed trade office locations.

1 The authority shall distribute the monies in the wearable technology
 2 research line item to applied research centers located in this state that
 3 specialize in wearable technology, including hardware or software
 4 components, or both. Subject to available funding, the authority shall
 5 distribute monies appropriated in the wearable technology research line
 6 item to any applied research center in increments of up to \$250,000 within
 7 thirty days after the applied research center notifies the authority in
 8 writing that the applied research center has received a matching amount
 9 from sources other than this state.

10 An applied research center that receives a distribution pursuant to
 11 this section must collaborate with universities, nonprofit business
 12 associations, health science research centers, institutes or other
 13 technology businesses that do business in this state. On or before
 14 September 15, 2027, the applied research center or institute shall return
 15 to the authority all monies received by the applied research center or
 16 institute pursuant to this section that remain unexpended and unencumbered
 17 on September 1, 2027. The authority shall deposit the returned monies in
 18 the state general fund. The authority shall notify the president of the
 19 senate and the speaker of the house of representatives on or before July
 20 1, 2024 and July 1, 2025 if the authority has not distributed any monies
 21 pursuant to this section.

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

28 For the purposes of this distributing the monies in the wearable
 29 technology research line item pursuant to this section, the authority is
 30 exempt from the requirements of title 41, chapter 23, Arizona Revised
 31 Statutes.

32 The appropriation made in the wearable technology research line item
 33 is exempt from the provisions of section 35-190, Arizona Revised Statutes,
 34 relating to lapsing of appropriations, except that any monies that remain
 35 unexpended and unencumbered on June 30, 2027 revert to the state general
 36 fund.

37 Sec. 20. ARIZONA COMMUNITY COLLEGES

	<u>2023-24</u>
38	
39	<u>Equalization aid</u>
40	Cochise \$ 9,759,600
41	Graham 19,912,000
42	Navajo 11,189,600
43	Yuma/La Paz <u>716,100</u>
44	Total – equalization aid \$ 41,577,300

1	<u>Operating state aid</u>	
2	Cochise	\$ 4,423,700
3	Coconino	1,415,900
4	Gila	151,400
5	Graham	1,661,900
6	Mohave	924,400
7	Navajo	1,346,100
8	Pinal	1,090,900
9	Yavapai	373,000
10	Yuma/La Paz	<u>2,260,700</u>
11	Total – operating state aid	\$ 13,648,000
12	<u>STEM and workforce programs state aid</u>	
13	Cochise	\$ 954,700
14	Coconino	309,500
15	Gila	88,700
16	Graham	409,700
17	Maricopa	7,927,600
18	Mohave	378,600
19	Navajo	262,500
20	Pima	1,769,000
21	Pinal	656,700
22	Santa Cruz	21,200
23	Yavapai	637,200
24	Yuma/La Paz	<u>777,700</u>
25	Total – STEM and workforce programs	
26	state aid	\$ 14,193,100
27	<u>Rural aid</u>	
28	Cochise	\$ 5,769,700
29	Coconino	1,520,600
30	Gila	439,500
31	Graham	1,917,800
32	Mohave	1,866,800
33	Navajo	1,322,400
34	Pinal	3,110,400
35	Santa Cruz	97,000
36	Yavapai	3,084,400
37	Yuma/La Paz	<u>4,871,400</u>
38	Total – rural aid	\$ 24,000,000
39	Rural county reimbursement subsidy	\$ 1,082,900
40	Arizona western college	
41	nursing program	7,500,000
42	Additional Gila workforce	
43	development aid	200,000

1	Diné college remedial education	1,000,000
2	Tohono O'odham community college	
3	remedial education	2,000,000
4	San Carlos Apache college	
5	remedial education	2,000,000
6	Santa Cruz provisional community	
7	college funding	<u>200,000</u>

8 Total appropriation – Arizona community
9 colleges \$107,401,300

10 Fund sources:
11 State general fund \$107,401,300

12 Of the \$1,082,900 appropriated to the rural county reimbursement
13 subsidy line item, Apache county receives \$699,300 and Greenlee county
14 receives \$383,600.

15 On or before October 15, 2024, the Diné college board of regents
16 shall submit to the governor, the speaker of the house of representatives,
17 the president of the senate, the secretary of state and the joint
18 legislative budget committee a report that details the course completion
19 rate for students who received remedial education during the 2023-2024
20 academic year.

21 On or before October 15, 2024, the Tohono O'odham community college
22 board of trustees shall submit to the governor, the speaker of the house
23 of representatives, the president of the senate, the secretary of state
24 and the joint legislative budget committee a report that details the
25 course completion rate for students who received remedial education during
26 the 2023-2024 academic year.

27 On or before October 15, 2024, the San Carlos Apache college board
28 of regents shall submit to the governor, the speaker of the house of
29 representatives, the president of the senate, the secretary of state and
30 the joint legislative budget committee a report that details the course
31 completion rate for students who received remedial education during the
32 2023-2024 academic year.

33 Sec. 21. REGISTRAR OF CONTRACTORS

34		<u>2023-24</u>
35	FTE positions	105.6
36	Operating lump sum appropriation	\$ 12,737,000
37	Office of administrative	
38	hearings costs	<u>1,017,600</u>

39 Total appropriation – registrar of
40 contractors \$ 13,754,600

41 Fund sources:
42 Registrar of contractors fund \$ 13,754,600

1	Sec. 22. CORPORATION COMMISSION	
2		<u>2023-24</u>
3	FTE positions	301.9
4	Operating lump sum appropriation	\$ 36,288,500
5	Corporation filings, same-day	
6	service	417,000
7	Utilities audits, studies,	
8	investigations and hearings	<u>380,000*</u>
9	Total appropriation – corporation commission	\$ 37,085,500
10	Fund sources:	
11	State general fund	\$ 807,200
12	Arizona arts trust fund	58,800
13	Investment management regulatory	
14	and enforcement fund	1,312,000
15	Public access fund	8,464,500
16	Securities regulatory and	
17	enforcement fund	7,706,900
18	Utility regulation revolving fund	18,736,100
19	Sec. 23. STATE DEPARTMENT OF CORRECTIONS	
20		<u>2023-24</u>
21	FTE positions	9,569.0
22	Operating lump sum appropriation	\$ 898,184,300
23	Private prison per diem	289,858,400
24	Community corrections	27,681,200
25	Inmate health care contracted	
26	services	321,620,200
27	Substance abuse treatment	5,445,400
28	Transitional and reentry housing	5,000,000*
29	Transitional housing grants	2,000,000
30	Inmate dog training	<u>750,000</u>
31	Total appropriation – state department	
32	of corrections	\$1,550,539,500
33	Fund sources:	
34	State general fund	\$1,492,641,000
35	State education fund for	
36	correctional education	738,900
37	Alcohol abuse treatment fund	555,800
38	Penitentiary land fund	2,777,600
39	State charitable, penal and	
40	reformatory institutions	
41	land fund	2,665,100
42	Corrections fund	31,312,500

1	Transition program fund	4,400,300
2	Prison construction and	
3	operations fund	14,106,800
4	Inmate store proceeds fund	1,341,500

5 Of the amount appropriated in the operating lump sum, \$495,853,200
 6 is designated for personal services, \$234,006,200 is designated for
 7 employee-related expenditures and \$15,540,500 is designated for overtime
 8 expenditures. The department shall submit an expenditure plan for review
 9 by the joint legislative budget committee before spending these monies
 10 other than for personal services or employee-related expenditures.

11 After the department submits an expenditure plan to the joint
 12 legislative budget committee, the department may transfer personal
 13 services and employee-related expenditures savings from the operating
 14 budget to the private prison per diem line item for private prison staff
 15 stipends. The amount of any private prison staff stipend may not exceed
 16 the amount given to department staff. The expenditure plan is not subject
 17 to review by the joint legislative budget committee.

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

21 Before placing any inmates in out-of-state provisional beds, the
 22 department shall place inmates in all available prison beds in facilities
 23 that are located in this state and that house Arizona inmates, unless the
 24 out-of-state provisional beds are of a comparable security level and
 25 price.

26 The state department of corrections shall forward to the president
 27 of the senate, the speaker of the house of representatives, the
 28 chairpersons of the senate and house of representatives appropriations
 29 committees and the director of the joint legislative budget committee a
 30 monthly report comparing department expenditures for the month and
 31 year-to-date as compared to prior-year expenditures on or before the
 32 thirtieth of the following month. The report shall be in the same format
 33 as the prior fiscal year and include an estimate of potential shortfalls,
 34 potential surpluses that may be available to offset these shortfalls and a
 35 plan, if necessary, for eliminating any shortfall without a supplemental
 36 appropriation. The report shall include the number of filled and vacant
 37 correctional officer and medical staff positions departmentwide and by
 38 prison complex.

39 On or before November 1, 2023, the state department of corrections
 40 shall provide a report on bed capacity to the joint legislative budget
 41 committee. The report shall reflect the bed capacity for each security
 42 classification by gender at each state-run and private institution,
 43 divided by rated and total beds. The report shall include bed capacity
 44 data for June 30, 2022 and June 30, 2023 and the projected capacity for
 45 June 30, 2024, as well as the reasons for any change within that time

1 period. Within the total bed count, the department shall provide the
2 number of temporary and special use beds. The report shall also address
3 the department's rationale for eliminating any permanent beds rather than
4 reducing the level of temporary beds. The report shall also include any
5 plans to vacate beds but not permanently remove the beds from the bed
6 count.

7 If the department develops a plan after the department's November 1,
8 2023 report to open or close 100 or more state-operated or private prison
9 rated beds, the department shall submit a plan detailing the proposed bed
10 changes for review by the joint legislative budget committee before
11 implementing these changes.

12 One hundred percent of land earnings and interest from the
13 penitentiary land fund shall be distributed to the state department of
14 corrections in compliance with the enabling act and the Constitution of
15 Arizona to be used to support state penal institutions.

16 On or before December 15, 2023 and July 15, 2024, the state
17 department of corrections shall submit a report to the joint legislative
18 budget committee on the progress made in meeting the staffing needs for
19 correctional officers. Each report shall include the number of filled
20 correctional officer positions, the number of vacant correctional officer
21 positions, the number of people in training, the number of separations and
22 the number of hours of overtime worked year-to-date. The report shall
23 detail these amounts both departmentwide and by prison complex.

24 Twenty-five percent of land earnings and interest from the state
25 charitable, penal and reformatory institutions land fund shall be
26 distributed to the state department of corrections in compliance with the
27 enabling act and the Constitution of Arizona to be used to support state
28 penal institutions.

29 Before spending any state education fund for correctional education
30 monies in excess of \$738,900, the state department of corrections shall
31 report the intended use of the monies to the director of the joint
32 legislative budget committee.

33 Before implementing any changes in contracted rates for inmate
34 health care contracted services, the state department of corrections shall
35 submit its expenditure plan for review by the joint legislative budget
36 committee.

37 On or before August 1, 2023 and February 1, 2024, the state
38 department of corrections shall submit a report to the joint legislative
39 budget committee on the status of all inmate health care performance
40 measures that are tracked by the department for contract monitoring
41 purposes. Each report must include:

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

1 On or before August 1, 2023, the state department of corrections
2 shall transfer to the public safety personnel retirement system via the
3 department of administration its estimated required annual contribution to
4 the corrections officer retirement plan for fiscal year 2023-2024.

5 The department shall report actual fiscal year 2022-2023, estimated
6 fiscal year 2023-2024 and requested fiscal year 2024-2025 expenditures as
7 delineated in the prior year when the department submits its fiscal year
8 2024-2025 budget request pursuant to section 35-113, Arizona Revised
9 Statutes.

10 On or before July 15, 2023, the state department of corrections
11 shall submit a report to the joint legislative budget committee detailing
12 the expenditure of monies appropriated in fiscal year 2021-2022 for
13 medical staffing augmentation. The department shall continue to report on
14 July 15 of each year until all monies have been expended.

15 The amount appropriated in the transitional and reentry housing line
16 item shall be used by the state department of corrections to secure
17 through a competitive grant process a program that does all of the
18 following:

19 1. Provides evidence-based, evidence-informed and culturally
20 competent substance use treatment and substance use early intervention
21 services that includes referral services, stabilization, detox, inpatient
22 treatment, transitional residence and outpatient services to individuals
23 who may have one or a combination of the following conditions:

24 (a) Involvement with the justice system.

25 (b) A mental health diagnosis, including a diagnosis as being
26 seriously mentally ill.

27 (c) A co-occurring chronic health condition.

28 (d) Experienced homelessness or are at a high risk of becoming
29 homeless.

30 2. Provides residential inpatient treatment services for up to
31 ninety days and provides long-term recovery supportive housing for up to
32 twenty-four months after inpatient treatment services end.

33 3. Delivers forensic peer and family support services to enhance
34 and strengthen successful reentry into the community that include
35 workforce development, securing permanent housing, navigating systems of
36 care, educational and professional development opportunities, family
37 connection and reintegration services, supporting multiple pathways to
38 recovery and providing sober social activities.

39 4. Uses technology to promote long-term recovery.

40 5. Delivers treatment for reentry and long-term recovery services
41 and provides support via a campus-based continuum of care model where
42 services and support are colocated.

1 The amount appropriated in the transitional housing grants line item
2 shall be used to establish a program to provide grants to nonprofit
3 organizations that support individuals who are incarcerated by helping
4 prepare them for release and transition back into the community. To be
5 eligible for a grant, a nonprofit organization must meet all of the
6 following criteria:

7 1. Have a verifiable record of mentoring at least three thousand
8 inmates while the inmates were in prison for at least a two-year period.

9 2. Use the grant monies for individuals that have been previously
10 mentored by the nonprofit organization. To receive resources from the
11 grant, individuals being released from prison must have been mentored for
12 at least three months by the nonprofit organization while the individual
13 was in prison.

14 3. Demonstrate that the nonprofit organization can provide
15 individuals being released from prison with all of the following:

16 (a) Up to two weeks of housing at no cost to the individual, if
17 necessary as assessed by the nonprofit organization and up to six months
18 of housing at a reduced rate.

19 (b) Behavioral health services, including peer support and case
20 management.

21 (c) Assistance with obtaining government-issued documents.

22 (d) Within four months after release, assistance with securing
23 employment that offers health insurance and assistance with disenrolling
24 from the Arizona health care cost containment system.

25 On or before August 31, 2024, the department shall submit a report
26 to the governor, the president of the senate and the speaker of the house
27 of representatives that includes all of the following for the prior year:

28 1. The names of the nonprofit organizations that were awarded
29 grants.

30 2. The number of individuals who were served by the nonprofit
31 organizations through the grant program.

32 3. The number of individuals who were served by the nonprofit
33 organizations, who found employment that provides health insurance and who
34 were disenrolled from the Arizona health care cost containment system.

35 The amount appropriated in the inmate dog training line item shall
36 be used to contract with a nonprofit organization that trains inmates to
37 rehabilitate and resocialize at-risk shelter dogs.

38 Sec. 24. ARIZONA CRIMINAL JUSTICE COMMISSION

	<u>2023-24</u>
39 FTE positions	11.0
40 Operating lump sum appropriation	\$ 1,382,100
41 Law enforcement crime victim	
42 notification fund deposit	10,000,000
43	

1	Major incident regional law	
2	enforcement task force	600,000
3	State aid to county attorneys	973,700
4	State aid to indigent defense	700,000
5	State aid for juvenile dependency	
6	proceedings fund deposit	2,000,000
7	Victim compensation and	
8	assistance	<u>6,224,600</u>
9	Total appropriation – Arizona criminal	
10	justice commission	\$ 21,880,400
11	Fund sources:	
12	State general fund	\$ 14,600,000
13	Criminal justice enhancement fund	708,900
14	Resource center fund	647,100
15	State aid to county attorneys fund	973,700
16	State aid to indigent defense fund	700,000
17	Victim compensation and assistance	
18	fund	4,250,700
19	Of the \$10,000,000 appropriated in the law enforcement crime victim	
20	notification fund deposit line item, the Arizona criminal justice	
21	commission may use up to \$400,000 in fiscal year 2023-2024 to evaluate,	
22	certify and pay for any costs associated with the law enforcement crime	
23	victim notification fund established by section 41-180, Arizona Revised	
24	Statutes.	
25	All victim compensation and assistance fund monies received by the	
26	Arizona criminal justice commission in excess of \$4,250,700 in fiscal year	
27	2023-2024 are appropriated to the crime victims program. Before spending	
28	any victim compensation and assistance fund monies in excess of \$4,250,700	
29	in fiscal year 2023-2024, the Arizona criminal justice commission shall	
30	report the intended use of the monies to the joint legislative budget	
31	committee.	
32	All monies received by the Arizona criminal justice commission in	
33	excess of \$973,700 in fiscal year 2023-2024 from the state aid to county	
34	attorneys fund established by section 11-539, Arizona Revised Statutes,	
35	are appropriated to the state aid to county attorneys program. Before	
36	spending any state aid to county attorneys fund monies in excess of	
37	\$973,700 in fiscal year 2023-2024, the Arizona criminal justice commission	
38	shall report the intended use of the monies to the joint legislative	
39	budget committee.	
40	Sec. 25. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND	
41		<u>2023-24</u>
42	FTE positions	562.2
43	Administration/statewide	\$ 9,298,500
44	Phoenix day school for the deaf	12,098,200

1	Tucson campus	11,967,500
2	Preschool/outreach programs	7,181,200
3	School bus/agency vehicle	
4	replacement	369,000
5	Cooperative services	<u>20,125,900</u>

6 Total appropriation – Arizona state schools
 7 for the deaf and the blind \$ 61,040,300

8 Fund sources:

9	State general fund	\$ 25,571,700
10	Schools for the deaf and	
11	the blind fund	15,342,700
12	Cooperative services fund	20,125,900

13 Before spending any schools for the deaf and the blind fund monies
 14 in excess of \$15,342,700 in fiscal year 2023-2024, the Arizona state
 15 schools for the deaf and the blind shall report to the joint legislative
 16 budget committee the intended use of the monies.

17 Before spending any cooperative services fund monies in excess of
 18 \$20,125,900 in fiscal year 2023-2024, the Arizona state schools for the
 19 deaf and the blind shall report to the joint legislative budget committee
 20 the intended use of the monies.

21 Sec. 26. COMMISSION FOR THE DEAF AND THE HARD OF HEARING

22		<u>2023-24</u>
23	FTE positions	21.0
24	Operating lump sum appropriation	\$ 4,644,000
25	Support services for the	
26	deaf-blind	<u>192,000</u>

27 Total appropriation – commission for the
 28 deaf and the hard of hearing \$ 4,836,000

29 Fund sources:

30	Telecommunication fund for	
31	the deaf	\$ 4,836,000

32 The amount appropriated for the aging individuals research line item
 33 in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section 26 is
 34 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 35 relating to the lapsing of appropriations, until June 30, 2024.

36 Sec. 27. STATE BOARD OF DENTAL EXAMINERS

37		<u>2023-24</u>
38	FTE positions	13.0
39	Lump sum appropriation	\$ 2,059,900
40	Fund sources:	
41	Dental board fund	\$ 2,059,900

1	Sec. 28. OFFICE OF ECONOMIC OPPORTUNITY	
2		<u>2023-24</u>
3	FTE positions	5.0
4	Operating lump sum appropriation	\$ 525,800
5	Microbusiness loan fund deposit	<u>5,000,000</u>
6	Total appropriation – office of	
7	economic opportunity	\$ 5,525,800
8	Fund sources:	
9	State general fund	\$ 5,525,800
10	Sec. 29. DEPARTMENT OF ECONOMIC SECURITY	
11		<u>2023-24</u>
12	FTE positions	4,533.8
13	Operating lump sum appropriation	\$332,426,600
14	<u>Administration</u>	
15	Attorney general legal services	11,379,800
16	<u>Aging and adult services</u>	
17	Adult services	15,731,900
18	Community and emergency services	3,724,000
19	Coordinated homeless services	2,522,600
20	Coordinated hunger services	2,254,600
21	Produce incentive program	5,462,600*
22	Globe-Miami area food bank	250,000
23	Domestic violence prevention	14,004,000
24	Long-term care ombudsman	1,000,000
25	<u>Benefits and medical eligibility</u>	
26	Temporary assistance for needy	
27	families – cash benefits	22,736,400
28	Tribal pass-through funding	4,680,300
29	Diaper and incontinence products	
30	assistance	1,000,000
31	<u>Child support enforcement</u>	
32	County participation	8,539,700
33	<u>Developmental disabilities</u>	
34	DDD premium tax payment	61,199,900
35	Case management – medicaid	104,597,100
36	Home and community based	
37	services – medicaid	2,349,691,300
38	Institutional services –	
39	medicaid	47,171,500
40	Physical and behavioral	
41	health services – medicaid	541,328,700
42	Medicare clawback payments	6,055,500

1	Targeted case management – medicaid	15,321,600
2	State match transfer from AHCCCS	982,330,300
3	Case management – state-only	6,354,000
4	Home and community based	
5	services – state-only	14,089,000
6	Cost effectiveness study – client	
7	services	8,420,000
8	Arizona early intervention program	14,119,000
9	State-funded long-term care	
10	services	43,534,700
11	Group home monitoring program	1,200,000
12	Graham county rehabilitation center	830,000
13	<u>Employment and rehabilitation services</u>	
14	JOBS	11,005,600
15	Child care subsidy	187,080,200
16	Independent living rehabilitation	
17	services	1,289,400
18	Rehabilitation services	7,249,100
19	Workforce innovation	
20	and opportunity act	
21	services	<u>85,824,200</u>
22	Total appropriation and expenditure	
23	authority – department of	
24	economic security	\$4,914,403,600
25	Fund sources:	
26	State general fund	\$1,206,858,700
27	Federal child care and	
28	development fund block grant	200,010,200
29	Federal temporary assistance for	
30	needy families block grant	66,591,200
31	Long-term care system fund	33,864,200
32	Public assistance collections	
33	fund	430,400
34	Special administration fund	4,643,200
35	Spinal and head injuries trust	
36	fund	2,388,200
37	Statewide cost allocation plan	
38	fund	1,000,000
39	Child support enforcement	
40	administration fund	17,683,300
41	Domestic violence services fund	4,000,300
42	Workforce investment act grant	87,110,800

1	Child support enforcement	
2	administration fund	
3	expenditure authority	43,047,000
4	Developmental disabilities	
5	medicaid expenditure	
6	authority	3,192,363,800
7	Health care investment fund	
8	expenditure authority	54,412,300

9 Aging and adult services

10 The amount appropriated for the Globe-Miami area food bank line item
11 shall be distributed to a food bank that maintains its headquarters in the
12 Globe-Miami area.

