

REFERENCE TITLE: **general appropriations act; 2024-2025.**

State of Arizona
Senate
Fifty-sixth Legislature
Second Regular Session
2024

SB 1735

Introduced by
Senator Kavanagh (with permission of Committee on Rules)

AN ACT

AMENDING LAWS 2022, CHAPTER 313, SECTIONS 31 AND 38; AMENDING LAWS 2022, CHAPTER 313, SECTION 110, AS AMENDED BY LAWS 2023, CHAPTER 121, SECTION 1; AMENDING LAWS 2022, CHAPTER 313, SECTION 128; REPEALING LAWS 2022, CHAPTER 366, SECTION 33; AMENDING LAWS 2023, CHAPTER 133, SECTIONS 9, 17, 23, 97 AND 113; 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 31 is amended to read:
 3 Sec. 31. SUPERINTENDENT OF PUBLIC INSTRUCTION

	<u>2022-23</u>
4	
5	203.9
6	\$ 10,348,400
7	
8	5,652,055,000
9	68,600,000
10	36,029,200
11	983,900
12	946,524,800
13	54,425,700
14	
15	510,093,700
16	
17	
18	20,423,300
19	21,487,800
20	
21	250,000
22	
23	500,000
24	
25	2,176,400
26	
27	4,960,400
28	1,000,000
29	1,000,000
30	1,000,000
31	
32	7,472,100
33	1,265,800
34	
35	1,000,000
36	12,000,000
37	
38	5,315,400
39	6,516,900
40	
41	10,000,000
42	100,000
43	850,000
44	100,000

1	Onetime electronic incident prevention	
2	programs	150,000
3	School safety program	81,925,200
4	State block grant for vocational	
5	education	11,576,300
6	Student level data access	350,000
7	Teacher certification	2,403,000
8	Tribal college dual enrollment	
9	program	<u>325,000</u>
10	Total appropriation and expenditure	
11	authority – superintendent	
12	of public instruction	\$7,473,208,300
13	Fund sources:	
14	State general fund	\$5,973,447,600
15	Education sales tax fund	7,000,000
16	Permanent state school fund	328,895,600
17	Teacher certification fund	2,359,100
18	Tribal college dual enrollment	
19	program fund	325,000
20	Department of education empowerment	
21	scholarship account fund	350,000
22	Expenditure authority	1,160,831,000

23 Operating budget

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

27 The amount appropriated for the department of education's operating
 28 budget includes \$500,000 for technical assistance and state-level
 29 administration of the K-3 reading program established pursuant to section
 30 15-211, Arizona Revised Statutes.

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

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

1 Basic state aid

2 The appropriation for basic state aid provides basic state support
3 to school districts for maintenance and operations funding as provided by
4 section 15-973, Arizona Revised Statutes, and includes an estimated
5 \$328,895,600 in expendable income derived from the permanent state school
6 fund and from state trust lands pursuant to section 37-521, subsection B,
7 Arizona Revised Statutes, for fiscal year 2022-2023.

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

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

22 Any monies available to the department of education pursuant to
23 section 42-5029.02, subsection A, paragraph 5, Arizona Revised Statutes,
24 for the increased cost of basic state aid under section 15-971, Arizona
25 Revised Statutes, due to added school days in excess of the expenditure
26 authority amounts are allocated for the purposes of section 42-5029.02,
27 subsection A, paragraph 5, Arizona Revised Statutes.

28 Other programs

29 Any monies available to the department of education for the
30 classroom site fund pursuant to section 37-521, subsection B, paragraph 4,
31 Arizona Revised Statutes, and section 42-5029.02, subsection A, paragraph
32 10, Arizona Revised Statutes, in excess of expenditure authority amounts
33 are allocated for the purposes of section 37-521, subsection B, paragraph
34 4, Arizona Revised Statutes, and section 42-5029.02, subsection A,
35 paragraph 10, Arizona Revised Statutes.