13 All domestic violence services fund monies in excess of \$4,000,300
14 received by the department of economic security are appropriated for the
15 domestic violence prevention line item. Before spending these increased
16 monies, the department shall report the intended use of monies in excess
17 of \$4,000,300 to the joint legislative budget committee.

18 On or before December 15, 2023, the department of economic security
19 shall report to the joint legislative budget committee the amount of state
20 and federal monies available statewide for domestic violence prevention
21 funding. The report shall include, at a minimum, the amount of monies
22 available and the state fiscal agent receiving those monies.

23 Benefits and medical eligibility

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

27 Child support enforcement

28 All state shares of retained earnings, fees and federal incentives
29 in excess of \$17,683,300 received by the division of child support
30 enforcement are appropriated for operating expenditures. New FTE
31 positions are authorized with the increased funding. Before spending
32 these increased monies, the department of economic security shall report
33 the intended use of the monies to the joint legislative budget committee.

34 Developmental disabilities

35 On or before September 1, 2024, the department of economic security
36 shall report to the president of the senate, the speaker of the house of
37 representatives, the chairpersons of the senate and house of
38 representatives appropriations committees and the director of the joint
39 legislative budget committee any new placement into a state-owned ICF-IID
40 or the Arizona training program at the Coolidge campus in fiscal year
41 2023-2024 and the reason this placement, rather than a placement into a
42 privately run facility for persons with developmental disabilities, was
43 deemed as the most appropriate placement. The department shall also
44 report if no new placements were made. On or before September 1, 2024,
45 the department shall also report to the director of the joint legislative

1 budget committee the total costs associated with the Arizona training
2 program at Coolidge in fiscal year 2023-2024.

3 The department shall report to the joint legislative budget
4 committee on or before March 1 of each year on preliminary actuarial
5 estimates of the capitation rate changes for the following fiscal year
6 along with the reasons for the estimated changes. For any actuarial
7 estimates that include a range, the total range from minimum to maximum
8 may not be more than two percent. Before implementing any changes in
9 capitation rates for the long-term care system, the department shall
10 submit a report for review by the joint legislative budget committee.
11 Before the department implements any change in policy affecting the
12 amount, sufficiency, duration and scope of health care services and who
13 may provide services, the department shall prepare a fiscal impact
14 analysis on the potential effects of this change on the following year's
15 capitation rates. If the fiscal impact analysis demonstrates that this
16 change will result in additional state costs of \$500,000 or more for any
17 fiscal year, the department shall submit the policy change for review by
18 the joint legislative budget committee.

19 Before implementing developmental disabilities or long-term care
20 statewide provider rate adjustments that are not already specifically
21 authorized by the legislature, court mandates or changes to federal law,
22 the department shall submit a report for review by the joint legislative
23 budget committee that includes, at a minimum, the estimated cost of the
24 provider rate adjustment and the ongoing source of funding for the
25 adjustment, if applicable.

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

31 On or before November 30, 2023 and November 30, 2024, the department
32 of economic security shall submit a report to the joint legislative budget
33 committee regarding expenditures from the cost effectiveness study -
34 client services line item in the previous fiscal year. The report shall
35 include the number of clients and total amounts spent from the line item
36 in each setting type along with expenditures for those clients in other
37 line items. The report shall also include cost effectiveness spending in
38 other line items.

39 The amount appropriated for the home and community based services -
40 medicaid line item includes \$115,793,900 from expenditure authority to
41 implement the American rescue plan act of 2021 (P.L. 117-2) home and
42 community-based services spending plan in fiscal year 2023-2024. The
43 department may not use these monies for marketing purposes and any direct
44 payments or grants provided with the monies shall include a notification
45 to the recipient that the monies are onetime funding. Beginning on or

1 before July 31, 2023, the department shall provide quarterly reports to
2 the joint legislative budget committee at the same time that the
3 information is provided to the centers for medicare and medicaid services
4 reflecting any changes to the department's spending plan. Of the amount
5 appropriated for the home and community based services - medicaid line
6 item, \$115,793,900 is exempt from the provisions of section 35-190,
7 Arizona Revised Statutes, relating to lapsing of appropriations.

8 The amount appropriated for the Graham county rehabilitation center
9 line item includes \$800,000 to remodel the Graham county rehabilitation
10 center facilities in Safford and \$30,000 for an afterschool program.

11 Employment and rehabilitation services

12 On or before September 15, 2023 and March 15, 2024, the department
13 of economic security shall submit a report to the president of the senate,
14 the speaker of the house of representatives, the chairpersons of the
15 senate and house of representatives appropriations committees and the
16 joint legislative budget committee on child care development block grant
17 monies provided from the coronavirus aid, relief, and economic security
18 act, the consolidated appropriations act, 2021 and the American rescue
19 plan act of 2021 (P.L. 117-2). The report must include, at a minimum, the
20 actual expenditures made to date by purpose and, separately, by federal
21 legislation, the expenditure plan for all remaining monies by purpose and,
22 separately, by federal legislation, the number of children served with the
23 monies on average each month, the average child care reimbursement rates
24 for the entire program, including these monies, and the number of child
25 care settings with a quality rating.

26 The department of economic security shall forward to the joint
27 legislative budget committee a monthly report listing data on the child
28 care population served. The report must include, at a minimum, in each
29 program the number of unduplicated children enrolled in child care within
30 the department of economic security and the department of child safety by
31 program and the average amount paid per child plus quality-related
32 spending.

33 All workforce investment act grant monies that are received by this
34 state in excess of \$87,110,800 are appropriated to the workforce
35 innovation and opportunity act services line item. Before spending these
36 increased monies, the department shall report the intended use of monies
37 in excess of \$87,110,800 to the joint legislative budget committee.

38 Departmentwide

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

1 The department of economic security shall forward to the president
 2 of the senate, the speaker of the house of representatives, the
 3 chairpersons of the senate and house of representatives appropriations
 4 committees and the director of the joint legislative budget committee a
 5 monthly report comparing total expenditures for the month and year-to-date
 6 as compared to prior-year totals on or before the thirtieth of the
 7 following month. The report shall include an estimate of potential
 8 shortfalls in entitlement programs and potential federal and other monies,
 9 such as the statewide assessment for indirect costs, and any projected
 10 surplus in state-supported programs that may be available to offset these
 11 shortfalls and a plan, if necessary, for eliminating any shortfall without
 12 a supplemental appropriation.

13 Sec. 30. STATE BOARD OF EDUCATION

14		<u>2023-24</u>
15	FTE positions	23.0
16	Operating lump sum appropriation	\$ 3,155,100
17	Arizona empowerment scholarship	
18	account appeals	<u>221,600</u>
19	Total appropriation –	
20	state board of education	\$ 3,376,700
21	Fund sources:	
22	State general fund	\$ 3,376,700

23 Sec. 31. SUPERINTENDENT OF PUBLIC INSTRUCTION

24		<u>2023-24</u>
25	FTE positions	232.9
26	Operating lump sum appropriation	\$ 25,633,100
27	<u>Formula programs</u>	
28	Basic state aid	6,138,916,800
29	Onetime state aid supplement	300,000,000
30	Special education fund	36,029,200
31	Other state aid to districts	983,900
32	Classroom site fund	1,018,912,500
33	Instructional improvement fund	60,425,700
34	<u>Property tax relief</u>	
35	Additional state aid	511,613,100
36	<u>Non-formula programs</u>	
37	Accountability and achievement	
38	testing	16,442,300
39	Adult education	21,769,100
40	Alternative teacher development	
41	program	1,800,000
42	Arizona civics education and	
43	leadership development program	300,000

1	Arizona English language	
2	learner fund	4,960,400
3	Art consumables	10,000,000
4	Broadband expansion fund deposit	5,000,000
5	CTED certification exam fee	
6	reimbursement	1,000,000
7	CTED completion grants	1,000,000
8	CTED soft capital and equipment	1,000,000
9	College credit by examination	
10	incentive program	7,472,100
11	College placement exam fee waiver	1,265,800
12	Computer science professional	
13	development program	1,000,000
14	Dual enrollment student development	
15	fund deposit	15,000,000
16	Dual enrollment teacher development	
17	fund deposit	500,000
18	Early education and career	
19	exploration program	5,000,000
20	Early literacy	18,880,000
21	Education learning and	
22	accountability system	5,447,100
23	English learner administration	6,597,100
24	Feminine hygiene products	2,000,000
25	Flagstaff robotics program	20,000
26	Geographic literacy	100,000
27	Gifted assessments	850,000
28	Gila county jail education	10,000
29	Jobs for Arizona graduates	500,000
30	Juvenile detention centers	52,600
31	K-12 transportation formula study	250,000
32	Live, remote instructional courses	100,000
33	Nonprofit education initiatives	100,000
34	Nonprofit low-income assistance	500,000
35	Phoenix science education programs	2,500,000
36	Public school campus community	
37	gardens	100,000*
38	Public school campus trees	300,000*
39	School safety program	81,992,600
40	State block grant for vocational	
41	education	11,774,700

1	Student level data access	357,900
2	Teacher certification	2,554,500
3	Teacher professional development	3,000,000
4	Tribal college dual enrollment	
5	program	325,000
6	Youth summer education program	<u>250,000</u>
7	Total appropriation and expenditure	
8	authority – superintendent	
9	of public instruction	\$8,324,585,500
10	Fund sources:	
11	State general fund	\$6,732,358,700
12	Education sales tax fund	7,000,000
13	Permanent state school fund	342,797,300
14	Teacher certification fund	2,527,900
15	Tribal college dual enrollment	
16	program fund	325,000
17	Department of education empowerment	
18	scholarship account fund	357,900
19	Expenditure authority	1,239,218,700

20 Operating lump sum

21 The appropriated amount for the operating lump sum includes a
 22 onetime increase of \$10,000,000 from the state general fund in fiscal year
 23 2023-2024 for operating expenses. The increase is exempt from the
 24 provisions of section 35-190, Arizona Revised Statutes, relating to
 25 lapsing of appropriations, until June 30, 2026.

26 Any monies available to the department of education pursuant to
 27 section 42-5029.02, subsection A, paragraph 8, Arizona Revised Statutes,
 28 for the failing schools tutoring fund established by section 15-241,
 29 Arizona Revised Statutes, in excess of the expenditure authority amounts
 30 are allocated for the purposes of section 42-5029.02, subsection A,
 31 paragraph 8, Arizona Revised Statutes.

32 Any monies available to the department of education pursuant to
 33 section 42-5029.02, subsection A, paragraph 6, Arizona Revised Statutes,
 34 for character education matching grants pursuant to section 15-154.01,
 35 Arizona Revised Statutes, in excess of the expenditure authority amounts
 36 are allocated for the purposes of section 42-5029.02, subsection A,
 37 paragraph 6, Arizona Revised Statutes.

38 Basic state aid

39 The appropriation for basic state aid provides basic state support
 40 to school districts for maintenance and operations funding as provided by
 41 section 15-973, Arizona Revised Statutes, and includes an estimated
 42 \$342,797,300 in expendable income derived from the permanent state school
 43 fund and from state trust lands pursuant to section 37-521, subsection B,
 44 Arizona Revised Statutes, for fiscal year 2023-2024.

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

5 Except as required by section 37-521, Arizona Revised Statutes, all
6 monies received during the fiscal year from national forests, interest
7 collected on deferred payments on the purchase of state lands, income from
8 investing permanent state school funds as prescribed by the enabling act
9 and the Constitution of Arizona and all monies received by the
10 superintendent of public instruction from whatever source, except monies
11 received pursuant to sections 15-237 and 15-531, Arizona Revised Statutes,
12 when paid into the state treasury are appropriated for apportionment to
13 the various counties in accordance with law. An expenditure may not be
14 made except as specifically authorized above.

15 Any monies available to the department of education pursuant to
16 section 42-5029.02, subsection A, paragraph 5, Arizona Revised Statutes,
17 for the increased cost of basic state aid under section 15-971, Arizona
18 Revised Statutes, due to added school days in excess of the expenditure
19 authority amounts are allocated for the purposes of section 42-5029.02,
20 subsection A, paragraph 5, Arizona Revised Statutes.

21 Other programs

22 The department of education shall allocate the appropriated amount
23 for the onetime state aid supplement to school districts and charter
24 schools on a pro rata basis using the weighted student count for the
25 school district or charter school for the fiscal year pursuant to section
26 15-943, paragraph 2, subdivision (a), Arizona Revised Statutes, and
27 increase the budget limits pursuant to section 15-947, Arizona Revised
28 Statutes, accordingly. For the purposes of this paragraph, the weighted
29 student count for a school district that serves as the district of
30 attendance for nonresident pupils shall be increased to include
31 nonresident pupils who attend school in the school district.

32 A school district may budget the monies that it receives from the
33 onetime state aid supplement line item in either the school district's
34 maintenance and operation fund or unrestricted capital outlay fund.

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.

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

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

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

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

21 The appropriated amount for art consumables shall be distributed for
22 grants of not more than \$1,000 per recipient to public school arts
23 teachers and any public school teachers for preschool through third grade
24 for arts supplies, materials and instructional aids that are of a
25 consumable nature as defined by the uniform system of financial records
26 prescribed by the auditor general pursuant to section 15-271, Arizona
27 Revised Statutes.

28 Monies appropriated for CTED completion grants are intended to help
29 fund program completion for students who complete at least fifty percent
30 of a career technical education program before graduating from high school
31 and who successfully complete the career technical education district
32 program after graduating from high school. The application procedures
33 shall award grant funding only after an eligible student has successfully
34 completed a career technical education district program.

35 If the appropriated amount for CTED completion grants is
36 insufficient to fund all grant requests from career technical education
37 districts, the department of education shall reduce grant amounts on a
38 proportional basis in order to cap total statewide allocations at
39 \$1,000,000.

40 The appropriated amount for CTED completion grants is exempt from
41 the provisions of section 35-190, Arizona Revised Statutes, relating to
42 lapsing of appropriations, until June 30, 2025.

1 The department of education shall distribute the appropriated amount
 2 for CTED soft capital and equipment to career technical education
 3 districts with fewer than two thousand average daily membership pupils for
 4 soft capital and equipment expenses. The appropriated amount shall be
 5 allocated on a pro rata basis based on the average daily membership of
 6 eligible career technical education districts.

7 Before spending the \$6,880,000 increase in the appropriated amount
 8 for the early literacy line item for literacy coaches, kindergarten entry
 9 assessments, dyslexia training or science of reading exams, the department
 10 of education shall submit an expenditure plan to the joint legislative
 11 budget committee and the governor's office of strategic planning and
 12 budgeting. The department shall report its actual expenditures for the
 13 early literacy line item for literacy coaches, kindergarten entry
 14 assessments, dyslexia training and science of reading exams to the joint
 15 legislative budget committee on or before July 31, 2024.

16 The department of education shall use the appropriated amount for
 17 English learner administration to provide English language acquisition
 18 services for the purposes of section 15-756.07, Arizona Revised Statutes,
 19 and for the costs of providing English language proficiency assessments,
 20 scoring and ancillary materials as prescribed by the department of
 21 education to school districts and charter schools for the purposes of
 22 title 15, chapter 7, article 3.1, Arizona Revised Statutes. The
 23 department may use a portion of the appropriated amount to hire staff or
 24 contract with a third party to carry out the purposes of section
 25 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192,
 26 Arizona Revised Statutes, the superintendent of public instruction also
 27 may use a portion of the appropriated amount to contract with one or more
 28 private attorneys to provide legal services in connection with the case of
 29 Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

30 The department of education shall use the appropriated amount for
 31 geographic literacy to issue a grant to a statewide geographic alliance
 32 for strengthening geographic literacy in this state.

33 The department of education shall use the appropriated amount for
 34 jobs for Arizona graduates to issue a grant to a nonprofit organization
 35 for a JOBS for Arizona graduates program.

36 The appropriated amount for juvenile detention centers includes
 37 \$22,600 for Yavapai county, \$20,000 for Pinal county and \$10,000 for
 38 Maricopa county.

39 The appropriated amount for the K-12 transportation formula study
 40 shall be used to develop a per pupil weighted transportation funding
 41 formula for K-12 students. The appropriated amount shall be used only for
 42 the costs associated with developing the per pupil weighted transportation
 43 formula. On or before December 31, 2023, the department of education
 44 shall submit a report to the president of the senate, the speaker of the
 45 house of representatives, the chairpersons of the senate and house of

1 representatives education committees, the director of the joint
2 legislative budget committee and the director of the governor's office of
3 strategic planning and budgeting that includes at least the following
4 information:

5 1. The amount determined to be the per pupil base transportation
6 amount for every K-12 student.

7 2. The appropriate weight for students with extraordinary needs.

8 3. The appropriate weight for students in grades nine through
9 twelve .

10 4. The appropriate weight for foster and homeless students.

11 5. The appropriate sparsity weight for rural, remote and isolated
12 students, including long-distance open enrollment students.

13 The appropriated amount for live, remote instructional courses is
14 exempt from the provisions of section 35-190, Arizona Revised Statutes,
15 relating to lapsing of appropriations, until December 31, 2025.

16 The department of education shall distribute the appropriated amount
17 for nonprofit education initiatives to a nonprofit organization based in
18 Scottsdale that is qualified under section 501(c)(3) of the internal
19 revenue code and that provides scholarships and other educational
20 programming and promotes youth activities, sports and cultural enrichment.

21 The department of education shall distribute the appropriated amount
22 for nonprofit low-income assistance to a nonprofit organization that is
23 qualified under section 501(c)(3) of the internal revenue code and that
24 provides low-income children in kindergarten programs and grades one
25 through eight with new clothing and shoes, hygiene kits, and new books.

26 The department of education shall distribute the appropriated amount
27 for public school campus trees for grants to public schools to plant
28 low-biogenic volatile organic compound-emitting trees on school campuses
29 that are appropriate for each school's respective climate. Until December
30 31, 2023, the department shall distribute the appropriated amount on a
31 first-come, first-served basis only to public schools in this state at
32 which seventy-five percent or more of the students are eligible for free
33 or reduced-price lunches under the national school lunch and child
34 nutrition acts (42 United States Code sections 1751 through 1793). If any
35 monies remain undistributed from and after December 31, 2023, the
36 department shall distribute the monies on a first-come, first-served basis
37 to public schools in this state. The department may require each public
38 school that receives grant monies to issue a report regarding the school's
39 use of monies received. A public school that receives monies from the
40 department may partner with nonprofit organizations to plant the trees on
41 the school's campus.

1 The amount appropriated for the school safety program in fiscal year
2 2022-2023 pursuant to Laws 2022, chapter 313, section 31 included an
3 increase of \$50,000,000 for additional school safety grants. In
4 allocating the \$50,000,000 increase, the department of education shall
5 first distribute monies to schools on the school safety program waiting
6 list to receive grants for the costs of placing school resource officers
7 on school campuses. The awarded grants may not supplant funding provided
8 by local governments for school resource officers. If the total cost of
9 funding grants for school resource officer costs is less than \$50,000,000,
10 the department may allocate the remaining monies to grants to schools for
11 the costs of placing school counselors and social workers on school
12 campuses pursuant to section 15-154, Arizona Revised Statutes.

13 Any monies available to the department of education for school
14 safety pursuant to section 42-5029.02, subsection A, paragraph 6, Arizona
15 Revised Statutes, in excess of the expenditure authority amounts are
16 allocated for the purposes of section 42-5029.02, subsection A, paragraph
17 6, Arizona Revised Statutes.

18 The department shall distribute the appropriated amount for Phoenix
19 science education programs to an organization that is based in Phoenix and
20 that provides science, technology, engineering and math education programs
21 and professional development training.

22 The department shall distribute the appropriated amount for the
23 youth summer education program to a nonprofit organization that is based
24 in Globe and that provides summer education programs for youth.

25 After review by the joint legislative budget committee, in fiscal
26 year 2023-2024, the department of education may use a portion of its
27 fiscal year 2023-2024 state general fund appropriations for basic state
28 aid, additional state aid or the special education fund to fund a
29 shortfall in funding for basic state aid, additional state aid or the
30 special education fund, if any, that occurred in fiscal year 2022-2023.

31 The department shall provide an updated report on its budget status
32 every three months for the first half of each fiscal year and every month
33 thereafter to the president of the senate, the speaker of the house of
34 representatives, the chairpersons of the senate and house of
35 representatives appropriations committees, the director of the joint
36 legislative budget committee and the director of the governor's office of
37 strategic planning and budgeting. Each report shall include, at a
38 minimum, the department's current funding surplus or shortfall projections
39 for basic state aid and other major formula-based programs and is due
40 thirty days after the end of the applicable reporting period.

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

1	Sec. 32. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS	
2		<u>2023-24</u>
3	FTE positions	65.1
4	Administration	\$ 2,558,000
5	Emergency management	876,800
6	Emergency management matching funds	1,544,900
7	Emergency hazard mitigation	1,333,300
8	Federal government matching repayment	759,200
9	Hazard mitigation assistance	462,900
10	Military affairs	2,142,200
11	National guard matching funds	3,370,000
12	National guard uniform allowance	300,000
13	National guard tuition	
14	reimbursement	1,000,000
15	Hazard mitigation revolving	
16	fund deposit	<u>200,000</u>
17	Total appropriation – department of	
18	emergency and military affairs	\$ 14,547,300
19	Fund sources:	
20	State general fund	\$ 14,547,300
21	The \$3,370,000 national guard matching funds appropriation is exempt	
22	from the provisions of section 35-190, Arizona Revised Statutes, relating	
23	to lapsing of appropriations, except that all fiscal year 2023-2024 monies	
24	remaining unexpended and unencumbered on December 31, 2024 revert to the	
25	state general fund.	
26	The \$759,200 federal government matching repayment appropriation is	
27	exempt from the provisions of section 35-190, Arizona Revised Statutes,	
28	relating to lapsing of appropriations, except that all fiscal year	
29	2023-2024 monies remaining unexpended and unencumbered on December 31,	
30	2024 revert to the state general fund.	
31	The appropriated amount for the national guard tuition reimbursement	
32	line item is exempt from the provisions of section 35-190, Arizona Revised	
33	Statutes, relating to lapsing of appropriations, until September 30, 2024.	
34	Sec. 33. DEPARTMENT OF ENVIRONMENTAL QUALITY	
35		<u>2023-24</u>
36	FTE positions	355.7
37	Operating lump sum appropriation	\$ 70,050,000
38	Direct potable reuse of treated	
39	wastewater program	1,500,000
40	Safe drinking water program	1,998,500

1	Water quality fee fund deposit	9,500,000
2	PFAS mitigation	5,000,000*
3	Emissions control contractor	
4	payment	<u>26,219,500</u>
5	Total appropriation – department of	
6	environmental quality	\$114,268,000
7	Fund sources:	
8	State general fund	\$ 16,000,000
9	Air quality fund	5,830,900
10	Emergency response fund	132,800
11	Emissions inspection fund	30,484,400
12	Hazardous waste management fund	1,946,600
13	Indirect cost fund	18,629,000
14	Permit administration fund	7,285,600
15	Recycling fund	1,522,400
16	Safe drinking water program	
17	fund	1,998,500
18	Solid waste fee fund	2,589,600
19	Water quality fee fund	27,848,200

20 On or before July 31, 2024, the department of environmental quality
 21 shall report to the joint legislative budget committee on its progress
 22 expending monies for PFAS mitigation, including funded projects,
 23 anticipated projects and outcomes as a result of mitigation efforts. The
 24 report shall include details about the scope and location of the projects.

25 The department of environmental quality shall report annually on the
 26 progress of WQARF activities, including emergency response, priority site
 27 remediation, cost recovery activity, revenue and expenditure activity and
 28 other WQARF-funded program activity. The department shall submit the
 29 fiscal year 2023-2024 report to the joint legislative budget committee on
 30 or before September 1, 2023. This report shall also include a budget for
 31 the WQARF program that is developed in consultation with the WQARF
 32 advisory board. This budget shall specify the monies budgeted for each
 33 listed site during fiscal year 2023-2024. In addition, the department and
 34 the WQARF advisory board shall prepare and submit to the joint legislative
 35 budget committee, on or before October 1, 2023, a report in a table format
 36 summarizing the current progress on remediation of each listed site on the
 37 WQARF registry. The table shall include the stage of remediation for each
 38 site at the end of fiscal year 2022-2023, indicate whether the current
 39 stage of remediation is anticipated to be completed in fiscal year
 40 2023-2024 and indicate the anticipated stage of remediation at each listed
 41 site at the end of fiscal year 2023-2024, assuming fiscal year 2023-2024
 42 funding levels. The department and the WQARF advisory board may include
 43 other relevant information about the listed sites in the table.

1 All permit administration fund monies received by the department of
 2 environmental quality in excess of \$7,285,600 in fiscal year 2023-2024 are
 3 appropriated to the department. Before spending permit administration
 4 fund monies in excess of \$7,285,600 in fiscal year 2023-2024, the
 5 department shall report the intended use of the monies to the joint
 6 legislative budget committee.

7 All monies in the department of environmental quality indirect cost
 8 fund, including the beginning balance, that are in excess of \$18,629,000
 9 in fiscal year 2023-2024 are appropriated to the department. Before
 10 spending indirect cost fund monies in excess of \$18,629,000 in fiscal year
 11 2023-2024, the department shall report the intended use of the monies to
 12 the joint legislative budget committee.

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

14			<u>2023-24</u>
15	FTE positions		5.0
16	Lump sum appropriation	\$	311,400
17	Fund sources:		
18	Personnel division fund	\$	311,400

19 Sec. 35. STATE BOARD OF EQUALIZATION

20			<u>2023-24</u>
21	FTE positions		7.0
22	Lump sum appropriation	\$	737,900
23	Fund sources:		
24	State general fund	\$	737,900

25 Sec. 36. BOARD OF EXECUTIVE CLEMENCY

26			<u>2023-24</u>
27	FTE positions		14.5
28	Lump sum appropriation	\$	1,426,300
29	Fund sources:		
30	State general fund	\$	1,426,300

31 On or before November 1, 2023, the board of executive clemency shall
 32 report to the directors of the joint legislative budget committee and the
 33 governor's office of strategic planning and budgeting the total number and
 34 types of cases the board reviewed in fiscal year 2022-2023.

35 Sec. 37. ARIZONA EXPOSITION AND STATE FAIR BOARD

36			<u>2023-24</u>
37	FTE positions		184.0
38	Lump sum appropriation	\$	16,056,800
39	Fund sources:		
40	Arizona exposition and state		
41	fair fund	\$	16,056,800

42 Of the monies in the Arizona exposition and state fair board
 43 operating budget, \$2,000,000 shall be spent for enhanced state fair
 44 operations. Before spending monies in the operating budget on capital
 45 projects, the board shall submit a report for review by the joint

1 committee on capital review on the scope, purpose and estimated cost of
 2 the capital improvements.

3 Of the monies appropriated to the Arizona exposition and state fair
 4 board in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section
 5 37, \$2,300,000 of the lump sum appropriation is exempt from the provisions
 6 of section 35-190, Arizona Revised Statutes, relating to lapsing of
 7 appropriations, until June 30, 2024.

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

9		<u>2023-24</u>
10	FTE positions	235.5
11	Operating lump sum appropriation	\$ 3,937,200
12	Environmental county grants	250,000
13	Inmate firefighting crews	869,600
14	Postrelease firefighting crews	1,282,700
15	Fire suppression	200,000
16	State fire marshal	1,795,600
17	State fire school	289,100
18	Hazardous vegetation removal	3,040,300
19	US forest service land thinning	1,660,900
20	Wildfire mitigation	<u>32,049,700</u>
21	Total appropriation – Arizona department	
22	of forestry and fire management	\$ 45,375,100

23 Fund sources:

24	State general fund	\$ 45,375,100
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25 The appropriation for the hazardous vegetation removal line item is
 26 exempt from the provisions of section 35-190, Arizona Revised Statutes,
 27 relating to lapsing of appropriations, until June 30, 2025.

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

29		<u>2023-24</u>
30	FTE positions	4.0
31	Lump sum appropriation	\$ 476,800

32 Fund sources:

33	Board of funeral directors' and	
34	embalmers' fund	\$ 476,800

35 Sec. 40. ARIZONA GAME AND FISH DEPARTMENT

36		<u>2023-24</u>
37	FTE positions	273.5
38	Operating lump sum appropriation	\$48,091,600
39	Pittman-Robertson/Dingell-Johnson	
40	act	<u>3,058,000</u>

41	Total appropriation – Arizona game and fish	
42	department	\$51,149,600

1	Fund sources:	
2	Capital improvement fund	\$ 1,001,200
3	Game and fish fund	44,516,200
4	Wildlife endowment fund	16,200
5	Watercraft licensing fund	5,226,800
6	Game, nongame, fish and	
7	endangered species fund	389,200
8	Sec. 41. DEPARTMENT OF GAMING	
9		<u>2023-24</u>
10	FTE positions	155.8
11	Operating lump sum appropriation	\$ 13,740,100
12	Arizona breeders' award	250,000
13	Casino operations certification	2,308,700
14	County fairs livestock and	
15	agriculture promotion	6,029,500
16	Division of racing	2,431,200
17	Contract veterinarian	175,000
18	Event wagering operator license	
19	fee refund	500,000
20	Horseracing integrity and safety	
21	act assessment	355,100
22	Racing purse enhancement	5,000,000
23	Problem gambling	<u>3,320,000</u>
24	Total appropriation – department of gaming	\$ 34,109,600
25	Fund sources:	
26	State general fund	\$ 12,059,600
27	Fantasy sports contest fund	150,100
28	Tribal-state compact fund	2,308,700
29	Arizona benefits fund	16,610,000
30	State lottery fund	300,000
31	Racing regulation fund	2,576,600
32	Racing regulation fund – unarmed	
33	combat subaccount	104,600

34 The amount appropriated to the county fairs livestock and
 35 agriculture promotion line item is for deposit in the county fairs
 36 livestock and agriculture promotion fund established by section 5-113,
 37 Arizona Revised Statutes, and to be administered by the office of the
 38 governor.

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

44 On or before August 1, 2023, the department of gaming shall report
 45 to the directors of the joint legislative budget committee and the

1 governor's office of strategic planning and budgeting on the expected
 2 amount and purpose of expenditures from the event wagering fund
 3 established by section 5-1318, Arizona Revised Statutes, for fiscal year
 4 2023-2024. The report shall include the projected line item detail and
 5 the number of filled full-time equivalent positions.

6 On or before the final day of each quarter of fiscal year 2023-2024,
 7 the department of gaming shall report to the members of the joint
 8 legislative budget committee on the number of equine deaths and injuries
 9 that occurred as a result of a horse race and the commercial live racing
 10 facility where each incident occurred. The report shall include the number
 11 of pre-race inspections performed by a veterinarian employed by or
 12 contracted with this state.

13 The amount appropriated to the horseracing integrity and safety act
 14 assessment line item shall be distributed to commercial live racing
 15 permittees during fiscal year 2023-2024 to pay the calendar year 2023
 16 assessment levied by the horseracing integrity and safety authority. If
 17 the appropriated amount for the horseracing integrity act assessment line
 18 item is insufficient to fund all assessments levied by the horseracing
 19 integrity and safety authority, the department shall reduce the
 20 distribution amounts on a proportional basis in order to cap total
 21 statewide distributions at \$355,100. The distributions for fiscal year
 22 2023-2024 are estimated to be \$309,300 to a commercial live racing
 23 permittee located in Maricopa county and \$45,800 to a commercial live
 24 racing permittee located in Yavapai county.

25 Sec. 42. OFFICE OF THE GOVERNOR

	<u>2023-24</u>
Operating lump sum appropriation	\$ 9,922,700*
Missing and murdered indigenous people task force	1,000,000
Foster youth education success fund deposit	<u>1,500,000</u>
Total appropriation – office of the governor	\$ 12,422,700

33 Fund sources:

State general fund	\$ 12,422,700
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35 Included in the operating lump sum appropriation of \$9,922,700 for
 36 fiscal year 2023-2024 is \$10,000 for the purchase of mementos and items
 37 for visiting officials.

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

	<u>2023-24</u>
FTE positions	22.0
Lump sum appropriation	\$ 2,961,400*
Fund sources:	
State general fund	\$ 2,961,400

1	Sec. 44. DEPARTMENT OF HEALTH SERVICES	
2		<u>2023-24</u>
3	FTE positions	1,145.0
4	Operating lump sum appropriation	\$ 60,922,300
5	<u>Public health/family health</u>	
6	Adult cystic fibrosis care	105,200
7	AIDS reporting and surveillance	1,000,000
8	Alzheimer's disease research	4,125,000
9	Behavioral health care provider	
10	loan repayment program	1,000,000
11	Biomedical research support	2,000,000
12	Breast and cervical cancer and	
13	bone density screening	1,369,400
14	Collaborative care uptake	
15	fund deposit	1,000,000
16	County tuberculosis provider	
17	care and control	590,700
18	Dementia awareness campaign	500,000*
19	Dementia services program and	
20	Alzheimer's disease state plan	964,100
21	Fentanyl testing strips and	
22	mass spectrometers	300,000
23	Folic acid program	400,000
24	Health crisis review centers and	
25	wraparound services	5,000,000
26	High-risk perinatal services	2,343,400
27	Newborn screening program	12,388,500
28	Nonrenal disease management	198,000
29	Arizona nurse education investment	
30	pilot program	15,000,000
31	Nursing care special projects	200,000
32	Poison control centers funding	990,000
33	Preceptor grant program for graduate	
34	students	500,000
35	Psilocybin research	5,000,000
36	Renal dental care and nutrition	
37	supplements	300,000
38	Renal transplant drugs	183,000
39	Trauma recovery center fund deposit	7,000,000
40	<u>Arizona state hospital</u>	
41	Arizona state hospital –	
42	operating	87,043,700

1	Arizona state hospital –	
2	restoration to competency	900,000
3	Arizona state hospital –	
4	sexually violent persons	<u>10,951,800</u>
5	Total appropriation – department of	
6	health services	\$222,275,100
7	Fund sources:	
8	State general fund	\$164,233,600
9	Arizona state hospital fund	3,145,800
10	Arizona state hospital land fund	650,000
11	Child fatality review fund	196,500
12	Disease control research fund	1,000,000
13	DHS indirect cost fund	12,298,700
14	Emergency medical services	
15	operating fund	4,167,900
16	Environmental laboratory licensure	
17	revolving fund	1,001,700
18	Federal child care and development	
19	fund block grant	998,600
20	Health services licensing fund	16,960,500
21	Newborn screening program fund	12,821,300
22	Nursing care institution resident	
23	protection revolving fund	238,200
24	Tobacco tax and health care	
25	fund – medically needy account	700,000
26	Vital records electronic systems	
27	fund	3,862,300

28 Public health/family health

29 Of the amount appropriated for the operating lump sum, \$100,000
 30 shall be used for a suicide prevention coordinator to assist school
 31 districts and charter schools in suicide prevention efforts. On or before
 32 September 1, 2024, the department of health services, in consultation with
 33 the department of education, shall report to the governor, the president
 34 of the senate, the speaker of the house of representatives, the director
 35 of the joint legislative budget committee and the director of the
 36 governor's office of strategic planning and budgeting on the suicide
 37 prevention coordinator's accomplishments in fiscal year 2023-2024.

38 The department of health services may use up to four percent of the
 39 amount appropriated for nonrenal disease management for the administrative
 40 costs to implement the program.

41 The appropriated amount for the dementia services program and
 42 Alzheimer's disease state plan line item is exempt from the provisions of
 43 section 35-190, Arizona Revised Statutes, relating to lapsing of
 44 appropriations, until June 30, 2026. The legislature intends that the
 45 appropriation be used for fiscal years 2023-2024, 2024-2025 and 2025-2026.

1 The department of health services shall distribute monies
2 appropriated for the biomedical research support line item to a nonprofit
3 medical research institute headquartered in this state that specializes in
4 biomedical research focusing on applying genomic technologies and
5 sequencing to clinical care, that has served as a resource to this state
6 to conduct molecular epidemiologic analyses to assist with disease
7 outbreak investigations and that collaborates with universities, hospitals
8 and health science research centers and other public and private
9 bioscience and related industries in this state. The recipient of these
10 monies shall commission an audit of the expenditure of these monies and
11 shall submit a copy of the audit to the department of health services on
12 or before February 1, 2025.

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

- 17 1. Is headquartered in this state.
- 18 2. Has been operating in this state for at least the last ten
19 years.
- 20 3. Has participating member institutions that work together to end
21 Alzheimer's disease within a statewide collaborative model by using their
22 complementary strengths in brain imaging, computer science, genomics,
23 basic and cognitive neurosciences and clinical and neuropathology
24 research.
- 25 4. Has participating member institutions that educate residents of
26 this state about Alzheimer's disease, research progress and resources to
27 help patients, families and professionals manage the disease.

28 The terms of the grant made to the charitable organization may not
29 impose any requirements that were not imposed in prior grant agreements
30 entered into between the department of health services and the charitable
31 organization.

32 Of the amount appropriated to the department of health services for
33 the behavioral health care provider loan repayment program in fiscal year
34 2022-2023 pursuant to Laws 2022, chapter 313, section 44, \$1,000,000 from
35 the state general fund is exempt from the provisions of section 35-190,
36 Arizona Revised Statutes, relating to lapsing of appropriations, until
37 June 30, 2024.

38 The amount appropriated to the department of health services for the
39 preceptor grant program for graduate students is exempt from the
40 provisions of section 35-190, Arizona Revised Statutes, relating to the
41 lapsing of appropriations. Any monies remaining unexpended on July 1,
42 2026 revert to the state general fund.

1 The amount appropriated in the trauma recovery center fund deposit
 2 line item shall be deposited in the trauma recovery center fund
 3 established by section 36-4102, Arizona Revised Statutes and is
 4 appropriated from the fund for the purposes of that section. Not more
 5 than five percent of the monies deposited in the fund may be used by the
 6 department of health services to administer the fund. The department
 7 shall use the remaining monies to provide all of the following:

8 1. A technical assistance grant to help establish, train and
 9 coordinate a state pilot trauma recovery center.

10 2. Three years of operational and service costs of the state pilot
 11 trauma recovery center.

12 3. A grant to a public research institution to track data and
 13 outcomes of the state pilot trauma recovery center and to produce a report
 14 at the conclusion of the pilot.

15 Arizona state hospital

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

20 Departmentwide

21 The department of health services shall electronically forward to
 22 the president of the senate, the speaker of the house of representatives,
 23 the chairpersons of the senate and house of representatives appropriations
 24 committees and the director of the joint legislative budget committee a
 25 monthly report comparing total expenditures for the month and year-to-date
 26 as compared to prior-year totals on or before the thirtieth of the
 27 following month. Each report shall include an estimate of potential
 28 shortfalls in programs, potential federal and other monies, such as the
 29 statewide assessment for indirect costs, that may be available to offset
 30 these shortfalls, and a plan, if necessary, for eliminating any shortfall
 31 without a supplemental appropriation.

32 Sec. 45. ARIZONA HISTORICAL SOCIETY

33		<u>2023-24</u>
34	FTE positions	50.9
35	Operating lump sum appropriation	\$ 2,585,100
36	Field services and grants	65,800
37	Papago park museum	<u>563,800</u>
38	Total appropriation – Arizona historical	
39	society	\$ 3,214,700
40	Fund sources:	
41	State general fund	\$ 3,214,700

1	Sec. 46. PRESCOTT HISTORICAL SOCIETY	
2		<u>2023-24</u>
3	FTE positions	13.0
4	Lump sum appropriation	\$ 1,016,100
5	Fund sources:	
6	State general fund	\$ 1,016,100
7	Sec. 47. ARIZONA DEPARTMENT OF HOMELAND SECURITY	
8		<u>2023-24</u>
9	FTE positions	20.0
10	Statewide information security	
11	and privacy operations and	
12	controls	\$ 11,325,300
13	Antihuman trafficking grant	
14	fund deposit	10,000,000
15	Arizona state nonprofit security grant	
16	program fund deposit	5,000,000
17	Statewide cybersecurity grants	<u>10,000,000</u>
18	Total appropriation – Arizona department of	
19	homeland security	\$ 36,325,300
20	Fund sources:	
21	State general fund	\$ 25,000,000
22	Information technology fund	11,325,300

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

26 The amount appropriated in the antihuman trafficking grant fund
 27 deposit line item shall be deposited in the antihuman trafficking grant
 28 fund. The Arizona department of homeland security shall distribute these
 29 monies as follows:

30 1. \$2,000,000 to the department of public safety Arizona counter
 31 terrorism information center for antihuman trafficking operations that
 32 work to reduce human trafficking by providing assistance and analytical
 33 services to law enforcement agencies or that provide services to victims
 34 and training to law enforcement agencies, prosecutorial agencies and the
 35 public on preventing and identifying human trafficking.

36 2. \$8,000,000 in award grants to municipal and county law
 37 enforcement agencies, not to exceed \$500,000 per agency, for programs that
 38 reduce human trafficking.

39 The amount appropriated in the nonprofit security grant program fund
 40 deposit line item shall be deposited in the nonprofit security grant
 41 program fund. Not more than five percent of the monies deposited in the
 42 fund may be used by the Arizona department of homeland security to
 43 administer the nonprofit security grant program.

1 Of the amount appropriated in the statewide information security and
 2 privacy operations and controls line item in fiscal year 2022-2023
 3 pursuant to Laws 2022, chapter 313, section 47, \$300,000 is exempt from
 4 the provisions of section 35-190, Arizona Revised Statutes, relating to
 5 the lapsing of appropriations, until June 30, 2024.

6 Sec. 48. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS

7		<u>2023-24</u>
8	FTE positions	1.0
9	Lump sum appropriation	\$ 51,900
10	Fund sources:	
11	Board of homeopathic and	
12	integrated medicine	
13	examiners' fund	\$ 51,900

14 Sec. 49. ARIZONA DEPARTMENT OF HOUSING

15		<u>2023-24</u>
16	FTE positions	3.0
17	Operating lump sum appropriation	\$ 367,400
18	Housing trust fund deposit	150,000,000
19	Homeless shelter and services	
20	fund deposit	40,000,000
21	Mobile home relocation fund deposit	5,000,000
22	Military transitional housing	
23	fund deposit	<u>1,900,000</u>
24	Total appropriation – Arizona department	
25	of housing	\$197,267,400
26	Fund sources:	
27	State general fund	\$196,900,000
28	Housing trust fund	367,400

29 The amount appropriated to the Arizona department of housing for the
 30 homeless services grant pilot in fiscal year 2022-2023 pursuant to Laws
 31 2022, chapter 313, section 49 from the state general fund is exempt from
 32 the provisions of section 35-190, Arizona Revised Statutes, relating to
 33 lapsing of appropriations, until June 30, 2024.

34 On or before September 1, 2023, the department shall submit an
 35 expenditure plan report to the joint legislative budget committee for the
 36 monies deposited pursuant to this section in the housing trust fund
 37 established by section 41-3955, Arizona Revised Statutes.

38 Sec. 50. INDUSTRIAL COMMISSION OF ARIZONA

39		<u>2023-24</u>
40	FTE positions	236.6
41	Operating lump sum appropriation	\$21,976,700
42	Municipal firefighter reimbursement	
43	administration	<u>84,600</u>
44	Total appropriation – industrial commission	
45	of Arizona	\$22,061,300

1 Fund sources:

2 State general fund \$ 84,600
 3 Administrative fund 21,976,700

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 to
 8 this state.

9 Sec. 51. DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS

10 2023-24
 11 FTE positions 155.4
 12 Operating lump sum appropriation \$ 12,363,900
 13 Arizona vehicle theft task force 4,521,200
 14 Automobile theft authority
 15 operating budget 699,400
 16 Insurance fraud unit 1,851,400
 17 Local grants 1,388,900
 18 Reimbursable programs 50,000
 19 Total appropriation – department of insurance
 20 and financial institutions \$ 20,874,800

21 Fund sources:

22 State general fund \$ 8,463,000
 23 Automobile theft authority fund 6,813,600
 24 Financial services fund 5,547,900
 25 Department revolving fund 50,300

26 Of the monies appropriated to the department of insurance and
 27 financial institutions in the operating lump sum appropriation, \$250,000
 28 shall be used to administer the provisions of a bill addressing insurance
 29 provider claims against insurers if the bill becomes law in the first
 30 regular session of the fifty-sixth legislature. These monies revert to
 31 the state general fund if a bill addressing provider claims against
 32 insurers does not become law in the first regular session of the
 33 fifty-sixth legislature.

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

39 Local grants shall be awarded with consideration given to areas with
 40 greater automobile theft problems and shall be used to combat economic
 41 automobile theft operations.