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

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

44 Any monies available to the department of education for
45 accountability purposes pursuant to section 42-5029.02, subsection A,

1 paragraph 7, Arizona Revised Statutes, in excess of the expenditure
2 authority amounts are allocated for the purposes of section 42-5029.02,
3 subsection A, paragraph 7, Arizona Revised Statutes.

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

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

18 If the appropriated amount for CTED completion grants is
19 insufficient to fund all grant requests from career technical education
20 districts, the department of education shall reduce grant amounts on a
21 proportional basis in order to cap total statewide allocations at
22 \$1,000,000.

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

26 The department of education shall distribute the appropriated amount
27 for CTED soft capital and equipment to career technical education
28 districts with fewer than two thousand average daily membership pupils for
29 soft capital and equipment expenses. The appropriated amount shall be
30 allocated on a pro rata basis based on the average daily membership of
31 eligible career technical education districts.

32 The department of education shall use the appropriated amount for
33 English learner administration to provide English language acquisition
34 services for the purposes of section 15-756.07, Arizona Revised Statutes,
35 and for the costs of providing English language proficiency assessments,
36 scoring and ancillary materials as prescribed by the department of
37 education to school districts and charter schools for the purposes of
38 title 15, chapter 7, article 3.1, Arizona Revised Statutes. The
39 department may use a portion of the appropriated amount to hire staff or
40 contract with a third party to carry out the purposes of section
41 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192,
42 Arizona Revised Statutes, the superintendent of public instruction also
43 may use a portion of the appropriated amount to contract with one or more
44 private attorneys to provide legal services in connection with the case of
45 Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

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

20 The department of education shall use the appropriated amount for
21 geographic literacy to issue a grant to a statewide geographic alliance
22 for strengthening geographic literacy in this state.

23 The department of education shall use the appropriated amount for
24 jobs for Arizona graduates to issue a grant to a nonprofit organization
25 for a JOBS for Arizona graduates program.

26 The department of education shall use the amount appropriated for
27 onetime electronic incident prevention programs for the purposes of
28 awarding student safety grants to public schools. A public school that
29 receives a student safety grant under this section shall use the grant
30 monies to procure and implement an electronic incident prevention program.

31 The amount appropriated for the school safety program includes an
32 increase of \$50,000,000 for additional school safety grants. In
33 allocating the \$50,000,000 increase, the department of education shall
34 first distribute monies to schools on the school safety program waiting
35 list to receive grants for the costs of placing school resource officers
36 on school campuses. The awarded grants may not supplant funding provided
37 by local governments for school resource officers. If the total cost of
38 funding new grants for school resource officer costs is less than
39 \$50,000,000, the department may allocate the remaining monies to grants to
40 schools for the costs of placing school counselors and social workers on
41 school campuses pursuant section 15-154, Arizona Revised Statutes.

42 Any monies available to the department of education for school
43 safety pursuant to section 42-5029.02, subsection A, paragraph 6, Arizona
44 Revised Statutes, in excess of the expenditure authority amounts are

1 allocated for the purposes of section 42-5029.02, subsection A, paragraph
 2 6, Arizona Revised Statutes.

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

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

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

23 Notwithstanding section 15-901.03, Arizona Revised Statutes, the
 24 superintendent of public instruction may transfer \$5,000,000 from the
 25 state general fund appropriation for basic state aid for fiscal year
 26 2021-2022 to the results-based funding program for fiscal year 2021-2022
 27 without review by the joint legislative budget committee. Any amount
 28 transferred to the results-based funding program under this section that
 29 exceeds the amount needed to address a funding shortfall for the
 30 results-based funding program for fiscal year 2021-2022 reverts to the
 31 state general fund on June 30, 2022.