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

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

10 Sec. 52. ARIZONA JUDICIARY

	<u>2023-24</u>
11 <u>Supreme court</u>	
12 FTE positions	205.0
13 Operating lump sum appropriation	\$ 18,543,200
14 Arizona trial and digital	
15 evidence fund deposit	1,620,000
16 Automation	23,893,700
17 County reimbursements	187,900
18 Court appointed special advocate	5,053,100
19 Courthouse security	750,000
20 Digital evidence software	280,000
21 Domestic relations	693,100
22 State foster care review board	3,535,700
23 Commission on judicial conduct	733,300
24 Judicial nominations and	
25 performance review	614,000
26 Juvenile monetary sanctions	
27 funding backfill	250,000
28 Model court	659,700
29 State aid	<u>5,950,700</u>
30 Total appropriation – supreme court	\$ 62,764,400
31 Fund sources:	
32 State general fund	\$ 29,496,900
33 Confidential intermediary and	
34 fiduciary fund	686,100
35 Court appointed special advocate	
36 fund	5,233,000
37 Criminal justice enhancement fund	4,722,800
38 Defensive driving school fund	4,487,700
39 Judicial collection enhancement	
40 fund	15,191,400
41 State aid to the courts fund	2,946,500

1 On or before September 1, 2023, the supreme court shall report to
 2 the joint legislative budget committee and the governor's office of
 3 strategic planning and budgeting on current and future automation projects
 4 coordinated by the administrative office of the courts. The report shall
 5 include a list of court automation projects that receive or are
 6 anticipated to receive state monies in the current or next two fiscal
 7 years as well as a description of each project, the number of FTE
 8 positions, the entities involved and the goals and anticipated results for
 9 each automation project. The report shall be submitted in one summary
 10 document. The report shall indicate each project's total multiyear cost
 11 by fund source and budget line item, including any prior-year,
 12 current-year and future-year expenditures.

13 Automation expenses of the judiciary shall be funded only from the
 14 automation line item. Monies in the operating lump sum appropriation or
 15 other line items intended for automation purposes shall be transferred to
 16 the automation line item before expenditure.

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

20 Of the \$187,900 appropriated for county reimbursements, state grand
 21 jury is limited to \$97,900 and capital postconviction relief is limited to
 22 \$90,000.

23 The legislature intends that the \$250,000 appropriation to the
 24 juvenile monetary sanctions funding backfill line item continues in fiscal
 25 years 2024-2025 and 2025-2026. These monies may only be spent if
 26 legislation that eliminates court-ordered fees for juveniles, except for
 27 victim restitution and specified driving under the influence offenses, is
 28 enacted into law.

29 Court of appeals

30 FTE positions	162.8
31 Division one	\$ 16,186,100
32 Division two	<u>8,312,300</u>
33 Total appropriation – court of appeals	\$ 24,498,400
34 Fund sources:	
35 State general fund	\$ 24,498,400

36 Of the 162.8 FTE positions for fiscal year 2023-2024, 111.3 FTE
 37 positions are for division one and 51.5 FTE positions are for division
 38 two.

39 Of the amount appropriated for the operating lump sum for division
 40 two in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section
 41 52, \$450,000 from the state general fund is for the remodeling of chambers
 42 to accommodate a new three-judge court of appeals panel, is exempt from
 43 the provisions of section 35-190, Arizona Revised Statutes, relating to
 44 the lapsing of appropriations, until June 30, 2024 and notwithstanding

1 section 41-1252, Arizona Revised Statutes, is not subject to review by the
 2 joint committee on capital review.

3 Superior court

4	FTE positions	240.5
5	Operating lump sum appropriation	\$ 5,338,600
6	Judges' compensation	28,213,100
7	Centralized service payments	4,631,300
8	Probation salary increase backfill	6,749,200
9	Adult standard probation	22,297,500
10	Adult intensive probation	13,150,200
11	Community punishment	2,310,300
12	Court-ordered removals	315,000
13	Interstate compact	513,700
14	Drug court	1,096,400
15	General adjudication personnel	
16	and support fund deposit	2,000,000
17	Juvenile standard probation	3,781,800
18	Juvenile intensive probation	6,087,200
19	Juvenile treatment services	20,803,000
20	Juvenile family counseling	500,000
21	Juvenile crime reduction	3,313,100
22	Juvenile diversion consequences	9,088,500
23	Probation incentive payments	1,000,000
24	Special water master	<u>505,300</u>
25	Total appropriation – superior court	\$131,694,200
26	Fund sources:	
27	State general fund	\$119,680,200
28	Criminal justice enhancement fund	5,494,400
29	Drug treatment and education fund	504,200
30	Judicial collection enhancement	
31	fund	6,015,400

32 Operating budget

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

38 Judges

39 Of the 240.5 FTE positions, 182 FTE positions represent superior
 40 court judges. This FTE position clarification does not limit the
 41 counties' ability to add judges pursuant to section 12-121, Arizona
 42 Revised Statutes.

1 All monies in the judges' compensation line item shall be used to
2 pay for fifty percent of superior court judges' salaries, elected
3 officials' retirement plan costs and related state benefit costs for
4 judges pursuant to section 12-128, Arizona Revised Statutes. Monies in
5 the operating lump sum appropriation or other line items intended for this
6 purpose shall be transferred to the judges' compensation line item before
7 expenditure.

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, 2023, 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 2022-2023 actual, fiscal year 2023-2024 estimated and fiscal year
20 2024-2025 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.

1 All monies in the adult standard probation, adult intensive
 2 probation, community punishment, interstate compact, juvenile standard
 3 probation, juvenile intensive probation, juvenile treatment services,
 4 juvenile diversion consequences, juvenile crime reduction and probation
 5 incentive payments line items shall be used only as pass-through monies to
 6 county probation departments. Monies in the operating lump sum
 7 appropriation or other line items intended as pass-through for the purpose
 8 of administering a county probation program shall be transferred to the
 9 appropriate probation line item before expenditure.

10 On or before November 1, 2023, the administrative office of the
 11 courts shall submit a report to the joint legislative budget committee on
 12 the county-approved salary adjustments provided to probation officers
 13 since the last report on November 1, 2022. The administrative office
 14 shall also submit a copy of the report to the governor's office of
 15 strategic planning and budgeting. The report shall include, for each
 16 county, the:

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

23 If the counties approve probation officer step or inflation salary
 24 increases in fiscal year 2023-2024 that increase the state's cost above
 25 the amounts appropriated to the adult standard probation, adult intensive
 26 probation, interstate compact, drug court, juvenile standard probation,
 27 juvenile intensive probation, juvenile treatment services and juvenile
 28 diversion consequences line items, the legislature intends that the
 29 counties absorb any additional cost to this state in fiscal year 2023-2024
 30 and subsequent years.

31 The amount appropriated to the probation salary increase backfill
 32 line item shall be used as backfill funding to cover the remaining state
 33 share of probation officer salary increases approved by county boards of
 34 supervisors for fiscal year 2022-2023.

35 Sec. 53. DEPARTMENT OF JUVENILE CORRECTIONS

	<u>2023-24</u>
36	
37 FTE positions	738.5
38 Lump sum appropriation	\$ 45,096,500
39 Fund sources:	
40 State general fund	\$ 31,753,400
41 State charitable, penal and	
42 reformatory institutions	
43 land fund	4,125,400

1 Criminal justice enhancement fund 538,500
 2 State education fund for committed
 3 youth 1,955,200
 4 Department of juvenile corrections
 5 local cost sharing fund 6,724,000
 6 Twenty-five percent of land earnings and interest from the state
 7 charitable, penal and reformatory institutions land fund shall be
 8 distributed to the department of juvenile corrections, in compliance with
 9 section 25 of the enabling act and the Constitution of Arizona, to be used
 10 to support state juvenile institutions and reformatories.

11 Sec. 54. STATE LAND DEPARTMENT

12 2023-24
 13 FTE positions 131.7
 14 Operating lump sum appropriation \$ 17,378,700
 15 Natural resource conservation
 16 districts 650,000
 17 CAP user fees 1,700,000
 18 Due diligence program 5,000,000
 19 Streambed navigability litigation 220,000
 20 Total appropriation – state land department \$ 24,948,700

21 Fund sources:

22 State general fund \$ 13,159,300
 23 Environmental special plate fund 260,600
 24 Due diligence fund 5,000,000
 25 Trust land management fund 6,528,800

26 The appropriation includes \$1,700,000 for CAP user fees in fiscal
 27 year 2023-2024. For fiscal year 2023-2024, 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 2023-2024, \$30,000 shall be used to provide
 34 grants to natural resource conservation districts environmental education
 35 centers.

36 Sec. 55. LEGISLATURE

37 2023-24

38 Senate

39 Lump sum appropriation \$ 20,385,300*

40 Fund sources:

41 State general fund \$ 20,385,300

42 Included in the lump sum appropriation of \$20,385,300 for fiscal
 43 year 2023-2024 is \$5,000 for the purchase of mementos and items for
 44 visiting officials.

1	<u>House of representatives</u>	
2	Lump sum appropriation	\$ 24,020,300*
3	Fund sources:	
4	State general fund	\$ 24,020,300
5	Included in the lump sum appropriation of \$24,020,300 for fiscal	
6	year 2023-2024 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	\$ 9,546,500*
11	Fund sources:	
12	State general fund	\$ 9,546,500
13	<u>Ombudsman-citizens aide office</u>	
14	FTE positions	12.0
15	Lump sum appropriation	\$ 1,569,200*
16	Fund sources:	
17	State general fund	\$ 1,569,200
18	The legislature intends that the ombudsman-citizens aide prioritize	
19	investigating and processing complaints relating to the department of	
20	child safety.	
21	The operating budget includes \$137,500 and 1 FTE position to address	
22	complaints relating to the administration of the Arizona empowerment	
23	scholarship account program established by section 15-2402, Arizona	
24	Revised Statutes.	
25	<u>Joint legislative budget committee</u>	
26	FTE positions	29.0
27	Lump sum appropriation	\$ 3,144,500*
28	Fund sources:	
29	State general fund	\$ 3,144,500
30	<u>Auditor general</u>	
31	FTE positions	224.8
32	Lump sum appropriation	\$ 28,491,600*
33	Fund sources:	
34	State general fund	\$ 28,491,600
35	Of the amount appropriated for the lump sum appropriation, the	
36	auditor general shall use \$3,300,000 for additional agency performance	
37	audits and school district audits.	
38	Sec. 56. DEPARTMENT OF LIQUOR LICENSES AND CONTROL	
39		<u>2023-24</u>
40	FTE positions	58.2
41	Lump sum appropriation	\$ 6,555,200
42	Fund sources:	
43	Liquor licenses fund	\$ 6,555,200

1	Sec. 57. ARIZONA STATE LOTTERY COMMISSION	
2		<u>2023-24</u>
3	FTE positions	98.8
4	Operating lump sum appropriation	\$ 10,468,900
5	Advertising	<u>15,500,000</u>
6	Total appropriation – Arizona state	
7	lottery commission	\$ 25,968,900
8	Fund sources:	
9	State lottery fund	\$ 25,968,900
10	An amount equal to twenty percent of tab ticket sales is	
11	appropriated to pay sales commissions to charitable organizations. This	
12	amount is currently estimated to be \$1,768,000 in fiscal year 2023-2024.	
13	An amount equal to 3.6 percent of actual instant ticket sales is	
14	appropriated to print instant tickets or to pay contractual obligations	
15	concerning instant ticket distribution. This amount is currently	
16	estimated to be \$37,965,000 in fiscal year 2023-2024.	
17	An amount equal to a percentage of actual online game sales as	
18	determined by contract is appropriated to pay online vendor fees. This	
19	amount is currently estimated to be \$16,041,700, or 4.256 percent of	
20	actual online ticket sales, in fiscal year 2023-2024.	
21	An amount equal to 6.5 percent of gross lottery game sales, minus	
22	charitable tab tickets, is appropriated to pay sales commissions to ticket	
23	retailers. An additional amount not to exceed 0.5 percent of gross	
24	lottery game sales is appropriated to pay sales commissions to ticket	
25	retailers. The combined amount is currently estimated to be 6.7 percent	
26	of total ticket sales, or \$95,318,500 in fiscal year 2023-2024.	
27	Sec. 58. BOARD OF MASSAGE THERAPY	
28		<u>2023-24</u>
29	FTE positions	5.0
30	Lump sum appropriation	\$ 595,900
31	Fund sources:	
32	Board of massage therapy fund	\$ 595,900
33	Sec. 59. ARIZONA MEDICAL BOARD	
34		<u>2023-24</u>
35	FTE positions	61.5
36	Operating lump sum appropriation	\$ 8,023,600
37	Employee performance incentive	
38	program	<u>165,600</u>
39	Total appropriation – Arizona medical	
40	board	\$ 8,189,200
41	Fund sources:	
42	Arizona medical board fund	\$ 8,189,200

1 Sec. 60. STATE MINE INSPECTOR

2		<u>2023-24</u>
3	FTE positions	22.0
4	Operating lump sum appropriation	\$ 1,833,400
5	Abandoned mines	820,600
6	Aggregate mining land reclamation	<u>181,800</u>
7	Total appropriation – state mine inspector	\$ 2,835,800
8	Fund sources:	
9	State general fund	\$ 2,722,900
10	Aggregate mining reclamation fund	112,900

11 All aggregate mining reclamation fund monies received by the state
 12 mine inspector in excess of \$112,900 in fiscal year 2023-2024 are
 13 appropriated to the aggregate mining land reclamation line item. Before
 14 spending any aggregate mining reclamation fund monies in excess of
 15 \$112,900 in fiscal year 2023-2024, the state mine inspector shall report
 16 the intended use of the monies to the joint legislative budget committee
 17 and the governor's office of strategic planning and budgeting.

18 Of the amount appropriated in the operating lump sum, the state mine
 19 inspector shall use \$100,000 to purchase a drone that uses
 20 self-stabilization technology and that is capable of entering and mapping
 21 enclosed spaces.

22 Of the amount appropriated in the operating lump sum, \$300,000 is
 23 for a onetime increase from the state general fund in fiscal year
 24 2023-2024 for onetime operating expenses. The \$300,000 is exempt from the
 25 provisions of section 35-190, Arizona Revised Statutes, relating to
 26 lapsing of appropriations.

27 Sec. 61. NATUROPATHIC PHYSICIANS MEDICAL BOARD

28		<u>2023-24</u>
29	FTE positions	2.0
30	Lump sum appropriation	\$ 215,200
31	Fund sources:	
32	Naturopathic physicians medical	
33	board fund	\$ 215,200

34 Sec. 62. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION

35		<u>2023-24</u>
36	FTE positions	2.0
37	Lump sum appropriation	\$ 344,200
38	Fund sources:	
39	State general fund	\$ 144,200
40	Arizona water banking fund	200,000

1	Sec. 63. ARIZONA STATE BOARD OF NURSING		
2			<u>2023-24</u>
3	FTE positions		55.0
4	Operating lump sum appropriation	\$	5,647,500
5	Student registered nurse anesthetist		
6	clinical rotation program		200,000
7	Certified nursing assistant		
8	credentialing program		<u>538,400</u>
9	Total appropriation – Arizona state		
10	board of nursing	\$	6,385,900
11	Fund sources:		
12	State general fund	\$	200,000
13	Board of nursing fund		6,185,900
14	Sec. 64. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS		
15	AND ASSISTED LIVING FACILITY MANAGERS		
16			<u>2023-24</u>
17	FTE positions		7.0
18	Lump sum appropriation	\$	595,600
19	Fund sources:		
20	Nursing care institution		
21	administrators' licensing and		
22	assisted living facility		
23	managers' certification fund	\$	595,600
24	Sec. 65. BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
25			<u>2023-24</u>
26	FTE positions		1.5
27	Lump sum appropriation	\$	243,200
28	Fund sources:		
29	Occupational therapy fund	\$	243,200
30	Sec. 66. STATE BOARD OF DISPENSING OPTICIANS		
31			<u>2023-24</u>
32	FTE positions		1.0
33	Lump sum appropriation	\$	186,900
34	Fund sources:		
35	Board of dispensing opticians fund	\$	186,900
36	Sec. 67. STATE BOARD OF OPTOMETRY		
37			<u>2023-24</u>
38	FTE positions		2.0
39	Lump sum appropriation	\$	291,300
40	Fund sources:		
41	Board of optometry fund	\$	291,300

1	Sec. 68. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY	
2		<u>2023-24</u>
3	FTE positions	10.0
4	Lump sum appropriation	\$ 1,394,600
5	Fund sources:	
6	Arizona board of osteopathic	
7	examiners in medicine	
8	and surgery fund	\$ 1,394,600
9	Sec. 69. ARIZONA STATE PARKS BOARD	
10		<u>2023-24</u>
11	FTE positions	167.0
12	Operating lump sum appropriation	\$ 16,473,300
13	Arizona trail fund deposit	500,000
14	Arizona state parks heritage	
15	fund deposit	6,000,000
16	State lake improvement	
17	fund deposit	5,200,000
18	State parks store	1,011,300
19	Kartchner caverns state park	<u>2,534,900</u>
20	Total appropriation – Arizona state parks	
21	board	\$ 31,719,500
22	Fund sources:	
23	State general fund	\$ 11,700,000
24	State parks revenue fund	18,991,500
25	State parks store fund	1,011,300
26	Off-highway vehicle recreation fund	16,700
27	In addition to the operating lump sum appropriation, an amount equal	
28	to the revenue share agreement with the United States forest service for	
29	Fool Hollow Lake recreation area is appropriated to the Arizona state	
30	parks board from the state parks revenue fund established by section	
31	41-511.21, Arizona Revised Statutes.	
32	Sec. 70. STATE PERSONNEL BOARD	
33		<u>2023-24</u>
34	FTE positions	2.0
35	Lump sum appropriation	\$ 345,000
36	Fund sources:	
37	Personnel division fund –	
38	personnel board subaccount	\$ 345,000
39	Sec. 71. ARIZONA STATE BOARD OF PHARMACY	
40		<u>2023-24</u>
41	FTE positions	25.4
42	Operating lump sum appropriation	\$ 3,385,000
43	Prescriber report card	<u>50,000</u>
44	Total appropriation – Arizona state	
45	board of pharmacy	\$ 3,435,000

1	Fund sources:		
2	Arizona state board of pharmacy		
3	fund	\$	3,435,000
4	Sec. 72. BOARD OF PHYSICAL THERAPY		
5			<u>2023-24</u>
6	FTE positions		4.0
7	Lump sum appropriation	\$	587,500
8	Fund sources:		
9	Board of physical therapy fund	\$	587,500
10	Sec. 73. ARIZONA PIONEERS' HOME		
11			<u>2023-24</u>
12	FTE positions		107.3
13	Lump sum appropriation	\$	8,311,300
14	Fund sources:		
15	Miners' hospital for miners with		
16	disabilities land fund	\$	2,318,600
17	State charitable fund		5,992,700
18	Earnings on state lands and interest on the investment of the		
19	permanent land funds are appropriated for the Arizona pioneers' home and		
20	the state hospital for miners with disabilities in compliance with the		
21	enabling act and the Constitution of Arizona.		
22	Sec. 74. STATE BOARD OF PODIATRY EXAMINERS		
23			<u>2023-24</u>
24	FTE positions		1.0
25	Lump sum appropriation	\$	193,200
26	Fund sources:		
27	Podiatry fund	\$	193,200
28	Sec. 75. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION		
29			<u>2023-24</u>
30	FTE positions		4.0
31	Lump sum appropriation	\$	451,300
32	Fund sources:		
33	Board for private postsecondary		
34	education fund	\$	451,300
35	Sec. 76. STATE BOARD OF PSYCHOLOGIST EXAMINERS		
36			<u>2023-24</u>
37	FTE positions		4.5
38	Lump sum appropriation	\$	635,300
39	Fund sources:		
40	Board of psychologist examiners		
41	fund	\$	635,300

1	Sec. 77. DEPARTMENT OF PUBLIC SAFETY	
2		<u>2023-24</u>
3	FTE positions	2,105.7
4	Operating lump sum appropriation	\$281,533,100
5	ACTIC	1,450,000
6	AZPOST	6,576,000
7	Border drug interdiction	17,145,900
8	Local border support	12,232,900
9	Civil air patrol infrastructure	10,000,000*
10	Civil air patrol maintenance and	
11	operations	150,000
12	Department of public safety	
13	crime lab assistance	400,000
14	Fentanyl prosecution, diversion	
15	and testing fund deposit	3,000,000
16	GIITEM	25,329,700
17	GIITEM subaccount	2,396,400
18	Land mobile radio expansion	
19	and upgrades	44,100,000*
20	Law enforcement retention	
21	initiatives	2,000,000
22	Major incident division	17,000,000*
23	Motor vehicle fuel	9,125,800
24	Onetime vehicle replacement	11,709,300
25	Pharmaceutical diversion and	
26	drug theft task force	769,100
27	Public safety equipment	2,890,000
28	Real-time crime centers	4,100,000
29	Sexual assault kit tracking portal	<u>1,500,000</u>
30	Total appropriation – department of public	
31	safety	\$453,408,200
32	Fund sources:	
33	State general fund	\$364,293,000
34	State highway fund	8,166,700
35	Arizona highway patrol fund	38,214,500
36	Criminal justice enhancement fund	2,989,100
37	Department of public safety	
38	forensics fund	22,985,300
39	Gang and immigration intelligence	
40	team enforcement mission border	
41	security and law enforcement	
42	subaccount	2,396,400

1	Motorcycle safety fund	198,900
2	Motor vehicle liability insurance	
3	enforcement fund	1,032,000
4	Risk management revolving fund	1,396,900
5	Parity compensation fund	4,088,100
6	Public safety equipment fund	2,894,000
7	Concealed weapons permit fund	3,172,200
8	Fingerprint clearance card fund	1,581,100

9 Of the \$25,329,700 appropriated to the GIITEM line item, \$13,275,800
10 shall be used for one hundred department of public safety GIITEM
11 personnel. The additional staff shall include at least fifty sworn
12 department of public safety positions to be used for immigration
13 enforcement and border security and fifty department of public safety
14 positions to assist GIITEM in various efforts, including:

15 1. Strictly enforcing all federal laws relating to illegal aliens
16 and arresting illegal aliens.

17 2. Responding to or assisting any county sheriff or attorney in
18 investigating complaints of employment of illegal aliens.

19 3. Enforcing Arizona's law known as the Legal Arizona Workers Act,
20 strictly enforcing Arizona's SB 1070, Arizona's "Support Our Law
21 Enforcement and Safe Neighborhoods Act" and investigating crimes of
22 identity theft in the context of hiring illegal aliens and the unlawful
23 entry into this country.

24 4. Taking strict enforcement action.

25 Any change in the GIITEM mission or allocation of monies shall be
26 approved by the joint legislative budget committee. The department shall
27 submit an expenditure plan to the joint legislative budget committee for
28 review before expending any monies not identified in the department's
29 previous expenditure plans.

30 Of the \$25,329,700 appropriated to the GIITEM line item, only
31 \$1,403,400 is deposited in the GIITEM fund established by section 41-1724,
32 Arizona Revised Statutes, and is appropriated for the purposes of that
33 section. The \$1,403,400 is exempt from the provisions of section 35-190,
34 Arizona Revised Statutes, relating to lapsing of appropriations. This
35 state recognizes that states have inherent authority to arrest a person
36 for any immigration violation.

37 Any monies remaining in the department of public safety joint
38 account on June 30, 2024 revert to the funds from which they were
39 appropriated. The reverted monies shall be returned in direct proportion
40 to the amounts appropriated.

41 On or before September 1, 2023, the department of public safety
42 shall submit an expenditure plan for the local border support line item to
43 the joint legislative budget committee and the governor's office of
44 strategic planning and budgeting.

1 The \$12,232,900 appropriated for the local border support line item
2 shall be used to fund local law enforcement officer positions for border
3 drug interdiction to deter and apprehend any individuals who are charged
4 with drug trafficking, human smuggling, illegal immigration and other
5 border-related crimes. The monies shall also be used for grants to
6 cities, towns and counties for costs associated with prosecuting and
7 detaining individuals who are charged with drug trafficking, human
8 smuggling, illegal immigration and other border-related crimes. The
9 department may fund all capital-related equipment.

10 Until all of the monies in the civil air patrol infrastructure line
11 item have been distributed, on or before December 1 of each year, the
12 department of public safety shall submit a report to the joint legislative
13 budget committee on the monies distributed from the civil air patrol
14 infrastructure line item and the intended purposes of the distributions.

15 Of the amount appropriated for the department of public safety
16 onetime vehicle replacement line item in fiscal year 2022-2023 pursuant to
17 Laws 2022, chapter 313, section 77, \$11,709,300 from the state general
18 fund is exempt from the provisions of section 35-190, Arizona Revised
19 Statutes, relating to the lapsing of appropriations, until June 30, 2025
20 for the purpose of vehicle replacement.

21 Of the amount appropriated for the onetime vehicle replacement line
22 item, \$11,709,300 are exempt from the provisions of section 35-190,
23 Arizona Revised Statutes, relating to lapsing of appropriations, until
24 June 30, 2025.

25 Of the amount appropriated in the real-time crime centers line item,
26 \$2,600,000 shall be distributed to the city of Peoria and \$1,500,000 to
27 the city of Tucson to operate real-time crime centers that:

28 1. Use technology to effectively and safely provide assistance to
29 law enforcement agencies and fire departments and districts.

30 2. Integrate crime investigation technology to provide real-time
31 information to responding law enforcement agencies and fire departments
32 and districts.

33 3. Are available for use by law enforcement agencies and fire
34 departments and districts that are located in any city, town or county in
35 the region.

36 Of the amount appropriated in the total appropriation for the
37 department of public safety, \$187,051,200 is designated for personal
38 services and \$76,864,000 is designated for employee-related expenditures.
39 The department shall submit an expenditure plan to the joint legislative
40 budget committee for review before spending these monies for other than
41 personal services or employee-related expenditures.

42 Of the amount appropriated in the fentanyl prosecution, diversion
43 and testing fund deposit line item, up to \$50,000 and 0.5 FTE positions
44 may be used for costs associated with administering the fentanyl
45 prosecution, diversion and testing fund.

1 Of the amount appropriated in the operating lump sum, \$1,098,600 is
2 for a onetime increase from the state general fund in fiscal year
3 2023-2024 for onetime operating expenses. The \$1,098,600 is exempt from
4 the provisions of section 35-190, Arizona Revised Statutes, relating to
5 lapsing of appropriations.

6 Of the amount appropriated in the law enforcement retention
7 initiatives line item, \$1,000,000 shall be used to acquire coaching
8 resources with a special emphasis on improved retention and development of
9 law enforcement professionals at the department of public safety.

10 Of the amount appropriated in the law enforcement retention
11 initiatives line item, \$1,000,000 shall be used for a law enforcement
12 recruitment and retention grant program to provide matching grants to
13 county, city and town law enforcement agencies for the purposes of
14 acquiring coaching resources with a special emphasis on improved retention
15 and development of law enforcement professionals at the county, city and
16 town law enforcement agencies. Resource providers must have trained
17 coaches with backgrounds in law enforcement and must be able to provide
18 coaching services online. The county law enforcement agencies in Maricopa
19 and Pima counties must provide a fifty percent match to receive a grant
20 and county law enforcement agencies in all other counties must provide a
21 twenty-five percent match to receive a grant. The city law enforcement
22 agencies in Phoenix and Tucson must provide a fifty percent match to
23 receive a grant and city and town law enforcement agencies in all other
24 cities and towns must provide a twenty-five percent match to receive a
25 grant. The department of public safety shall establish procedures for
26 applying for grants, and county, city and town law enforcement agencies
27 that receive grant monies must use the monies to obtain recruitment and
28 retention resources and services.

29 The \$1,500,000 appropriated for the sexual assault kit tracking
30 portal line item shall be used to provide or cause to be provided a secure
31 internet portal that allows a victim to anonymously access the following
32 information relating to the victim's sexual assault kit evidence:

- 33 1. The current location of the sexual assault kit.
- 34 2. The date of the testing.
- 35 3. The results of the testing.
- 36 4. Whether a DNA profile was obtained from the sexual assault kit
37 evidence.

38 Sec. 78. STATE REAL ESTATE DEPARTMENT

39		<u>2023-24</u>
40	FTE positions	37.0
41	Lump sum appropriation	\$ 3,221,000
42	Fund sources:	
43	State general fund	\$ 3,221,000

1	Sec. 79. RESIDENTIAL UTILITY CONSUMER OFFICE	
2		<u>2023-24</u>
3	FTE positions	12.0
4	Operating lump sum appropriation	\$ 1,433,900
5	Professional witnesses	<u>145,000*</u>
6	Total appropriation – residential utility	
7	consumer office	\$ 1,578,900
8	Fund sources:	
9	Residential utility consumer	
10	office revolving fund	\$ 1,578,900
11	Sec. 80. BOARD OF RESPIRATORY CARE EXAMINERS	
12		<u>2023-24</u>
13	FTE positions	4.0
14	Lump sum appropriation	\$ 404,800
15	Fund sources:	
16	Board of respiratory care	
17	examiners fund	\$ 404,800
18	Sec. 81. ARIZONA STATE RETIREMENT SYSTEM	
19		<u>2023-24</u>
20	FTE positions	240.9
21	Lump sum appropriation	\$ 28,893,400
22	Fund sources:	
23	Arizona state retirement system	
24	administration account	\$ 27,093,400
25	Long-term disability trust fund	
26	administration account	1,800,000
27	Sec. 82. DEPARTMENT OF REVENUE	
28		<u>2023-24</u>
29	FTE positions	892.8
30	Operating lump sum appropriation	\$ 75,507,400
31	BRITS operational support	8,008,800
32	E-commerce compliance and outreach	919,800
33	Unclaimed property administration	
34	and audit	1,487,000
35	TPT simplification	1,013,800
36	Tax fraud prevention	<u>3,150,000</u>
37	Total appropriation – department of revenue	\$ 90,086,800
38	Fund sources:	
39	State general fund	\$ 61,863,300
40	Department of revenue	
41	administrative fund	26,603,100
42	Liability setoff program	
43	revolving fund	892,500
44	Tobacco tax and health care fund	727,900

1 If the total value of properties retained by unclaimed property
 2 contract auditors exceeds \$1,487,000, the excess amount is transferred
 3 from the state general fund to the department of revenue administrative
 4 fund established by section 42-1116.01, Arizona Revised Statutes, and is
 5 appropriated to the department for contract auditor fees.

6 The department shall report the department's general fund revenue
 7 enforcement goals for fiscal year 2023-2024 to the joint legislative
 8 budget committee on or before September 30, 2023. On or before September
 9 30, 2024, the department shall provide an annual progress report to the
 10 joint legislative budget committee as to the effectiveness of the
 11 department's overall enforcement and collections program for fiscal year
 12 2023-2024. The reports shall compare projected and actual state general
 13 fund, total state tax, total county tax and total municipal tax revenue
 14 enforcement collections for fiscal year 2022-2023 and fiscal year
 15 2023-2024, including the amount of projected and actual enforcement
 16 collections for all tax types. The reports shall also include the total
 17 number of transaction privilege tax delinquent accounts, the total dollar
 18 value of those accounts classified by age of account and the total dollar
 19 amount of delinquent account write-offs determined to be uncollectible for
 20 fiscal year 2022-2023.

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

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

26 On or before November 1, 2023, the department shall report the
 27 results of private fraud prevention investigation services during fiscal
 28 year 2022-2023 to the joint legislative budget committee. The report
 29 shall include the total number of fraudulent returns prevented and the
 30 total dollar amount of fraudulent returns prevented during fiscal year
 31 2022-2023.

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

	<u>2023-24</u>
33	
34	143.1
35	\$ 17,254,600
36	483,500
37	5,000,000*
38	651,400*
39	5,926,100
40	
41	97,000
42	<u>99,000</u>
43	
44	\$ 29,511,600

1 Fund sources:

2 State general fund	\$ 22,693,200
3 Election systems improvement fund	5,483,500
4 Records services fund	1,334,900

5 Included in the operating lump sum appropriation of \$17,254,600 for
6 fiscal year 2023-2024 is \$5,000 for the purchase of mementos and items for
7 visiting officials.

8 Included in the operating lump sum appropriation of \$17,254,600 for
9 fiscal year 2023-2024 is \$1,334,900 from the records services fund. This
10 appropriation may be used for the payment of obligations incurred in
11 fiscal year 2022-2023.

12 The operating lump sum appropriation includes \$100,000 for
13 additional support for the talking book library.

14 The operating lump sum appropriation includes \$250,000 for
15 additional support for the address confidentiality program.

16 The operating lump sum appropriation includes \$100,000 for
17 additional support for secretary of state legal expenses. The secretary of
18 state may spend these monies for legal services from the attorney general
19 or to hire one FTE position to serve as legal advisor and to represent the
20 secretary of state. The secretary of state may not make expenditures or
21 incur indebtedness to employ outside or private attorneys to provide
22 representation or services.

23 Of the amount appropriated in the operating lump sum, \$2,330,000 is
24 for a onetime increase from the state general fund in fiscal year
25 2023-2024 for administrative costs. The \$2,330,000 includes \$330,000 for
26 the business services department. The \$2,330,000 is exempt from the
27 provisions of section 35-190, Arizona revised statutes, relating to the
28 lapsing of appropriations.

29 Before transferring any monies in or out of the presidential
30 preference election line item, the secretary of state shall submit a
31 report for review by the joint legislative budget committee.

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

37 The secretary of state shall distribute seventy five percent of the
38 monies in the help America vote act projects line item to counties for
39 election systems improvements. Before spending monies in the help America
40 vote act projects line item, the secretary of state shall submit an
41 expenditure plan for review by the joint legislative budget committee that
42 includes, at a minimum, the planned expenditures and timeline for the
43 expenditures by year. On or before July 31, 2024 and December 31, 2024,
44 the secretary of state shall submit a report to the joint legislative
45 budget committee and the governor's office of strategic planning and

1 budgeting detailing the actual expenditures from the help America vote act
 2 projects line item. The secretary of state shall continue to report on
 3 July 31 and December 31 of each year until all monies from the help
 4 America vote act projects line item have been expended.

5 Notwithstanding section 35-190, Arizona Revised Statutes, the
 6 appropriation of \$5,352,200 to the secretary of state for the county
 7 allocation of help America vote act election security grant monies made by
 8 Laws 2020, chapter 58, section 104 that remains unexpended on June 30,
 9 2024 reverts to the fund from which the monies were appropriated.

10 Monies in the presidential preference election line item may only be
 11 spent by the secretary of state to reimburse expenses incurred by counties
 12 to administer the 2024 presidential preference election, for logic and
 13 accuracy testing of voting equipment for the 2024 presidential preference
 14 election and for the direct costs of the secretary of state related to the
 15 2024 presidential preference election. The secretary of state may use up
 16 to \$100,000 of the monies in the presidential preference election line
 17 item for the direct costs of the secretary of state related to the 2024
 18 presidential preference election.

19 Each county shall submit its certified claims to the secretary of
 20 state for the 2024 presidential preference election by May 1, 2024. On or
 21 before May 15, 2024, the secretary of state shall review the county claims
 22 and submit a report to the joint legislative budget committee and the
 23 governor's office of strategic planning and budgeting regarding county
 24 reimbursements for the 2024 presidential preference election.

25 Sec. 84. STATE BOARD OF TAX APPEALS

26		<u>2023-24</u>
27	FTE positions	4.0
28	Lump sum appropriation	\$ 317,700
29	Fund sources:	
30	State general fund	\$ 317,700

31 Sec. 85. STATE BOARD OF TECHNICAL REGISTRATION

32		<u>2023-24</u>
33	FTE positions	25.0
34	Lump sum appropriation	\$ 2,620,600
35	Fund sources:	
36	Technical registration fund	\$ 2,620,600

37 Sec. 86. OFFICE OF TOURISM

38		<u>2023-24</u>
39	FTE positions	31.0
40	Tourism fund deposit	\$ 7,452,600
41	Arizona promotion	1,000,000
42	Wine promotion	<u>100,000</u>
43	Total appropriation – office of tourism	\$ 8,552,600
44	Fund sources:	
45	State general fund	\$ 8,552,600

1	Sec. 87. DEPARTMENT OF TRANSPORTATION	
2		<u>2023-24</u>
3	FTE positions	4,554.0
4	Operating lump sum appropriation	\$256,250,200
5	Attorney general legal services	3,623,700
6	Highway maintenance	161,589,100
7	ADOT fleet vehicles and heavy	
8	equipment maintenance	25,391,900
9	Spaying and neutering of	
10	animals fund deposit	550,000
11	State fleet operations	30,454,400
12	State fleet vehicle replacement	25,000,000
13	Driver safety and livestock control	800,000
14	ADOT fleet vehicle and heavy	
15	equipment replacement	22,400,000
16	Highway damage recovery account	8,000,600
17	Onetime fleet fuel inflation	
18	funding	2,337,900
19	Statewide litter removal	3,106,800
20	Radio lifecycle replacement	1,656,100
21	Preventive surface treatments	36,142,000
22	Authorized third parties	<u>2,223,800</u>
23	Total appropriation – department of	
24	transportation	\$579,526,500
25	Fund sources:	
26	State general fund	\$ 550,000
27	Air quality fund	1,128,100
28	Arizona highway user revenue fund	935,200
29	Highway damage recovery account	8,000,600
30	Ignition interlock device fund	363,600
31	Motor vehicle liability	
32	insurance enforcement fund	1,601,800
33	State fleet operations fund	30,454,400
34	State vehicle replacement fund	25,000,000
35	State aviation fund	2,276,900
36	State highway fund	482,177,400
37	Department fleet operations fund	25,391,900
38	Vehicle inspection and certificate	
39	of title enforcement fund	1,646,600

40 Motor vehicle division

41 The department of transportation shall submit an annual report to
 42 the joint legislative budget committee on progress in improving motor
 43 vehicle division wait times and vehicle registration renewal by mail
 44 turnaround times in a format similar to prior years. The report is due on
 45 or before July 31, 2024 for fiscal year 2023-2024.

1 On or before February 1, 2024, the Arizona strategic enterprise
2 technology office shall submit, on behalf of the department of
3 transportation, an annual progress report to the joint legislative budget
4 committee staff. The annual report shall provide updated plans for
5 spending the department-dedicated portion of the authorized third-party
6 electronic service partner's fee retention on the motor vehicle
7 modernization project in fiscal year 2023-2024, including any amounts for
8 stabilization, maintenance, ongoing operations, support and enhancements
9 for the motor vehicle modernization solution, maintenance of legacy
10 mainframe processing and support capability, and other system projects
11 outside the scope of the motor vehicle modernization project.

12 On or before August 1, 2023, the department of transportation shall
13 report to the director of the joint legislative budget committee the
14 state's share of fees retained by the service Arizona vendor in the prior
15 fiscal year. The report shall include the amount spent by the service
16 Arizona vendor on behalf of this state in the prior fiscal year and a list
17 of the projects funded with those monies.

18 Other

19 Of the total amount appropriated, \$161,167,500 in fiscal year
20 2023-2024 for highway maintenance is exempt from the provisions of section
21 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
22 except that all unexpended and unencumbered monies of the appropriation
23 revert to the state highway fund established by section 28-6991, Arizona
24 Revised Statutes, on August 31, 2024.

25 The amount appropriated to the preventive surface treatments line
26 item is exempt from the provisions of section 35-190, Arizona Revised
27 Statutes, relating to lapsing of appropriations, except that all
28 unexpended and unencumbered monies of the appropriation revert to the
29 state highway fund established by section 28-6991, Arizona Revised
30 Statutes, on August 31, 2024.

31 Of the total amount appropriated, the department of transportation
32 shall pay \$15,981,300 in fiscal year 2023-2024 from all funds to the
33 department of administration for its risk management payment.

34 All expenditures made by the department of transportation for
35 attorney general legal services shall be funded only from the attorney
36 general legal services line item. Monies in the operating lump sum
37 appropriation or other line items intended for this purpose shall be
38 transferred to the attorney general legal services line item before
39 expenditure.

40 In accordance with section 35-142.01, Arizona Revised Statutes,
41 reimbursements for monies expended from the highway maintenance line item
42 may not be credited to the account out of which the expenditure was
43 incurred. The department shall deposit all reimbursements for monies
44 expended from the highway maintenance line item in the highway damage
45 recovery account established by section 28-6994, Arizona Revised Statutes.

1 Expenditures made by the department of transportation for ADOT fleet
 2 vehicle and heavy equipment replacement shall be funded only from the ADOT
 3 fleet vehicle and heavy equipment replacement line item. Monies in the
 4 operating lump sum appropriation or other line items intended for this
 5 purpose shall be transferred to the ADOT fleet vehicle and heavy equipment
 6 replacement line item before expenditure.

7 Sec. 88. STATE TREASURER

		<u>2023-24</u>
8		
9	FTE positions	38.4
10	Operating lump sum appropriation	\$ 4,666,000
11	Justice of the peace salaries	2,818,200
12	Law enforcement/boating safety	
13	fund grants	<u>2,183,800</u>
14	Total appropriation – state treasurer	\$ 9,668,000
15	Fund sources:	
16	State general fund	\$ 3,160,800
17	Law enforcement and boating	
18	safety fund	2,183,800
19	State treasurer's operating fund	4,323,400

20 On or before June 30, 2024, the state treasurer shall report to the
 21 joint legislative budget committee staff on the state treasurer's current
 22 fiscal year and estimated next fiscal year expenditures of interest
 23 earnings spent pursuant to sections 35-315 and 35-318, Arizona Revised
 24 Statutes, for the state treasurer's banking service contract, external
 25 investment management agreement, administrative and information technology
 26 costs and any other costs.

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

		<u>2023-24</u>
28		
29	FTE positions	3.0
30	Lump sum appropriation	\$ 69,900
31	Fund sources:	
32	State general fund	\$ 69,900

33 Sec. 90. ARIZONA BOARD OF REGENTS

		<u>2023-24</u>
34		
35	FTE positions	30.9
36	Operating lump sum appropriation	\$ 2,496,500
37	Adaptive athletics	160,000
38	Primary care residency programs	5,000,000*
39	Arizona promise program	40,000,000
40	Spouses of military veterans	
41	tuition scholarships	10,000,000
42	Arizona teachers academy	30,000,000

1	Arizona teachers incentive program	90,000
2	Arizona teacher student loan program	426,000
3	Arizona transfer articulation	
4	support system	213,700
5	Spouses and dependents of law	
6	enforcement officers tuition	
7	scholarship fund deposit	2,000,000
8	Leveraging educational assistance	
9	partnership program	1,220,800
10	Museum of democracy presidential	
11	project	2,000,000*
12	Washington, D.C. internships	300,000*
13	Western interstate commission	
14	office	153,000
15	WICHE student subsidies	<u>4,078,000</u>
16	Total appropriation – Arizona board of	
17	regents	\$ 98,138,000

18 Fund sources:

19	State general fund	\$ 98,138,000
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20 The Arizona board of regents shall distribute monies appropriated
 21 for the adaptive athletics line item to each university under the
 22 jurisdiction of the board to maintain and operate an intercollegiate
 23 adaptive athletics program that provides opportunities for competitive
 24 wheelchair and adaptive sports to students and community members with
 25 disabilities. The monies may be spent only when the university collects
 26 matching monies of gifts, grants and donations for the intercollegiate
 27 adaptive athletics program from sources other than this state.
 28 Universities may spend the monies only on scholarships, equipment,
 29 uniforms, travel expenses and tournament fees for participants in the
 30 intercollegiate adaptive athletics program. The monies may not be used
 31 for administrative costs, personal services or employee-related
 32 expenditures.

33 On or before October 1, 2024, the Arizona board of regents shall
 34 submit a report to the director of the joint legislative budget committee
 35 and the director of the governor's office of strategic planning and
 36 budgeting on the Arizona promise program that includes all of the
 37 following for fiscal year 2023-2024:

38 1. The total number of students receiving promise scholarships by
 39 each eligible postsecondary institution.

40 2. The total number of students enrolled at each eligible
 41 postsecondary institution that are eligible to receive federal pell
 42 grants.

43 3. A list of the programs of study in which promise scholarship
 44 recipients are enrolled, including the number of recipients enrolled in
 45 each program.

1 4. The average promise scholarship award amount for each eligible
2 postsecondary institution.

3 5. A geographic representation of promise scholarship recipients
4 based on the high school attended.

5 6. The average grade point average of promise scholarships
6 recipients by each eligible postsecondary institution.

7 On or before October 1, 2024, the Arizona board of regents shall
8 submit a report to the director of the joint legislative budget committee
9 and the director of the governor's office of strategic planning and
10 budgeting on spouses of military veterans tuition scholarships that
11 includes all of the following for fiscal year 2023-2024:

12 1. The amount distributed to each eligible postsecondary
13 institution.

14 2. The total number of award recipients by each eligible
15 postsecondary institution.

16 3. The average award amount for each eligible postsecondary
17 institution.

18 On or before October 1, 2024, the Arizona board of regents shall
19 submit a report to the director of the joint legislative budget committee
20 and the director of the governor's office of strategic planning and
21 budgeting on spouses and dependents of law enforcement officers tuition
22 scholarships that includes all of the following for fiscal year 2023-2024:

23 1. The amount distributed to each eligible postsecondary
24 institution.

25 2. The total number of award recipients by each eligible
26 postsecondary institution.