32 Sec. 2. Laws 2022, chapter 313, section 38 is amended to read:

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

	<u>2022-23</u>
FTE positions	235.5
Operating lump sum appropriation	\$ 3,393,800
Environmental county grants	250,000
Gila River nonnative species eradication	5,000,000
Inmate firefighting crews	784,400
Postrelease firefighting crews	1,151,000
Fire suppression	200,000
Mount Lemmon fire district renovation	2,230,900
State fire marshal	1,865,100
State fire school	279,700

1	Hazardous vegetation removal	3,000,000
2	US forest service land thinning	2,150,900
3	Wildfire emergency response	65,000,000
4	Wildfire mitigation	<u>38,837,300</u>
5	Total appropriation – Arizona department	
6	of forestry and fire management	\$124,143,100
7	Fund sources:	
8	State general fund	\$124,143,100

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

20 On or before September 1, ~~2023, September 1, 2024 and September 1,~~
 21 ~~2025~~ OF EACH YEAR UNTIL ALL MONIES IN THE GILA RIVER NONNATIVE SPECIES
 22 ERADICATION LINE ITEM ARE SPENT, the department shall report to the
 23 director of the joint legislative budget committee on the expected amount
 24 and purpose of expenditures from the Gila River nonnative species
 25 eradication line item. The report shall include projected line item
 26 detail. The reports shall also provide follow-up on areas previously
 27 treated with funding from the line item and whether the nonnative species
 28 have returned.

29 The appropriation made in the Gila River nonnative species
 30 eradication line item is exempt from the provisions of section 35-190,
 31 Arizona Revised Statutes, relating to lapsing of appropriations, except
 32 all monies remaining unencumbered or unexpended for the purposes of this
 33 section on June 30, ~~2025~~ 2029 revert to the state general fund.

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

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

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

4 Sec.3. Laws 2022, chapter 313, section 110, as amended by Laws
5 2023, chapter 121, section 1, is amended to read:

6 Sec. 110. Department of emergency and military affairs;
7 border security; exemption; fiscal year 2022-2023

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

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

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

31 3. \$10,000,000 for deposit in the anti-human trafficking grant fund
32 established by section 26-106, Arizona Revised Statutes. The monies shall
33 be allocated as follows:

34 (a) \$2,000,000 to the department of public safety Arizona counter
35 terrorism information center for anti-human trafficking operations that
36 comply with the requirements prescribed in section 26-106, Arizona Revised
37 Statutes.

38 (b) \$8,000,000 in award grants to city, town and county law
39 enforcement agencies, in an amount of not more than \$500,000 per agency,
40 for programs that reduce human trafficking and that comply with the
41 requirements prescribed in section 26-106, Arizona Revised Statutes.

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

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

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

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

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

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

30 (b) \$5,095,000 to counties for the purposes of a \$5,000 onetime
31 payment to line-level deputies and detention officers hired after May 1,
32 2022. The county shall distribute the payment to eligible employees in
33 equal quarterly installments over one year. On May 1, 2022, the
34 department of administration shall distribute the monies to the counties
35 based on the total number of vacancies for line-level deputies and
36 detention officers in each county as of May 1, 2022. On or before June
37 30, 2023, the department shall submit a report to the directors of the
38 joint legislative budget committee and the governor's office of strategic
39 planning and budgeting detailing the amounts distributed to each county.

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

43 10. ~~\$30,000,000~~ \$2,322,800 for the construction costs of a state
44 emergency operations center. Pursuant to section 41-1252, Arizona Revised
45 Statutes, before spending the monies allocated in this paragraph, the

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

4 11. \$12,232,900 TO THE DEPARTMENT OF PUBLIC SAFETY IN FISCAL YEAR
5 2024-2025 FOR LOCAL BORDER SUPPORT. THE DEPARTMENT SHALL USE THE MONIES
6 TO FUND LOCAL LAW ENFORCEMENT OFFICER POSITIONS FOR BORDER DRUG
7 INTERDICTION TO DETER AND APPREHEND ANY INDIVIDUALS WHO ARE CHARGED WITH
8 DRUG TRAFFICKING, HUMAN SMUGGLING, ILLEGAL IMMIGRATION AND OTHER
9 BORDER-RELATED CRIMES. THE DEPARTMENT SHALL ALSO USE THE MONIES FOR
10 GRANTS TO CITIES, TOWNS AND COUNTIES FOR COSTS ASSOCIATED WITH PROSECUTING
11 AND DETAINING INDIVIDUALS WHO ARE CHARGED WITH DRUG TRAFFICKING, HUMAN
12 SMUGGLING, ILLEGAL IMMIGRATION AND OTHER BORDER-RELATED CRIMES. THE
13 DEPARTMENT MAY FUND ALL CAPITAL-RELATED EQUIPMENT.

14 12. \$15,444,300 TO THE DEPARTMENT OF PUBLIC SAFETY IN FISCAL YEAR
15 2024-2025 FOR BORDER DRUG INTERDICTION.

16 ~~11.~~ 13. \$15,000,000 to the department of public safety for the
17 construction costs of a southern border coordinated response center.
18 Pursuant to section 41-1252, Arizona Revised Statutes, before spending the
19 monies allocated in this paragraph, the department of public safety shall
20 submit for review by the joint committee on capital review the scope,
21 purpose and estimated cost of the capital improvements.

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

28 C. The department of emergency and military affairs may transfer
29 spending authority between and within the programs and purposes listed in
30 subsection A of this section. Before making a transfer, the department
31 shall submit the proposed transfer to the joint legislative budget
32 committee for review.

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

36 Sec. 4. Laws 2022, chapter 313, section 128 is amended to read:

37 Sec. 128. Appropriations; additional assistance; FRPL group B
38 weight; fiscal year 2024-2025

39 A. The sum of \$23,836,000 is appropriated from the state general
40 fund in fiscal year 2024-2025 to the department of education for basic
41 state aid AND A ONETIME CHARTER ADDITIONAL ASSISTANCE SUPPLEMENT. The
42 appropriated amount shall be used AS FOLLOWS:

43 1. \$17,978,000 SHALL BE ALLOCATED to fund an ongoing increase in
44 the per pupil charter additional assistance amounts prescribed in section
45 15-185, subsection B, paragraph 4, Arizona Revised Statutes, above the

1 amount of charter additional assistance that otherwise would be provided
2 by law for fiscal year 2024-2025.

3 2. \$5,858,000 SHALL BE ALLOCATED FOR A ONETIME CHARTER ADDITIONAL
4 ASSISTANCE SUPPLEMENT IN FISCAL YEAR 2024-2025. THE DEPARTMENT OF
5 EDUCATION SHALL DISTRIBUTE THE APPROPRIATED AMOUNT FOR THE ONETIME CHARTER
6 ADDITIONAL ASSISTANCE SUPPLEMENT TO CHARTER SCHOOLS ON A PROPORTIONAL
7 BASIS BASED ON THE CHARTER ADDITIONAL ASSISTANCE FUNDING THAT EACH CHARTER
8 SCHOOL IN THIS STATE RECEIVES IN FISCAL YEAR 2024-2025.

9 B. The sum of \$94,164,000 is appropriated from the state general
10 fund in fiscal year 2024-2025 to the department of education for basic
11 state aid AND A ONETIME CHARTER ADDITIONAL ASSISTANCE SUPPLEMENT. The
12 appropriated amount shall be used AS FOLLOWS:

13 1. \$71,022,000 SHALL BE ALLOCATED to fund an ongoing increase in
14 the per pupil district additional assistance amounts prescribed in section
15 15-961, Arizona Revised Statutes, above the amount of district additional
16 assistance that otherwise would be provided by law for fiscal year
17 2024-2025.