27 3. The average award amount for each eligible postsecondary
28 institution.

29 In order to be eligible to receive state matching monies under the
30 leveraging educational assistance partnership program for grants to
31 students, each participating institution, public or private, shall provide
32 an amount of institutional matching monies that equals the amount of
33 monies provided by this state to the institution for the leveraging
34 educational assistance partnership program. Administrative expenses
35 incurred by the Arizona board of regents shall be paid from institutional
36 matching monies and may not exceed twelve percent of the monies
37 appropriated in fiscal year 2023-2024.

38 The Arizona board of regents shall distribute monies appropriated
39 for the museum of democracy presidential project to universities under the
40 jurisdiction of the board to provide opportunities for undergraduate
41 students, high school students and the broader community to become better
42 informed on American presidencies and presidential elections. Programming
43 may include public speakers, high school leadership academies and
44 undergraduate student workshops. The monies shall also be used to display

1 presidential memorabilia collections, combining visual arts, exhibitions
 2 and civic education programs.

3 The Arizona board of regents shall distribute monies appropriated
 4 for Washington, D.C. internships in equal amounts to each of the three
 5 universities under the jurisdiction of the board for the purpose of
 6 providing student internships in Washington, D.C. in partnership with a
 7 third-party organization. The third-party organization must meet the
 8 following requirements:

9 1. Have partnerships with Washington, D.C.-based organizations to
 10 provide full-time, semester-long student internships.

11 2. Have the ability to place as many students in internships as
 12 needed by the universities.

13 3. Have experience placing students in internships for at least ten
 14 consecutive years.

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

17 Within ten days after the acceptance of the universities' semiannual
 18 all funds budget reports, the Arizona board of regents shall submit a
 19 current year expenditure plan to the joint legislative budget committee
 20 for review. The expenditure plan shall include the use of all projected
 21 tuition and fee revenues by expenditure category, including operating
 22 expenses, plant fund, debt service and financial aid. The plan shall
 23 include the amount by which each expenditure category is projected to
 24 increase over the prior year and shall provide as much detail as the
 25 university budget requests. The plan shall include the total revenue and
 26 expenditure amounts from all tuition and student fee revenues, including
 27 base tuition, differential tuition, program fees, course fees, summer
 28 session fees and other miscellaneous and mandatory student fee revenues.

29 Sec. 91. ARIZONA STATE UNIVERSITY

	<u>2023-24</u>
30 FTE positions	7,724.9
31 Operating lump sum appropriation	\$977,425,600
32 Biomedical informatics	3,701,700
33 Eastern Europe cultural collaborative	250,000
34 Arizona financial aid trust	5,985,800
35 Downtown Phoenix campus	109,867,100
36 Collegiate women's wrestling	
37 program	<u>500,000</u>
38 Total appropriation – Arizona state	
39 university	\$1,097,730,200
40 Fund sources:	
41 State general fund	\$391,698,400
42 University collections fund	706,031,800

43 The state general fund appropriation may not be used for alumni
 44 association funding.
 45

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

3 Other than scholarships awarded through the Arizona financial aid
4 trust, the appropriated monies may not be used for scholarships or any
5 student newspaper.

6 The appropriated monies may not be used by the Arizona state
7 university college of law legal clinic for any lawsuits involving inmates
8 of the state department of corrections in which this state is the adverse
9 party.

10 Of the amount appropriated to the Arizona state university operating
11 budget, \$23,600,000 is onetime funding. On or before September 1, 2023,
12 Arizona state university shall provide a detailed expenditure plan to the
13 joint legislative budget committee that includes a description of the
14 intended purposes and the estimated costs of each expenditure.

15 Arizona state university shall use monies appropriated for the
16 eastern Europe cultural collaborative to facilitate cultural and academic
17 exchanges between university faculty and students and academic
18 institutions in eastern Europe.

19 Any appropriated monies allocated by the university for the school
20 of civic and economic thought and leadership shall be used to operate a
21 single stand-alone academic entity within Arizona state university. The
22 appropriated monies may not supplant any existing state funding or private
23 or external donations to the existing centers or to the school. The
24 appropriated monies and all private and external donations for the school,
25 including any remaining balances from prior fiscal years, shall be
26 deposited in a separate account, shall be used only for the direct
27 operation of the school and may not be used for indirect costs of the
28 university. On or before October 1, 2023, the school shall submit a
29 report to the president of the senate, the speaker of the house of
30 representatives, the chairpersons of the senate education committee and
31 the house of representatives education committee and the director of the
32 joint legislative budget committee that includes at least the following
33 information for the school:

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

38 The chairpersons of the senate education committee and the house of
39 representatives education committee may request the director of the school
40 to appear before the committees to report on the school's annual
41 achievements.

42 The legislature intends that appropriated monies allocated by the
43 university for the school of civic and economic thought and leadership in
44 fiscal year 2023-2024 be consistent with the amount appropriated in fiscal
45 year 2022-2023.

1 Any appropriated monies allocated by Arizona state university for
2 the center for American institutions shall be used at the sole discretion
3 and on approval of the lead of the center and may not supplant any
4 existing state funding or private or external donations to the center.
5 The appropriated monies and all private and external donations for the
6 center, including remaining balances from prior fiscal years, shall be
7 deposited in a separate account, shall be used only for the direct
8 operation of the center and may not be used for any indirect costs of the
9 university.

10 On or before October 1, 2024, the center for American institutions
11 shall submit a report to the joint legislative budget committee that
12 includes the total amount of funding received from all sources and a
13 description of the center's activities and accomplishments.

14 Of the monies appropriated to the operating lump sum, the
15 legislature intends that \$4,000,000 be deposited in a separate account for
16 the center for American institutions.

17 Of the amount appropriated for the collegiate women's wrestling
18 program, up to \$150,000 may be used for costs incurred to establish and
19 maintain a collegiate women's wrestling program at Arizona state
20 university. The remaining monies shall be used to award athletic
21 scholarships on a first-come, first-served basis to any individual who
22 meets the following criteria:

- 23 1. Participates in the women's wrestling program.
- 24 2. Is or will be enrolled full time at Arizona state university.
- 25 3. Has an overall grade point average of 3.0 or higher on a 4.0
26 scale, or the equivalent.
- 27 4. Is ranked in the top ten of the student's weight class according
28 to a national high school ranking system, except that students who are
29 ranked in the top five of a national high school ranking system shall be
30 given priority. If the student does not have a current national high
31 school rank because the student has graduated from high school, the
32 requirement may be satisfied by the student's most recent national high
33 school rank.

34 Scholarships awarded shall be equal to the cost of tuition, room,
35 board, books and university fees charged by Arizona state university,
36 reduced by the amount of any federal aid scholarships or public grants or
37 any other financial gifts, grants or aid received by that individual.

38 Any unencumbered balances remaining in the university collections
39 fund on June 30, 2023 and all collections received by the university
40 during the fiscal year are appropriated for operating expenditures,
41 capital outlay and fixed charges. Earnings on state lands and interest on
42 the investment of the permanent land funds are appropriated in compliance
43 with the enabling act and the Constitution of Arizona. No part of this
44 appropriation may be spent for supplemental life insurance or supplemental
45 retirement.

1	Sec. 92. NORTHERN ARIZONA UNIVERSITY	
2		<u>2023-24</u>
3	FTE positions	2,376.2
4	Operating lump sum appropriation	\$249,663,200
5	Arizona financial aid trust	1,326,000
6	Biomedical research funding	3,000,000
7	NAU – Yuma	3,119,800
8	Teacher training	<u>2,292,700</u>
9	Total appropriation – Northern Arizona	
10	university	\$259,401,700
11	Fund sources:	
12	State general fund	\$129,004,400
13	University collections fund	130,397,300

14 The state general fund appropriation may not be used for alumni
 15 association funding.

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

18 Other than scholarships awarded through the Arizona financial aid
 19 trust, the appropriated monies may not be used for scholarships or any
 20 student newspaper.

21 Of the amount appropriated to the northern Arizona university
 22 operating budget, \$11,100,000 is onetime funding. On or before September
 23 1, 2023, northern Arizona university shall provide a detailed expenditure
 24 plan to the joint legislative budget committee that includes a description
 25 of the intended purposes and the estimated costs of each expenditure.

26 The appropriated amount for the teacher training line item shall be
 27 distributed to the Arizona K-12 center for program implementation and
 28 mentor training for the Arizona mentor teacher program prescribed by the
 29 state board of education.

30 Any unencumbered balances remaining in the university collections
 31 fund on June 30, 2023 and all collections received by the university
 32 during the fiscal year are appropriated for operating expenditures,
 33 capital outlay and fixed charges. Earnings on state lands and interest on
 34 the investment of the permanent land funds are appropriated in compliance
 35 with the enabling act and the Constitution of Arizona. No part of this
 36 appropriation may be spent for supplemental life insurance or supplemental
 37 retirement.

38 The biomedical research funding shall be distributed to a nonprofit
 39 medical research foundation in this state that collaborates with
 40 universities, hospitals and biotechnology and health research centers. A
 41 nonprofit foundation that receives monies shall submit an expenditure and
 42 performance report to Northern Arizona university. The university shall
 43 transmit the report to the joint legislative budget committee and the
 44 director of the governor's office of strategic planning and budgeting on

1 or before February 1, 2024. The report must include at least the
2 following:

3 1. The type and amount of expenditures from all state sources of
4 monies, including the amount leveraged for local, state, federal and
5 private grants.

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

9 3. Performance measures, including:

10 (a) Outcomes that are specifically related to the use of state
11 monies.

12 (b) Progress that has been made toward achieving each outcome,
13 including activities, resources and other evidence of the progress.

14 (c) Reportable inventions or discoveries related to each outcome.

15 (d) Publications, presentations and narratives related to each
16 outcome and how the expenditures from all state sources of monies that the
17 nonprofit foundation received have benefited this state.

18 Any appropriated monies allocated by the university for the economic
19 policy institute may not supplant any existing state funding or private or
20 external donations to the institute or to the university. The
21 appropriated monies and all private and external donations for the
22 institute, including any remaining balances from prior fiscal years, shall
23 be deposited in a separate account, shall be used only for the direct
24 operation of the institute and may not be used for indirect costs of the
25 university. On or before October 1, 2023, the institute shall submit to
26 the president of the senate, the speaker of the house of representatives,
27 the chairpersons of the senate education committee and the house of
28 representatives education committee and the director of the joint
29 legislative budget committee a report that includes at least the following
30 information for the institute:

31 1. The total amount of funding received from all sources.

32 2. A description of the faculty positions and courses offered.

33 3. The total undergraduate and graduate student participation.

34 4. Significant community events, initiatives or publications.

35 The chairpersons of the senate education committee and the house of
36 representatives education committee may request the director of the
37 institute to appear before the committees to report on the institute's
38 annual achievements.

39 The legislature intends that appropriated monies allocated by the
40 university for the economic policy institute in fiscal year 2023-2024 be
41 consistent with the amount appropriated in fiscal year 2022-2023.

1	Sec. 93. UNIVERSITY OF ARIZONA	
2		<u>2023-24</u>
3	<u>Main campus</u>	
4	FTE positions	6,294.5
5	Operating lump sum appropriation	\$570,417,400
6	Agriculture	38,651,000
7	Arizona cooperative extension	17,619,900
8	Arizona financial aid trust	2,729,400
9	Arizona geological survey	1,148,500
10	College of veterinary medicine	8,000,000
11	Kazakhstan studies program	250,000
12	Mining, mineral and natural	
13	resources educational museum	438,700
14	On-farm irrigation efficiency	
15	fund deposit	16,200,000
16	Natural resource users law and	
17	policy center	1,559,500
18	School of mining	4,476,000
19	Sierra Vista campus	5,031,700
20	Space analog for the Moon and Mars	1,500,000
21	Veterinary diagnostic laboratory	<u>2,500,000</u>
22	Total – main campus	\$670,522,100
23	Fund sources:	
24	State general fund	\$287,710,800
25	University collections fund	382,811,300
26	<u>Health sciences center</u>	
27	FTE positions	1,112.4
28	Operating lump sum appropriation	\$100,127,400
29	AZ REACH	500,000
30	Board of medical student loans	2,000,000
31	Clinical rural rotation	353,600
32	Clinical teaching support	8,587,000
33	Liver research institute	440,400
34	Phoenix medical campus	32,394,600
35	Telemedicine network	<u>1,670,000</u>
36	Total – health sciences center	\$146,073,000
37	Fund sources:	
38	State general fund	\$ 79,397,700
39	University collections fund	<u>66,675,300</u>
40	Total appropriation - university of	
41	Arizona	\$816,595,100
42	Fund sources:	
43	State general fund	\$367,108,500
44	University collections fund	449,486,600

1 The state general fund appropriation may not be used for alumni
2 association funding.

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

5 Other than scholarships awarded through the Arizona financial aid
6 trust, the appropriated monies may not be used for scholarships or any
7 student newspaper.

8 Of the amount appropriated to the university of Arizona operating
9 budget, \$16,300,000 is onetime funding. On or before September 1, 2023,
10 the university of Arizona shall provide a detailed expenditure plan to the
11 joint legislative budget committee that includes a description of the
12 intended purposes and the estimated costs of each expenditure.

13 Of the amount appropriated for the Arizona cooperative extension
14 line item, \$1,000,000 shall be used for the agricultural workforce
15 development program.

16 The university of Arizona may not use monies appropriated for the
17 Arizona geological survey line item for any other purpose and may not
18 transfer the monies appropriated for the Arizona geological survey to the
19 operating budget or any other line item.

20 The legislature intends that \$8,000,000 of the amount appropriated
21 to the health sciences center operating lump sum appropriation line item
22 be used to expand the college of medicine Phoenix campus and to develop
23 and administer a primary care physician scholarship program at the college
24 of medicine Phoenix campus and the college of medicine Tucson campus. The
25 legislature intends that the \$8,000,000 not be annualized in future years.

26 The amount appropriated for the AZ REACH line item shall be used to
27 provide medical care transfer services for hospitals with less than twenty
28 beds.

29 Any appropriated monies allocated by the university for the center
30 for the philosophy of freedom may not supplant any existing state funding
31 or private or external donations to the center or the philosophy
32 department of the university of Arizona. The appropriated monies and all
33 private and external donations for the center, including any remaining
34 balances from prior fiscal years, shall be deposited in a separate
35 account, shall be used only for the direct operation of the center and may
36 not be used for indirect costs of the university. On or before October 1,
37 2023, the center shall submit a report to the president of the senate, the
38 speaker of the house of representatives, the chairpersons of the senate
39 education committee and the house of representatives education committee
40 and the director of the joint legislative budget committee that includes
41 at least the following information for the center:

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

1 The chairpersons of the senate education committee and the house of
2 representatives education committee may request the director of the center
3 to appear before the committees to report on the center's annual
4 achievements.

5 The legislature intends that appropriated monies allocated by the
6 university for the center for the philosophy of freedom in fiscal year
7 2023-2024 be consistent with the amount appropriated in fiscal year
8 2022-2023.

9 The amount appropriated to the college of veterinary medicine line
10 item shall be distributed to the college of veterinary medicine to
11 increase the number of students that are residents of this state. Before
12 spending these monies, the university of Arizona shall report to the joint
13 legislative budget committee all of the following information for the
14 college of veterinary medicine:

- 15 1. The current number of students who are residents of this state.
- 16 2. The current number of students who are not residents of this
17 state.

18 The university of Arizona shall use monies appropriated for the
19 Kazakhstan studies program to facilitate academic exchanges between
20 university students and academic institutions in Kazakhstan.

21 The amount appropriated for the natural resource users law and
22 policy center line item shall be used by the natural resource users law
23 and policy center within the Arizona cooperative extension. Of the amount
24 appropriated, at least \$500,000 shall be used to assist claimants in the
25 general stream adjudication of water rights pursuant to section 15-1647,
26 Arizona Revised Statutes.

27 The amount appropriated for the space analog for the Moon and Mars
28 line item shall be used for the continued progression of the space analog
29 for the Moon and Mars program at Biosphere 2 at the university of Arizona.
30 The legislature intends that the amount appropriated in fiscal year
31 2023-2024 be used to fund the continued progression of the program across
32 fiscal years 2023-2024, 2024-2025 and 2025-2026.

33 Any unencumbered balances remaining in the university collections
34 fund on June 30, 2023 and all collections received by the university
35 during the fiscal year are appropriated for operating expenditures,
36 capital outlay and fixed charges. Earnings on state lands and interest on
37 the investment of the permanent land funds are appropriated in compliance
38 with the enabling act and the Constitution of Arizona. No part of this
39 appropriation may be spent for supplemental life insurance or supplemental
40 retirement.

1	Sec. 94. DEPARTMENT OF VETERANS' SERVICES	
2		<u>2023-24</u>
3	FTE positions	792.3
4	Operating lump sum appropriation	\$ 2,924,900
5	Arizona state veterans' homes	60,559,500
6	Arizona state veterans' cemeteries	977,500
7	Gila county veterans retreat	3,000,000*
8	Rural tribal nations veteran	
9	benefit counseling	2,200,000
10	Veterans' benefit counseling	3,685,700
11	Veteran suicide prevention training	
12	pilot program	600,000*
13	Veterans' support services	1,226,100
14	Veterans' trauma treatment	
15	services	450,000
16	Homeless veterans'	
17	reintegration program	<u>5,000,000</u>
18	Total appropriation – department of	
19	veterans' services	\$ 80,623,700
20	Fund sources:	
21	State general fund	\$ 20,064,200
22	State home for veterans' trust	
23	fund	60,559,500

24 Of the amount appropriated for the Arizona state veterans'
 25 cemeteries line item, \$15,000 is allocated to provide burial services in
 26 state veterans' cemeteries for members of the Arizona national guard and
 27 the United States armed forces reserves if the member's service was
 28 terminated under honorable conditions as authorized by the burial equity
 29 for guards and reserves act (P.L. 117-103; 136 STAT. 1109).

30 Monies appropriated for the Gila county veterans retreat line item
 31 shall be distributed to Gila county for the Pleasant Valley veterans
 32 retreat.

33 Monies appropriated for the rural tribal nations veteran benefit
 34 counseling line item shall be used for veterans' services officers to
 35 provide services in rural tribal nations in this state that have
 36 communities that are located one hundred miles or more from the nearest
 37 United States department of veterans' affairs service center.

38 Monies appropriated for the veteran suicide prevention training
 39 pilot program line item shall be used to offer claims examiners and county
 40 and municipal veteran service officers specialized training and
 41 certification in preventing veteran suicides. The department of veterans'
 42 services shall contract with an organization that has experience in
 43 developing and implementing veteran-relevant and evidence-based suicide
 44 prevention training to develop the training curriculum. The department
 45 shall establish and oversee the process for selecting participants and

1 certifying participants for successful training completion. The program
 2 shall train participants to identify indicators of elevated suicide risk
 3 in veterans and provide emergency crisis referrals for veterans who are
 4 expressing or exhibiting symptoms of emotional or psychological distress.
 5 The department shall adopt rules necessary to implement the pilot program.
 6 On or before July 30, 2024, the department shall submit a report to the
 7 president of the senate and the speaker of the house of representatives
 8 that includes information concerning the pilot program and whether any
 9 changes should be made to the pilot program to increase the program's
 10 effectiveness.

11 The amount appropriated for veterans' support services line item
 12 shall be distributed to a nonprofit veterans' services organization that
 13 provides support services among this state's military and veteran
 14 population. The department may spend up to \$76,500 of this appropriation
 15 to hire a program specialist to liaise between the department and the
 16 selected nonprofit organization. Before the expenditure of the monies,
 17 the department shall submit an expenditure report to the joint legislative
 18 budget committee that includes the status of non-state matching grant
 19 monies.

20 Monies appropriated for the veterans' trauma treatment services line
 21 item shall be used to provide grants to contractors as defined in section
 22 36-2901, Arizona Revised Statutes, that provide trauma treatment services
 23 training to any of the following health professionals licensed pursuant to
 24 title 32, Arizona Revised Statutes:

- 25 1. Physicians.
- 26 2. Registered nurse practitioners.
- 27 3. Physician assistants.
- 28 4. Psychologists.
- 29 5. Behavioral health professionals who are either licensed for
 30 individual practice or supervised by a psychologist, registered nurse
 31 practitioner or behavioral health professional licensed pursuant to
 32 title 32, Arizona Revised Statutes, for independent practice.

33 Monies appropriated for the homeless veterans' reintegration program
 34 line item shall be used to provide services that assist in reintegrating
 35 homeless veterans into meaningful employment within the labor force and to
 36 stimulate the development of effective service delivery systems that
 37 address the complex problems facing homeless veterans.

38 Sec. 95. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

39		<u>2023-24</u>
40	FTE positions	7.0
41	Lump sum appropriation	\$ 769,000
42	Fund sources:	
43	Veterinary medical examining	
44	board fund	\$ 769,000

1 Sec. 96. WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA
 2 2023-24

3	Eastern Arizona water projects	
4	assistance grants	\$ 3,000,000*
5	Total appropriation – water infrastructure	
6	finance authority of Arizona	\$ 3,000,000

7	Fund sources:	
8	State general fund	\$ 3,000,000

9 Of the amount appropriated to the eastern Arizona water projects
 10 assistance grants line item, \$3,000,000 is allocated to provide financial
 11 assistance to irrigation districts in Cochise and Graham counties to
 12 contract for services of outside advisors, attorneys, consultants and
 13 aides that are reasonably necessary or desirable to enable the irrigation
 14 districts to adequately perform their duties. Each county shall receive a
 15 \$1,500,000 allocation. The water infrastructure finance authority of
 16 Arizona shall develop a separate grant program to distribute these monies
 17 to qualified entities on or before June 30, 2024.

18 Sec. 97. DEPARTMENT OF WATER RESOURCES
 19 2023-24

20	FTE positions	179.0
21	Operating lump sum appropriation	\$ 15,228,500
22	Adjudication support	1,900,600
23	Arizona water protection fund	
24	deposit	1,250,000
25	Assured and adequate water supply	
26	administration	2,513,400
27	Brackish groundwater study	100,000*
28	Brackish groundwater recovery pilot	
29	program	11,000,000*
30	Rural water studies	1,290,800
31	Conservation and drought program	430,300
32	Automated groundwater monitoring	418,600
33	Colorado River legal expenses	500,000*
34	Water supply and demand assessment	3,500,000
35	Santa Rosa canal groundwater	
36	delivery	25,000,000*
37	Statewide water resources planning	<u>5,000,000</u>

38	Total appropriation - department of water	
39	resources	\$ 68,132,200

40	Fund sources:	
41	State general fund	\$ 66,114,500
42	Water resources fund	1,726,500
43	Assured and adequate water	
44	supply administration fund	291,200

1 Monies in the assured and adequate water supply administration line
2 item may be used only for the exclusive purposes prescribed in sections
3 45-108, 45-576, 45-577, 45-578 and 45-579, Arizona Revised Statutes. The
4 department of water resources may not transfer any monies into or out of
5 the assured and adequate water supply administration line item.