18 2. \$23,142,000 SHALL BE ALLOCATED FOR A ONETIME DISTRICT ADDITIONAL
19 ASSISTANCE SUPPLEMENT IN FISCAL YEAR 2024-2025. THE DEPARTMENT OF
20 EDUCATION SHALL DISTRIBUTE THE APPROPRIATED AMOUNT FOR THE ONETIME
21 DISTRICT ADDITIONAL ASSISTANCE SUPPLEMENT TO SCHOOL DISTRICTS ON A
22 PROPORTIONAL BASIS BASED ON THE DISTRICT ADDITIONAL ASSISTANCE FUNDING
23 THAT EACH DISTRICT IN THIS STATE RECEIVES IN FISCAL YEAR 2024-2025 AND
24 INCREASE THE BUDGET LIMITS PURSUANT TO SECTION 15-947, ARIZONA REVISED
25 STATUTES, ACCORDINGLY. A SCHOOL DISTRICT MAY BUDGET THE MONIES IT
26 RECEIVES FROM THE ONETIME DISTRICT ADDITIONAL ASSISTANCE SUPPLEMENT IN
27 EITHER THE SCHOOL DISTRICT'S MAINTENANCE AND OPERATION FUND OR
28 UNRESTRICTED CAPITAL OUTLAY FUND.

29 C. The sum of \$100,000,000 is appropriated from the state general
30 fund in fiscal year 2024-2025 to the department of education for basic
31 state aid AND A ONETIME FRPL GROUP B WEIGHT SUPPLEMENT. The appropriated
32 amount shall be used AS FOLLOWS:

33 1. \$63,000,000 SHALL BE ALLOCATED to fund an ongoing increase in
34 the FRPL group B weight established by section 15-943, paragraph 2,
35 subdivision (b), Arizona Revised Statutes.

36 2. \$37,000,000 SHALL BE ALLOCATED FOR A ONETIME FRPL GROUP B WEIGHT
37 SUPPLEMENT IN FISCAL YEAR 2024-2025. THE DEPARTMENT OF EDUCATION SHALL
38 DISTRIBUTE THE APPROPRIATED AMOUNT FOR THE ONETIME FRPL GROUP B WEIGHT
39 SUPPLEMENT TO SCHOOL DISTRICTS AND CHARTER SCHOOLS ON A PRO RATA BASIS
40 USING THE WEIGHTED STUDENT COUNT FOR FRPL PUPILS FOR THE SCHOOL DISTRICT
41 OR CHARTER SCHOOL PURSUANT TO SECTION 15-943, PARAGRAPH 2, SUBDIVISION
42 (b), ARIZONA REVISED STATUTES, AND INCREASE THE BUDGET LIMITS PURSUANT TO
43 SECTION 15-947, ARIZONA REVISED STATUTES, ACCORDINGLY. A SCHOOL DISTRICT
44 MAY BUDGET THE MONIES IT RECEIVES FROM THE ONETIME FRPL GROUP B WEIGHT

1 SUPPLEMENT IN EITHER THE SCHOOL DISTRICT'S MAINTENANCE AND OPERATION FUND
 2 OR UNRESTRICTED CAPITAL OUTLAY FUND.

3 Sec. 5. Repeal

4 Laws 2022, chapter 366, section 33 is repealed.

5 Sec. 6. Laws 2023, chapter 133, section 9 is amended to read:

6 Sec. 9. ARIZONA DEPARTMENT OF AGRICULTURE

		2023-24	
7			
8	FTE positions	209.9	
9	Operating lump sum appropriation	\$ 17,504,200	
10	Agricultural employment relations		
11	board	23,300	
12	Animal damage control	65,000	
13	Red imported fire ant control	23,200	
14	Agricultural consulting and		
15	training	136,300	
16	Total appropriation – Arizona department		
17	of agriculture	\$ 17,752,000	

18 Fund sources:

19	State general fund	\$ 16,154,200
20	Air quality fund	1,597,800

21 OF THE MONIES IN THE DEPARTMENT'S OPERATING LUMP SUM APPROPRIATION,
 22 \$1,199,600 IS EXEMPT FROM THE PROVISIONS OF SECTION 35-190, ARIZONA
 23 REVISED STATUTES, RELATING TO LAPSING OF APPROPRIATIONS, UNTIL JUNE 30,
 24 2026.

25 Sec. 7. Laws 2023, chapter 133, section 17 is amended to read:

26 Sec. 17. DEPARTMENT OF CHILD SAFETY

		<u>2023-24</u>	
27			
28	FTE positions	3,283.1	
29	Operating lump sum appropriation	\$147,938,100	\$148,764,300
30	<u>Additional operating resources</u>		
31	Attorney general legal services	25,522,800	
32	Caseworkers	124,293,500	157,293,500
33	Office of child welfare		
34	investigations	11,245,700	
35	Training resources	9,150,000	
36	<u>Out-of-home placements</u>		
37	Congregate group care	114,918,700	132,608,300
38	Extended foster care	26,553,900	19,887,200
39	Extended foster care service model		
40	fund deposit	19,243,300*	
41	Foster home placement	51,929,500	40,706,500
42	Foster home recruitment,		
43	study and supervision	32,753,600	
44	Kinship care	24,811,200	16,214,200

1	<u>Permanent placements</u>		
2	Adoption services	294,923,500	282,574,300
3	Permanent guardianship subsidy	12,516,900	15,622,000
4	Positive parenting program for post		
5	permanency placements pilot	4,000,000*	
6	<u>Support services</u>		
7	DCS child care subsidy	61,675,400	
8	In-home mitigation	28,988,100	41,529,300
9	Out-of-home support services	122,710,800	113,284,600
10	Preventive services	29,648,300	
11	<u>Comprehensive health plan</u>		
12	Comprehensive health plan		
13	services	161,546,700	
14	Comprehensive health plan		
15	administration	27,461,200	
16	Comprehensive health plan		
17	premium tax	<u>3,857,300</u>	
18	Total appropriation and expenditure		
19	authority – department of		
20	child safety	\$1,335,688,500	\$1,350,588,500
21	Fund sources:		
22	State general fund	\$ 500,879,600	
23	Federal child care and		
24	development fund block grant	40,516,000	
25	Federal temporary assistance		
26	for needy families block		
27	grant	161,082,200	
28	Child abuse prevention fund	1,459,300	
29	Children and family services		
30	training program fund	208,000	
31	Child safety expenditure authority	442,357,400	452,557,400
32	Child welfare licensing fee fund	1,020,800	
33	Comprehensive health plan		
34	expenditure authority fund –		
35	expenditure authority	192,865,200	

36 Additional operating resources

37 The department of child safety shall provide training to any new

38 child safety FTE positions before assigning any client caseload duties to

39 any of these employees.

40 The legislature intends that the department of child safety use its

41 funding to achieve a one hundred percent investigation rate.

42 All expenditures made by the department of child safety for attorney

43 general legal services shall be funded only from the attorney general

44 legal services line item. Monies in department of child safety line items

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

3 THE AMOUNT APPROPRIATED FOR THE CASEWORKERS LINE ITEM INCLUDES A
4 ONETIME INCREASE OF \$19,700,000 FROM THE STATE GENERAL FUND FOR INCREASED
5 OPERATING EXPENDITURES IN FISCAL YEAR 2023-2024. THIS AMOUNT IS EXEMPT
6 FROM THE PROVISIONS OF SECTION 35-190, ARIZONA REVISED STATUTES, RELATING
7 TO LAPSING OF APPROPRIATIONS UNTIL JUNE 30, 2025.