6 The department of water resources shall use the monies in the
7 brackish groundwater study line item to review and update information
8 contained in studies on the availability of brackish groundwater in this
9 state.

10 Of the \$11,000,000 allocated to the brackish groundwater recovery
11 pilot program line item, \$2,000,000 is allocated to the department of
12 water resources for a brackish groundwater desalination demonstration
13 program and to develop a base of knowledge to enhance groundwater recovery
14 through desalination in this state's active management areas. The
15 department shall locate this pilot program within the department's active
16 management area section and a portion of the monies may be used for
17 staffing. The department shall organize the program following the model
18 of work undertaken by the Texas water development board to further the use
19 and development of cost-effective desalination technologies.

20 Of the \$11,000,000 allocated to the brackish groundwater recovery
21 pilot program line item, \$9,000,000 is allocated for matching participants
22 dollar-for-dollar for brackish groundwater desalination projects within
23 active management areas undertaken for the benefit of those receiving
24 water from the central Arizona project. The central Arizona project shall
25 receive three dollars for every dollar it contributes to this pilot
26 program.

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 On or before July 31, 2024, the department of water resources shall
41 report to the joint legislative budget committee and the governor's office
42 of strategic planning and budgeting on the uses of the monies appropriated
43 to the statewide water resources planning line item.

1 The department of water resources shall use the monies in the Santa
2 Rosa canal groundwater delivery line item to distribute equally between
3 the irrigation districts that are constructing infrastructure in
4 furtherance of the purposes of the settlement between the
5 Maricopa-Stanfield irrigation and drainage district, the central Arizona
6 irrigation and drainage district and the Ak-Chin Indian community and with
7 respect to the delivery of groundwater by the districts by means other
8 than the Santa Rosa canal.

9 Fiscal Year 2022-2023 Appropriation Adjustments

10 Sec. 98. Supplemental appropriation; department of
11 administration; risk management revolving fund;
12 review; fiscal year 2022-2023

13 A. In addition to any other appropriations made in fiscal year
14 2022-2023, the sum of \$3,107,700 is appropriated from the risk management
15 revolving fund established by section 41-622, Arizona Revised Statutes, in
16 fiscal year 2022-2023 to the department of administration for the
17 following purposes:

- 18 1. To pay disallowed costs relating to excess retained earnings.
- 19 2. To pay disallowed costs relating to the statewide information
20 technology charges.
- 21 3. For fund transfers in fiscal year 2021-2022.
- 22 4. To pay interest owed from prior-year disallowed costs.

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

29 Sec. 99. Supplemental appropriation; Arizona commission of
30 African-American affairs; fiscal year 2022-2023

31 In addition to any other appropriations made in fiscal year
32 2022-2023, the sum of \$15,000 is appropriated from the state general fund
33 in fiscal year 2022-2023 to the Arizona commission of African-American
34 affairs to address an operating shortfall.

35 Sec. 100. Supplemental appropriation; fund balance transfer;
36 automation projects fund; fiscal year 2022-2023

37 The sum of \$1,750,000 is transferred from the personnel division
38 fund established by section 41-750, Arizona Revised Statutes in fiscal
39 year 2022-2023 for deposit in the human resources information system
40 subaccount in the automation projects fund established pursuant to section
41 41-714, Arizona Revised statutes to replace the state human resources
42 information system.

1 Sec. 101. Supplemental appropriation reduction; Arizona
2 health care cost containment system
3 administration; facility construction; fiscal
4 year 2022-2023

5 In addition to any other appropriations made in fiscal year
6 2022-2023, the sum of \$(25,000,000) is reduced from appropriations made
7 from the state general fund in fiscal year 2022-2023 to the Arizona health
8 care cost containment system administration to remove funding for the
9 construction of secure behavioral health residential facilities.

10 Sec. 102. Supplemental appropriation; department of child
11 safety; federal funding adjustment; fiscal year
12 2022-2023

13 In addition to any other appropriations made in fiscal year
14 2022-2023, the sum of \$19,888,200 is appropriated from expenditure
15 authority in fiscal year 2022-2023 to the department of child safety
16 operating lump sum to reflect increased federal funding for department
17 operations.

18 Sec. 103. Supplemental appropriation; department of child
19 safety; technical adjustment; fiscal year
20 2022-2023

21 In addition to any other appropriations made in fiscal year
22 2022-2023, the sum of \$11,100,000 is appropriated from expenditure
23 authority in fiscal year 2022-2023 to the department of child safety
24 adoption services line item for a technical adjustment.

25 Sec. 104. Supplemental appropriation; Arizona department of
26 housing; homeless shelter and services;
27 exemption; fiscal year 2022-2023

28 A. In addition to any other appropriations made in fiscal year
29 2022-2023, the sum of \$20,000,000 is appropriated from the state general
30 fund in fiscal year 2022-2023 to the Arizona department of housing for
31 programs that provide shelter and services to unsheltered persons who are
32 experiencing homelessness.

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

36 Sec. 105. Supplemental appropriation; superintendent of
37 public instruction; fiscal year 2022-2023

38 In addition to any other appropriations made in fiscal year
39 2022-2023, the sum of \$180,624,300 is appropriated from the state general
40 fund in fiscal year 2022-2023 to the superintendent of public instruction
41 for additional basic state aid formula costs.

1 Sec. 106. Supplemental appropriation; department of health
2 services; Arizona state hospital; fiscal year
3 2022-2023

4 In addition to any other appropriations made in fiscal year
5 2022-2023, the sum of \$5,600,000 is appropriated from the state general
6 fund in fiscal year 2022-2023 to the department of health services Arizona
7 state hospital - operating line item to address an operating shortfall.

8 Sec. 107. Supplemental appropriation; department of public
9 safety; motor vehicle fuel; fiscal year 2022-2023

10 In addition to any other appropriations made in fiscal year
11 2022-2023, the sum of \$3,364,200 is appropriated from the Arizona highway
12 patrol fund established by section 41-1752, Arizona Revised Statutes, in
13 fiscal year 2022-2023 to the department of public safety motor vehicle
14 fuel line item to address inflationary increases in fuel costs.

15 Sec. 108. Supplemental appropriation; department of
16 transportation; highway maintenance; fiscal year
17 2022-2023

18 In addition to any other appropriations made in fiscal year
19 2022-2023, the sum of \$15,200,000 is appropriated from the state highway
20 fund established by section 28-6991, Arizona Revised Statutes, in fiscal
21 year 2022-2023 to the department of transportation highway maintenance
22 line item to address highway maintenance due to the winter months.

23 Sec. 109. Appropriations; lapsing; exemption; fiscal year
24 2022-2023

25 The following amounts appropriated in the agency lump sum
26 appropriations in fiscal year 2022-2023 to the following agencies pursuant
27 to Laws 2022, chapter 313 are exempt from the provisions of section
28 35-190, Arizona Revised Statutes, relating to the lapsing of
29 appropriations, until June 30, 2024, for the purposes of e-licensing
30 system upgrades:

- | | | |
|----|---|-----------|
| 31 | 1. Acupuncture board of examiners | \$ 5,500 |
| 32 | 2. Board of athletic training | \$ 9,700 |
| 33 | 3. Barbering and cosmetology board | \$354,400 |
| 34 | 4. Board of behavioral health examiners | \$ 65,700 |
| 35 | 5. State board of chiropractic examiners | \$ 11,100 |
| 36 | 6. State board of dental examiners | \$ 52,300 |
| 37 | 7. State board of funeral directors and embalmers | \$ 18,000 |
| 38 | 8. Department of insurance and | |
| 39 | financial institutions | \$700,000 |
| 40 | 9. Board of homeopathic and integrated | |
| 41 | medicine examiners | \$ 2,400 |
| 42 | 10. Board of massage therapy | \$ 60,300 |
| 43 | 11. Arizona medical board | \$173,600 |
| 44 | 12. Naturopathic physicians medical board | \$ 5,200 |

1	13. Board of examiners of nursing care	
2	institution administrators and	
3	assisted living facility managers	\$ 45,100
4	14. Board of occupational therapy examiners	\$ 34,100
5	15. Arizona board of osteopathic examiners	
6	in medicine and surgery	\$ 17,800
7	16. State board of dispensing opticians	\$ 16,300
8	17. State board of optometry	\$ 7,500
9	18. Arizona state board of pharmacy	\$190,500
10	19. Board of physical therapy	\$ 53,600
11	20. State board of podiatry examiners	\$ 4,500
12	21. Board for private postsecondary education	\$ 2,500
13	22. State board of psychologist examiners	\$ 18,000
14	23. Board of respiratory care examiners	\$ 45,900
15	24. State board of technical registration	\$167,700
16	25. Arizona state veterinary medical examining	
17	board	\$ 24,600

18 Fiscal Year 2023-2024 Appropriations

19 Sec. 110. Appropriation; reduction; water infrastructure
 20 finance authority of Arizona; fiscal year
 21 2023-2024

22 The appropriation made in Laws 2022, chapter 366, section 32, to the
 23 long-term water augmentation fund established by section 49-1302, Arizona
 24 Revised Statutes, in fiscal year 2023-2024 is reduced by \$(138,800,000).

25 Sec. 111. Appropriations; department of administration;
 26 counties; allocations; report; fiscal year
 27 2023-2024

28 A. The sum of \$7,150,650 is appropriated from the state general
 29 fund in fiscal year 2023-2024 to the department of administration for
 30 distribution to counties to maintain essential county services. The
 31 department shall allocate the appropriation equally among all counties
 32 with a population of less than nine hundred thousand persons according to
 33 the 2020 United States decennial census.

34 B. The sum of \$500,000 is appropriated from the state general fund
 35 in fiscal year 2023-2024 to the department of administration for
 36 distribution to Graham county to maintain essential county services.

37 C. The sum of \$3,000,000 is appropriated from the state general
 38 fund in fiscal year 2023-2024 to the department of administration for
 39 distribution to counties to supplement the normal cost plus an amount to
 40 amortize the unfunded accrued liability pursuant to section 38-810,
 41 subsection C, Arizona Revised Statutes. The department shall allocate the
 42 appropriation equally among all counties with a population of less than
 43 three hundred thousand persons according to the 2020 United States
 44 decennial census. The counties may use these monies only for required
 45 employer contributions to the elected officials' retirement plan.

1 D. The sum of \$7,000,000 is appropriated from the state general
2 fund in fiscal year 2023-2024 to the department of administration for
3 distribution to counties to establish a coordinated reentry planning
4 services program.

5 Sec. 112. Automation projects fund; appropriations; quarterly
6 reports; exemption; fiscal year 2023-2024

7 A. The sum of \$20,647,800 is appropriated from the human resources
8 information system subaccount in the automation projects fund established
9 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
10 2023-2024 to the department of administration to replace the human
11 resources information system.

12 B. The sum of \$15,000,000 is appropriated from the health and human
13 services information system subaccount in the automation projects fund
14 established pursuant to section 41-714, Arizona Revised Statutes, in
15 fiscal year 2023-2024 to the department of administration for statewide
16 health and human services information technology projects.

17 C. The sum of \$2,000,000 is appropriated from the department of
18 administration subaccount in the automation projects fund established
19 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
20 2023-2024 to the department of administration for the K-12 school
21 financial transparency reporting portal.

22 D. The sum of \$7,000,000 is appropriated from the corporation
23 commission subaccount in the automation projects fund established pursuant
24 to section 41-714, Arizona Revised Statutes, in fiscal year 2023-2024 to
25 the corporation commission to replace the corporation commission's online
26 records and filing system. As part of the department of administration's
27 request for expenditure review pursuant to section 41-714, Arizona Revised
28 Statutes, the department shall also submit a report for review of the
29 agency's plan to support the business one-stop project through its
30 completion, including plans for how the new system will integrate with the
31 business one-stop solution.

32 E. The sum of \$494,500 is appropriated from the department of
33 public safety subaccount in the automation projects fund established
34 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
35 2023-2024 to the department of public safety to replace the concealed
36 weapons tracking system.

37 F. The sum of \$19,369,400 is appropriated from the department of
38 revenue subaccount in the automation projects fund established pursuant to
39 section 41-714, Arizona Revised Statutes, in fiscal year 2023-2024 to the
40 department of revenue to implement the integrated tax system modernization
41 project. The monies appropriated in this subsection shall be spent for an
42 integrated tax system modernization project that meets the following
43 minimum specifications:

1 1. Captures data fields from electronically filed individual and
2 corporate income tax returns and makes the data available for querying and
3 reporting purposes. The system shall provide the department of revenue
4 staff, the joint legislative budget committee staff and governor's office
5 of strategic planning and budgeting staff direct access to the querying
6 and reporting functions. The querying and reporting functions shall
7 include procedures to protect taxpayer confidentiality under applicable
8 state and federal law.

9 2. For electronic corporate income tax returns, captures
10 information regarding the principal business activity of the corporation.
11 This requirement may be satisfied through North American industry
12 classification system data listed on federal tax forms. The tax system
13 shall allow for querying and reporting based on principal business
14 activity.

15 3. Includes an integrated individual income tax model within the
16 project and provides the department of revenue staff, the joint
17 legislative budget committee staff and governor's office of strategic
18 planning and budgeting staff direct access to the individual income tax
19 model. At a minimum, the model shall allow the department of revenue
20 staff, the joint legislative budget committee staff and governor's office
21 of strategic planning and budgeting staff to adjust tax law parameters
22 against an anonymized representative sample of income tax returns to
23 estimate the fiscal impact of proposed tax legislation. The model shall
24 only include data from state and federal tax returns that are captured by
25 the tax system. The individual income tax model shall include procedures
26 to protect taxpayer confidentiality under applicable state and federal
27 law.

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

31 Before awarding any procurement contract for the tax system, the
32 department of revenue shall submit a report addressing the project
33 specifications contained in this subsection for review by the joint
34 legislative budget committee.

35 G. As part of the department of administration's request for
36 expenditure review pursuant to section 41-714, Arizona Revised Statutes
37 shall, the department shall also submit a report for review of the
38 agency's plan to support the business one-stop project through its
39 completion, including plans for how the new system will integrate with the
40 business one-stop solution.

41 H. The following amounts are appropriated from the
42 judiciary-supreme court subaccount in the automation projects fund
43 established pursuant to section 41-714, Arizona Revised Statutes, in
44 fiscal year 2023-2024 to the Arizona supreme court for the following
45 automation and information projects:

- 1 1. \$3,270,000 to replace the probation case management system.
- 2 2. \$2,500,000 for a statewide community supervision electronic
- 3 monitoring system.

4 Quarterly Reports

5 I. Within thirty days after the last day of each calendar quarter,
6 the department of administration shall submit to the joint legislative
7 budget committee a quarterly report on implementing projects approved by
8 the information technology authorization committee established by section
9 18-121, Arizona Revised Statutes, including the projects' expenditures to
10 date, deliverables, timeline for completion and current status.

11 Nonlapsing

12 J. The amount appropriated pursuant to this section from the
13 automation projects fund established by section 41-714, Arizona Revised
14 Statutes, in fiscal year 2023-2024 is exempt from the provisions of
15 section 35-190, Arizona Revised Statutes, relating to lapsing of
16 appropriations, until June 30, 2025.

17 K. Notwithstanding Laws 2021, chapter 408, section 117, the
18 following amounts appropriated from the automation projects fund
19 established pursuant to section 41-714, Arizona Revised Statutes, in
20 fiscal year 2021-2022 to the department of administration by Laws 2021,
21 chapter 408, section 117 are exempt from the provisions of section 35-190,
22 Arizona Revised Statutes, relating to lapsing of appropriations, until
23 June 30, 2024:

24 1. \$7,758,900 from the department of administration subaccount in
25 the automation projects fund established pursuant to section 41-714,
26 Arizona Revised Statutes, to develop a business one-stop web portal.

27 2. \$9,000,000 appropriated from the department of economic security
28 subaccount in the automation projects fund established pursuant to section
29 41-714, Arizona Revised Statutes, to update the childcare management
30 system at the department of economic security.

31 3. \$550,000 appropriated from the department of public safety
32 subaccount in the automation projects fund established pursuant to section
33 41-714, Arizona Revised Statutes, to the department of administration to
34 update the concealed weapons tracking system at the department of public
35 safety.

36 Sec. 113. Department of economic security; loans;
37 reimbursement; prohibition; fiscal year 2023-2024

38 On or after April 1, 2024, 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, 2024 and must be reimbursed in full

1 as part of the closing process for fiscal year 2023-2024. The department
2 shall notify the joint legislative budget committee of the reimbursement
3 on or before September 1, 2024. The appropriation may not be used for
4 additional programmatic expenditures.

5 Sec. 114. Appropriations; state treasurer; local government
6 distributions; fiscal year 2023-2024

7 The following amounts are appropriated from the state general fund
8 in fiscal year 2023-2024 to the state treasurer for the following:

9 1. \$2,500,000 to distribute to county sheriffs for search and
10 rescue-related equipment to enhance the sheriff's search and rescue
11 mission capabilities as follows:

- 12 (a) Cochise county, not more than eighteen percent.
- 13 (b) Coconino county, not more than twenty-one percent.
- 14 (c) Gila county, not more than two and one-half percent.
- 15 (d) Greenlee county, not more than one-half percent.
- 16 (e) Mohave county, not more than twenty-one percent.
- 17 (f) Navajo county, not more than one-half percent.
- 18 (g) Pinal county, not more than twenty-two percent.
- 19 (h) Yavapai county, not more than thirteen and one-half percent.
- 20 (i) Apache, Graham, La Paz, Maricopa, Pima, Santa Cruz and Yuma
21 counties, not more than a total of one percent distributed on a
22 first-come, first-served basis.

23 2. \$9,000,000 to distribute to Mohave county for capital
24 improvements to the following:

- 25 (a) Lake Havasu substation.
- 26 (b) Boating safety center on Lake Havasu.
- 27 (c) Mohave Valley substation.
- 28 (d) Beaver Dam substation.

29 3. \$860,000 to distribute to La Paz county for the following:

- 30 (a) Server replacement.
- 31 (b) Public safety dock and boat lifts.
- 32 (c) Salome substation roof.

33 4. \$500,000 to distribute to the Mohave county sheriff's office for
34 vehicle purchases.

35 5. \$3,000,000 to distribute for police department support as
36 follows:

- 37 (a) \$2,000,000 to the Wickenburg police department.
- 38 (b) \$1,000,000 to the Hayden police department.
- 39 (c) The appropriated amounts may not be used to supplant any
40 existing local funding for police.

41 6. \$750,000 to distribute to the Copper Canyon fire and medical
42 district to offset COVID-related expenses.

43 7. \$3,500,000 to distribute to the Peoria police department for the
44 purchase of a public safety helicopter.

- 1 8. \$1,500,000 to distribute to the Peoria police department for a
2 mobile command center.
- 3 9. \$3,400,000 to distribute to Mohave county to design and
4 construct the Mohave wash recharge basin.
- 5 10. \$3,500,000 to distribute to the city of Prescott and the town
6 of Prescott Valley as follows:
 - 7 (a) \$1,750,000 to the city of Prescott.
 - 8 (b) \$1,750,000 to the town of Prescott Valley.
 - 9 (c) The state treasurer may not distribute the monies appropriated
10 by this paragraph until Yavapai county, the city of Prescott and the town
11 of Prescott Valley jointly demonstrate to the state treasurer that the
12 county, city and town have a commitment for matching monies of gifts,
13 grants and donations in the amount of at least \$3,500,000 for the
14 Glassford Dells regional park from sources other than this state.
- 15 11. \$27,800,000 to distribute to the city of Gilbert for the
16 rehabilitation and drilling of new water wells.
- 17 12. \$1,400,000 to distribute to the city of Wickenburg for fire
18 station upgrades.
- 19 13. \$8,987,000 to distribute to the city of Flagstaff for post-fire
20 mitigation, including detention basin maintenance and operation, and
21 drainage capital improvement projects.
- 22 14. \$750,000 to distribute to the town of Snowflake for a sewer
23 main lift station replacement.
- 24 15. \$3,214,500 to distribute to the city of Glendale for a veterans
25 community project.
- 26 16. \$126,200 to distribute to counties for property owner
27 notification systems as follows:
 - 28 (a) \$10,000 to Apache county.
 - 29 (b) \$10,000 to Cochise county.
 - 30 (c) \$17,000 to Coconino county.
 - 31 (d) \$7,200 to Gila county.
 - 32 (e) \$10,000 to Graham county.
 - 33 (f) \$10,000 to Greenlee county.
 - 34 (g) \$10,000 to La Paz county.
 - 35 (h) \$25,000 to Mohave county.
 - 36 (i) \$10,000 to Navajo county.
 - 37 (j) \$10,000 to Santa Cruz county.
 - 38 (k) \$7,000 to Yuma county.
- 39 17. \$750,000 to distribute to police departments for a pepper ball
40 pilot program as follows:
 - 41 (a) \$250,000 to the Chandler police department.
 - 42 (b) \$250,000 to the Tucson police department.
 - 43 (c) \$250,000 to the Mesa police department.

1 The pepper ball pilot program is intended to test a nonlethal
2 compliance tool that can be deployed at a distance of greater than twenty
3 feet and that does not cause significant bodily injury.

4 18. \$10,000,000 to distribute to the city of Peoria for new water
5 wells and water infrastructure projects.

6 19. \$850,000 to distribute to the Maricopa association of
7 governments for a Sun City transportation project study.

8 20. \$10,050,000 to distribute to the Maricopa association of
9 governments for the relocation of utilities related to the construction of
10 State Route 30.

11 21. \$500,000 to distribute to the town of Kearny for public
12 building remediation.

13 22. \$810,000 to distribute to the city of Glendale for irrigation
14 system and xeriscaping.

15 23. \$1,000,000 to distribute to the Vernon fire district for
16 equipment and operations.

17 24. \$20,000,000 to distribute to Navajo county to reconstruct the
18 Little Colorado River levee at the city of Winslow.

19 25. \$2,000,000 to distribute to the Chandler police department for
20 new technology, building out services and officer wellness.

21 Sec. 115. Appropriations; state treasurer; firearm training
22 simulators; fiscal year 2023-2024

23 A. The sum of \$1,368,000 is appropriated from the peace officer
24 training equipment fund established by section 41-1731, Arizona Revised
25 Statutes, in fiscal year 2023-2024 to the state treasurer for firearm
26 training simulators.

27 B. The state treasurer shall distribute the monies appropriated in
28 subsection A of this section in the following amounts to the following
29 recipients:

- 30 1. \$300,000 to the Flagstaff police department.
- 31 2. \$300,000 to the Mohave county probation department.
- 32 3. \$138,000 to the Casa Grande police department
- 33 4. \$330,000 to the Maricopa county sheriff's office.
- 34 5. \$300,000 to the Navajo county sheriff's office.

35 Sec. 116. Appropriations; state treasurer; nonprofit
36 organizations; fiscal year 2023-2024

37 The following amounts are appropriated from the state general fund
38 in fiscal year 2023-2024 to the state treasurer for the following:

- 39 1. \$10,000,000 to distribute to a nonprofit organization that is
40 designated as an international dark sky discovery center and that is
41 focused on dark sky preservation in this state.
- 42 2. \$15,300,000 to distribute to a nonprofit volunteer organization
43 that operates a rodeo at the Yavapai county fairgrounds.

1 3. \$5,600,000 to distribute to a nonprofit organization that
2 operates an astronomy center and observatory that is open to the public in
3 northern Arizona.

4 Sec. 117. Phoenix convention center; allocation; fiscal year
5 2023-2024

6 Pursuant to section 9-602, Arizona Revised Statutes, \$25,498,600 of
7 state general fund revenue is allocated in fiscal year 2023-2024 to the
8 Arizona convention center development fund established by section 9-601,
9 Arizona Revised Statutes.

10 Sec. 118. Rio Nuevo multipurpose facility district; estimated
11 distribution; fiscal year 2023-2024

12 Pursuant to section 42-5031, Arizona Revised Statutes, a portion of
13 the state transaction privilege tax revenues will be distributed to a
14 multipurpose facility district. The Rio Nuevo multipurpose facility
15 district is estimated to receive \$16,000,000 in fiscal year 2023-2024.
16 The actual amount of the distribution will be made pursuant to section
17 42-5031, Arizona Revised Statutes.

18 Fund Balance Transfers

19 Sec. 119. Appropriations; fund balance transfers; automation
20 projects fund; fiscal year 2023-2024

21 A. The sum of \$20,647,800 is appropriated from all other state fund
22 sources in fiscal year 2023-2024 for deposit in the human resources
23 information system subaccount in the automation projects fund established
24 pursuant to section 41-714, Arizona Revised Statutes, for the replacement
25 of the human resources information system. The department of
26 administration shall allocate to each agency or department an amount for
27 the human resources information system replacement in the same manner as
28 allocated in Laws 2022, chapter 313, section 123 based on each state
29 fund's proportional share of payments to the personnel division fund
30 established pursuant to section 41-750, Arizona Revised Statutes.

31 B. The sum of \$15,000,000 is transferred from the state general
32 fund in fiscal year 2023-2024 for deposit in the health and human services
33 information system subaccount in the automation projects fund established
34 pursuant to section 41-714, Arizona Revised Statutes, for statewide health
35 and human services information technology projects.

36 C. The sum of \$2,000,000 is transferred from the state general fund
37 in fiscal year 2023-2024 for deposit in the department of administration
38 subaccount in the automation projects fund established pursuant to section
39 41-714, Arizona Revised Statutes, for the K-12 school financial
40 transparency reporting portal.

41 D. The sum of \$7,000,000 is transferred from the securities
42 regulatory and enforcement fund established by section 44-2039, Arizona
43 Revised Statutes, in fiscal year 2023-2024 for deposit in the corporation
44 commission subaccount in the automation projects fund established pursuant

1 to section 41-714, Arizona Revised Statutes, to replace the department's
2 online records and filing system.

3 E. The sum of \$494,500 is transferred from the concealed weapons
4 permit fund established by section 41-1722, Arizona Revised Statutes, in
5 fiscal year 2023-2024 for deposit in the department of public safety
6 subaccount in the automation projects fund established pursuant to section
7 41-714, Arizona Revised Statutes, to replace the concealed weapons
8 tracking system.

9 F. The following amounts are transferred from the following funds
10 in fiscal year 2023-2024 for deposit in the department of revenue
11 subaccount in the automation projects fund established pursuant to section
12 41-714, Arizona Revised Statutes, to implement the integrated tax system
13 modernization project:

14 1. \$11,794,100 from the state general fund.

15 2. \$7,575,300 from the department of revenue integrated tax system
16 project fund established by section 42-5041, Arizona Revised Statutes.

17 G. The sum of \$3,270,000 is transferred from the state general fund
18 in fiscal year 2023-2024 for deposit in the judiciary-supreme court
19 subaccount in the automation projects fund established pursuant to section
20 41-714, Arizona Revised Statutes, to replace the probation case management
21 system.

22 H. The sum of \$2,500,000 is transferred from the state general fund
23 in fiscal year 2023-2024 for deposit in the judiciary-supreme court
24 subaccount in the automation projects fund established pursuant to section
25 41-714, Arizona Revised Statutes, a statewide community supervision
26 electronic monitoring system.

27 I. The transfers into the automation projects fund established by
28 section 41-714, Arizona Revised Statutes, as outlined in this section are
29 not appropriations out of the automation project fund. Only direct
30 appropriations out of the automation projects fund are appropriations.

31 Payment Deferrals

32 Sec. 120. Reduction in school district state aid
33 apportionment in fiscal year 2023-2024;
34 appropriation in fiscal year 2024-2025

35 A. In addition to any other appropriation reductions made in fiscal
36 year 2023-2024, the department of education shall defer until after June
37 30, 2024 but not later than July 12, 2024 \$800,727,700 of the basic state
38 aid and additional state aid entitlement that otherwise would be
39 apportioned to school districts during fiscal year 2023-2024 pursuant to
40 section 15-973, Arizona Revised Statutes. The funding deferral required
41 by this subsection does not apply to charter schools or to school
42 districts with a student count of less than four thousand pupils. The
43 department of education shall make the deferral by reducing the
44 apportionment of state aid for each month in the fiscal year by the same
45 amount.

1 B. In addition to any other appropriations made in fiscal year
 2 2024-2025, the sum of \$800,727,700 is appropriated from the state general
 3 fund in fiscal year 2024-2025 to the department of education and the
 4 superintendent of public instruction for basic state aid and additional
 5 state aid entitlement for fiscal year 2024-2025. This appropriation shall
 6 be disbursed after June 30, 2024 but not later than July 12, 2024 to the
 7 several counties for the school districts in each county in amounts equal
 8 to the reductions in apportionment of basic state aid and additional state
 9 aid that are required pursuant to subsection A of this section for fiscal
 10 year 2023-2024.

11 C. School districts shall include in the revenue estimates they use
 12 for computing their tax rates for fiscal year 2023-2024 the monies they
 13 will receive pursuant to subsection B of this section.

14 Statewide Adjustments

15 Sec. 121. Appropriations; operating adjustments

	<u>2023-24</u>
17 1. Employer health insurance	
18 contribution reduction	\$ (95,469,000)
19 Fund sources:	
20 State general fund	\$ (63,244,800)
21 Other funds	(32,224,200)
22 2. University health insurance	
23 backfill removal	\$ (40,033,000)
24 Fund sources:	
25 State general fund	\$ (40,033,000)
26 3. Employer health insurance	
27 contribution increase	\$ 103,000,000
28 Fund sources:	
29 State general fund	\$ 73,000,000
30 Other funds	30,000,000
31 4. Agency rent adjustment	\$ (458,100)
32 Fund sources:	
33 State general fund	\$ (558,100)
34 Other funds	100,000
35 5. Agency risk management	
36 adjustments	\$ (54,200)
37 Fund sources:	
38 State general fund	\$ (154,200)
39 Other funds	100,000
40 6. Arizona financial information	
41 system adjustments	\$ 316,700
42 Fund sources:	
43 State general fund	\$ 116,700
44 Other funds	200,000

1	7. Agency retirement adjustment	\$ (21,640,400)
2	Fund sources:	
3	State general fund	\$ 359,600
4	Other funds	(22,000,000)
5	8. Salary increase adjustments	\$ 10,517,000
6	Fund sources:	
7	State general fund	\$ 7,517,000
8	Other funds	3,000,000
9	9. State fleet rate adjustments	\$ 14,195,100
10	Fund sources:	
11	State general fund	\$ 8,195,100
12	Other funds	6,000,000

13 Employer health insurance contribution reduction

14 The amount appropriated is for a onetime employer contribution rate
 15 reduction for employee health insurance in fiscal year 2023-2024. The
 16 joint legislative budget committee staff, in consultation with the
 17 governor's office of strategic planning and budgeting staff, shall
 18 determine and the department of administration shall allocate to each
 19 agency or department an amount for the health insurance contribution
 20 adjustment. The joint legislative budget committee staff shall also
 21 determine and the department of administration shall allocate adjustments,
 22 as necessary, in expenditure authority to implement the reduction in
 23 employer health insurance contribution rates. The joint legislative
 24 budget committee staff shall use the overall allocation of state general
 25 fund and appropriated tuition monies for each university in determining
 26 that university's specific adjustment.

27 University health insurance backfill removal

28 The amount appropriated is for the removal of a onetime university
 29 health insurance backfill to backfill university tuition for employer
 30 health insurance in fiscal year 2023-2024. The joint legislative budget
 31 committee staff, in consultation with the governor's office of strategic
 32 planning and budgeting staff, shall determine and the department of
 33 administration shall allocate to each university an amount for the health
 34 insurance contribution adjustment.

35 Employer health insurance contribution increase

36 The amount appropriated is for a onetime employer contribution rate
 37 increase for employee health insurance in fiscal year 2023-2024. The
 38 joint legislative budget committee staff, in consultation with the
 39 governor's office of strategic planning and budgeting staff, shall
 40 determine and the department of administration shall allocate to each
 41 agency or department an amount for the health insurance contribution
 42 adjustment. The joint legislative budget committee staff shall also
 43 determine and the department of administration shall allocate adjustments,
 44 as necessary, in expenditure authority to implement the increase in
 45 employer health insurance contribution rates.

1 Agency rent adjustments

2 The amount appropriated is for agency rent adjustments for agencies
3 relocating to and within state-owned and lease-purchase buildings in
4 fiscal year 2023-2024. The joint legislative budget committee staff, in
5 consultation with the governor's office of strategic planning and
6 budgeting staff, shall determine and the department of administration
7 shall allocate to each agency or department an amount for the rent
8 adjustment. The joint legislative budget committee staff shall also
9 determine and the department of administration shall allocate adjustments,
10 as necessary, in expenditure authority to allow implementation of the
11 agency rent adjustments.

12 Agency risk management adjustments

13 The amount appropriated is for agency risk management premium
14 adjustments in fiscal year 2023-2024. The joint legislative budget
15 committee staff, in consultation with the governor's office of strategic
16 planning and budgeting staff, shall determine and the department of
17 administration shall allocate to each agency or department an amount for
18 the risk management adjustments. The joint legislative budget committee
19 staff shall also determine and the department of administration shall
20 allocate adjustments, as necessary, in expenditure authority to allow
21 implementation of the risk management adjustments.

22 Arizona financial information system adjustments

23 The amount appropriated is for upgrades to the Arizona financial
24 information system in fiscal year 2023-2024. The joint legislative budget
25 committee staff, in consultation with the governor's office of strategic
26 planning and budgeting staff, shall determine and the department of
27 administration shall allocate to each agency or department an amount for
28 the Arizona financial information system collection charge. The joint
29 legislative budget committee staff shall also determine and the department
30 of administration shall allocate adjustments, as necessary, in expenditure
31 authority to allow for the payment of Arizona financial information system
32 charges.

33 Agency retirement adjustments

34 The amount appropriated is for retirement adjustments in fiscal year
35 2023-2024. The amount appropriated from the state general fund excludes
36 retirement adjustments for the state department of corrections, department
37 of juvenile corrections and department of public safety. The amount
38 appropriated from other funds includes adjustments for all state agencies.
39 The joint legislative budget committee staff, in consultation with the
40 governor's office of strategic planning and budgeting staff, shall
41 determine and the department of administration shall allocate to each
42 agency or department an amount for the agency retirement adjustments. The
43 joint legislative budget committee staff shall also determine and the
44 department of administration shall allocate adjustments, as necessary, in

1 expenditure authority to allow implementation of the agency retirement
2 adjustments.

3 Salary increase adjustments

4 The amount appropriated is for agency budget corrections in fiscal
5 year 2023-2024 relating to the salary increases implemented during fiscal
6 year 2022-2023. The joint legislative budget committee staff, in
7 consultation with the governor's office of strategic planning and
8 budgeting staff, shall determine and the department of administration
9 shall allocate to each agency or department an amount for salary increase
10 adjustment. The joint legislative budget committee staff shall also
11 determine and the department of administration shall allocate adjustments,
12 as necessary, in expenditure authority for salary increase adjustments.

13 State fleet rate adjustments

14 The amount appropriated is for a onetime state fleet rate adjustment
15 in fiscal year 2023-2024. The joint legislative budget committee staff,
16 in consultation with the governor's office of strategic planning and
17 budgeting staff, shall determine and the department of administration
18 shall allocate to each agency or department an amount for the state fleet
19 rate adjustment. The joint legislative budget committee staff shall also
20 determine and the department of administration shall allocate adjustments,
21 as necessary, in expenditure authority for the state fleet rate
22 adjustment.

23 Sec. 122. Department of law; general agency counsel charges;
24 fiscal year 2023-2024

25 Pursuant to section 41-191.09, Arizona Revised Statutes, the
26 following state agencies and departments are charged the following amounts
27 in fiscal year 2023-2024 for general agency counsel provided by the
28 department of law:

29	1. Department of administration	\$127,700
30	2. Office of administrative hearings	\$ 3,000
31	3. Arizona arts commission	\$ 3,100
32	4. Citizens clean elections commission	\$ 2,700
33	5. State department of corrections	\$ 2,000
34	6. Arizona criminal justice commission	\$ 8,700
35	7. Arizona state schools for the deaf 36 and the blind	\$100,200
37	8. Commission for the deaf and the hard 38 of hearing	\$ 4,100
39	9. Arizona early childhood development and 40 health board	\$ 47,100
41	10. Department of education	\$132,000
42	11. Department of emergency and military affairs	\$ 30,000
43	12. Department of environmental quality	\$135,600
44	13. Arizona exposition and state fair board	\$ 20,900

1	14. Arizona department of forestry and fire	
2	management	\$ 13,400
3	15. Department of gaming	\$ 37,300
4	16. Department of health services	\$173,800
5	17. Arizona historical society	\$ 700
6	18. Arizona department of housing	\$ 19,300
7	19. Department of insurance and financial	
8	institutions	\$ 13,800
9	20. Department of juvenile corrections	\$ 9,400
10	21. State land department	\$ 2,100
11	22. Department of liquor licenses and control	\$ 11,400
12	23. Arizona state lottery commission	\$ 24,800
13	24. Arizona state parks board	\$ 45,800
14	25. State personnel board	\$ 600
15	26. Arizona pioneers' home	\$ 12,100
16	27. Department of public safety	\$677,400
17	28. Arizona board of regents	\$ 1,800
18	29. Arizona state retirement system	\$ 69,100
19	30. Department of revenue	\$ 4,900
20	31. Department of state – secretary of state	\$ 1,800
21	32. State treasurer	\$ 9,200
22	33. Department of veterans' services	\$ 52,700

23 Fiscal Year 2024-2025 Appropriations

24 Sec. 123. Appropriation; new school facilities fund; use;
 25 fiscal year 2024-2025

26 The sum of \$77,898,600 is appropriated from the state general fund
 27 in fiscal year 2024-2025 for a onetime deposit in the new school
 28 facilities fund established by section 41-5741, Arizona Revised Statutes.
 29 The division of school facilities within the department of administration
 30 shall use the monies only for facilities that will be constructed for
 31 school districts that received final approval from the division of school
 32 facilities within the department of administration on or before
 33 December 15, 2022.

34 Reporting Requirements and Definitions

35 Sec. 124. COVID-related expenditures; reporting requirements;
 36 intent

37 A. Within forty-five days after the last day of each calendar
 38 quarter through June 30, 2026, the office of the governor shall report to
 39 the president of the senate, the speaker of the house of representatives,
 40 the chairpersons of the senate and house of representatives appropriations
 41 committees and the director of the joint legislative budget committee the
 42 total planned allocations and actual expenditures from the coronavirus
 43 state fiscal recovery fund and the coronavirus capital projects fund as
 44 appropriated by section 9901 of the American rescue plan act of 2021
 45 (P.L. 117-2).

1 B. Within forty-five days after the last day of each calendar
2 quarter through June 30, 2026, the superintendent of public instruction
3 shall report to the president of the senate, the speaker of the house of
4 representatives, the chairpersons of the senate and house of
5 representatives appropriations committees and the director of the joint
6 legislative budget committee the total planned allocations and actual
7 expenditures of monies allocated to the superintendent of public
8 instruction from the elementary and secondary school emergency relief fund
9 as appropriated by section 2001 of the American rescue plan act of 2021
10 (P.L. 117-2).

11 C. Within forty-five days after the last day of each calendar
12 quarter through June 30, 2026, the Arizona board of regents shall report
13 to the president of the senate, the speaker of the house of
14 representatives, the chairpersons of the senate and house of
15 representatives appropriations committees and the director of the joint
16 legislative budget committee the total planned allocations and actual
17 expenditures of monies from the higher education emergency relief fund as
18 appropriated by section 2003 of the American rescue plan act of 2021
19 (P.L. 117-2) by Arizona state university, the university of Arizona and
20 northern Arizona university.

21 D. Within forty-five days after the last day of each calendar
22 quarter through June 30, 2026, each community college district shall
23 report to the president of the senate, the speaker of the house of
24 representatives, the chairpersons of the senate and house of
25 representatives appropriations committees and the director of the joint
26 legislative budget committee the total planned allocations and actual
27 expenditures of monies from the higher education emergency relief fund as
28 appropriated by section 2003 of the American rescue plan act of 2021
29 (P.L. 117-2).

30 E. Reports required pursuant to this section shall delineate
31 expenditures by agency and program and include descriptions of the purpose
32 of the expenditures.

33 F. The legislature intends that the executive branch of state
34 government report on its planned and actual use of any major additional
35 federal aid to this state through federal legislation enacted by the end
36 of fiscal year 2023-2024. The timing and frequency of these reports
37 should be the same as required by subsections A through D of this section.
38 The chairperson and vice chairperson of the joint legislative budget
39 committee may provide recommendations to the executive branch concerning
40 federal legislation that would qualify under this subsection.

41 Sec. 125. Legislative intent: expenditure reporting

42 The legislature intends that all departments, agencies and budget
43 units receiving appropriations under the terms of this act continue to
44 report actual, estimated and requested expenditures by budget programs and
45 budget classes in a format that is similar to the budget programs and

1 budget classes used for budgetary purposes in prior years. A different
2 format may be used if deemed necessary to implement section 35-113,
3 Arizona Revised Statutes, agreed to by the director of the joint
4 legislative budget committee and incorporated into the budget preparation
5 instructions adopted by the governor's office of strategic planning and
6 budgeting pursuant to section 35-112, Arizona Revised Statutes.

7 Sec. 126. FTE positions; reporting; definition

8 Full-time equivalent (FTE) positions contained in this act are
9 subject to appropriation. The director of the department of
10 administration shall account for the use of all appropriated and
11 nonappropriated FTE positions, excluding those in the universities. The
12 director of the department of administration shall submit the fiscal year
13 2023-2024 report on or before October 1, 2024 to the director of the joint
14 legislative budget committee. The report shall compare the level of
15 appropriated FTE usage in each fiscal year to the appropriated level. For
16 the purposes of this section, "FTE positions" means the total number of
17 hours worked, including both regular and overtime hours as well as hours
18 taken as leave, divided by the number of hours in a work year. The
19 director of the department of administration shall notify the director of
20 a budget unit if the budget unit's appropriated FTE usage has exceeded its
21 number of appropriated FTE positions. Each university shall report to the
22 director of the joint legislative budget committee in a manner comparable
23 to the department of administration reporting.

24 Sec. 127. Filled FTE positions; reporting

25 On or before October 1, 2023, each agency, including the judiciary
26 and universities, shall submit a report to the director of the joint
27 legislative budget committee on the number of filled appropriated and
28 nonappropriated FTE positions, by fund source, as of September 1, 2023.

29 Sec. 128. Transfer of spending authority

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

34 Sec. 129. Interim reporting requirements

35 A. State general fund revenue for fiscal year 2022-2023, including
36 a beginning balance of \$4,709,446,000 and other onetime revenues, is
37 forecasted to be \$18,122,600,000.

38 B. State general fund revenue for fiscal year 2023-2024, including
39 onetime revenues, is forecasted to be \$17,827,000,000.

40 C. State general fund revenue for fiscal year 2024-2025, including
41 onetime revenues, is forecasted to be \$16,279,800,000. State general fund
42 expenditures for fiscal year 2024-2025 are forecasted to be
43 \$16,161,700,000.

1 D. State general fund revenue for fiscal year 2025-2026, including
2 onetime revenues, is forecasted to be \$17,351,300,000. State general fund
3 expenditures for fiscal year 2025-2026 are forecasted to be
4 \$16,565,200,000.

5 E. On or before September 15, 2023, the executive branch shall
6 provide to the joint legislative budget committee a preliminary estimate
7 of the fiscal year 2022-2023 state general fund ending balance. The
8 estimate shall include projections of total revenues, total expenditures
9 and an ending balance. The department of administration shall continue to
10 provide the final report for the fiscal year in its annual financial
11 report pursuant to section 35-131, Arizona Revised Statutes.

12 F. Based on the information provided by the executive branch, the
13 staff of the joint legislative budget committee shall report to the joint
14 legislative budget committee on or before October 15, 2023 whether the
15 fiscal year 2023-2024 revenues and ending balance are expected to change
16 by more than \$50,000,000 from the budgeted projections. The joint
17 legislative budget committee staff may make technical adjustments to the
18 revenue and expenditure estimates in this section to reflect other bills
19 enacted into law. The executive branch may also provide its own estimates
20 to the joint legislative budget committee on or before October 15, 2023.

21 Sec. 130. Definition

22 For the purposes of this act, "*" means this appropriation is a
23 continuing appropriation and is exempt from the provisions of section
24 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

25 Sec. 131. Definition

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

29 Sec. 132. Definition

30 For the purposes of this act, "review by the joint legislative
31 budget committee" means a review by a vote of a majority of a quorum of
32 the members of the joint legislative budget committee.