8 ON OR BEFORE SEPTEMBER 1, 2024, THE DEPARTMENT SHALL SUBMIT A REPORT
9 TO THE JOINT LEGISLATIVE BUDGET COMMITTEE AND THE GOVERNOR'S OFFICE OF
10 STRATEGIC PLANNING AND BUDGETING ON ACTUAL OPERATING EXPENSES FOR THE
11 GUARDIAN CASE MANAGEMENT SYSTEM IN FISCAL YEAR 2023-2024, AS WELL AS
12 PROPOSED SYSTEM OPERATING EXPENSES FOR FISCAL YEAR 2024-2025.

13 Out-of-home placements

14 The department of child safety may transfer up to ten percent of the
15 total amount of federal temporary assistance for needy families block
16 grant monies appropriated to the department of economic security and the
17 department of child safety to the social services block grant. Before
18 transferring federal temporary assistance for needy families block grant
19 monies to the social services block grant, the department of child safety
20 shall report the proposed amount of the transfer to the director of the
21 joint legislative budget committee. This report may be in the form of an
22 expenditure plan that is submitted at the beginning of the fiscal year and
23 updated, if necessary, throughout the fiscal year.

24 The amount appropriated for kinship care shall be used for a stipend
25 of \$300 per month for a relative caretaker, including a grandparent, any
26 level of great-grandparent or any nongrandparent relative, or a caretaker
27 of fictive kinship, if a dependent child is placed in the care of a
28 relative caretaker or caretaker of fictive kinship pursuant to department
29 guidelines. The department shall provide the stipend on behalf of all
30 children placed with an unlicensed kinship foster care parent. The
31 unlicensed kinship foster care parent is not required to file an
32 application to receive the stipend. Before changing the eligibility for
33 the program or the amount of the stipend, the department shall submit a
34 report for review by the joint legislative budget committee detailing the
35 proposed changes.

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

40 Departmentwide

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

1 Child safety expenditure authority includes all department funding
2 sources excluding the state general fund, the federal child care and
3 development fund block grant, the federal temporary assistance for needy
4 families block grant, the child abuse prevention fund, the children and
5 family services training program fund and the comprehensive health plan
6 expenditure authority fund.

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

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

17 2. Assisting congregate care providers in attaining status as
18 qualified residential treatment programs.

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

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

23 Benchmarks

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

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

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

36 For the purposes of this section:

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

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

41 On or before February 28, 2024 and August 31, 2024, the department
42 of child safety shall present a report to the joint legislative budget
43 committee on the progress made during July 2023 through December 2023 and
44 January 2024 through June 2024, respectively, in meeting the caseload
45 standard and reducing the number of backlog and long-term cases. Each

1 report shall include the number of backlog cases, the number of open
 2 reports, the number of long-term cases and the caseworker workload in
 3 comparison to the previous six months. Each report shall provide the
 4 number of backlog cases by disposition, including the number of backlog
 5 cases in the investigation phase, the number of backlog cases associated
 6 with out-of-home placements and the number of backlog cases associated
 7 with in-home cases.

8 To determine the caseworker workload, the department shall report
 9 the number of case-carrying caseworkers at each field office and the
 10 number of investigations, in-home cases and long-term cases assigned to
 11 each field office.

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

13 For open reports, the department's benchmark is fewer than 8,000
 14 open reports.

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

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

23 Sec. 8. Laws 2023, chapter 133, section 23 is amended to read:

24 Sec. 23. STATE DEPARTMENT OF CORRECTIONS

	<u>2023-24</u>	
25 FTE positions	9,569.0	
26 Operating lump sum appropriation	\$ 898,184,300	\$ 876,476,900
27 Private prison per diem	289,858,400	289,069,200
28 Community corrections	27,681,200	25,681,200
29 Inmate health care contracted		
30 services	321,620,200	317,881,700
31 Substance abuse treatment	5,445,400	
32 Transitional and reentry housing	5,000,000*	
33 Transitional housing grants	2,000,000	
34 Inmate dog training	650,000	
35 NONCONTRACT MEDICATION	40,746,500	
36 INJUNCTION-RELATED IT UPGRADES	4,770,300	
37 Total appropriation – state department		
38 of corrections	\$1,550,439,500	\$1,567,721,200
39 Fund sources:		
40 State general fund	\$1,492,541,000	\$1,429,675,200
41 State education fund for		
42 correctional education	738,900	
43 Alcohol abuse treatment fund	555,800	
44 Penitentiary land fund	2,777,600	5,243,200

1	State charitable, penal and		
2	reformatory institutions		
3	land fund	2,665,100	5,347,000
4	Corrections fund	31,312,500	
5	Transition program fund	4,400,300	
6	Prison construction and		
7	operations fund	14,106,800	
8	Inmate store proceeds fund	1,341,500	
9	CONSUMER RESTITUTION AND REMEDIATION		
10	REVOLVING FUND - CONSUMER		
11	REMEDATION SUBACCOUNT	75,000,000	

12 Of the amount appropriated in the operating lump sum, ~~\$495,853,200~~
 13 ~~\$480,658,000~~ is designated for personal services, ~~\$234,006,200~~
 14 ~~\$227,494,000~~ is designated for employee-related expenditures and
 15 \$15,540,500 is designated for overtime expenditures. The department shall
 16 submit an expenditure plan for review by the joint legislative budget
 17 committee before spending these monies other than for personal services or
 18 employee-related expenditures.

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

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

29 Before placing any inmates in out-of-state provisional beds, the
 30 department shall place inmates in all available prison beds in facilities
 31 that are located in this state and that house Arizona inmates, unless the
 32 out-of-state provisional beds are of a comparable security level and
 33 price.

34 The state department of corrections shall forward to the president
 35 of the senate, the speaker of the house of representatives, the
 36 chairpersons of the senate and house of representatives appropriations
 37 committees and the director of the joint legislative budget committee a
 38 monthly report comparing department expenditures for the month and
 39 year-to-date as compared to prior-year expenditures on or before the
 40 thirtieth of the following month. The report shall be in the same format
 41 as the prior fiscal year and include an estimate of potential shortfalls,
 42 potential surpluses that may be available to offset these shortfalls and a
 43 plan, if necessary, for eliminating any shortfall without a supplemental
 44 appropriation. The report shall include the number of filled and vacant

1 correctional officer and medical staff positions departmentwide and by
2 prison complex.

3 On or before November 1, 2023, the state department of corrections
4 shall provide a report on bed capacity to the joint legislative budget
5 committee. The report shall reflect the bed capacity for each security
6 classification by gender at each state-run and private institution,
7 divided by rated and total beds. The report shall include bed capacity
8 data for June 30, 2022 and June 30, 2023 and the projected capacity for
9 June 30, 2024, as well as the reasons for any change within that time
10 period. Within the total bed count, the department shall provide the
11 number of temporary and special use beds. The report shall also address
12 the department's rationale for eliminating any permanent beds rather than
13 reducing the level of temporary beds. The report shall also include any
14 plans to vacate beds but not permanently remove the beds from the bed
15 count.

16 If the department develops a plan after the department's November 1,
17 2023 report to open or close 100 or more state-operated or private prison
18 rated beds, the department shall submit a plan detailing the proposed bed
19 changes for review by the joint legislative budget committee before
20 implementing these changes.

21 One hundred percent of land earnings and interest from the
22 penitentiary land fund shall be distributed to the state department of
23 corrections in compliance with the enabling act and the Constitution of
24 Arizona to be used to support state penal institutions.

25 On or before December 15, 2023 and July 15, 2024, the state
26 department of corrections shall submit a report to the joint legislative
27 budget committee on the progress made in meeting the staffing needs for
28 correctional officers. Each report shall include the number of filled
29 correctional officer positions, the number of vacant correctional officer
30 positions, the number of people in training, the number of separations and
31 the number of hours of overtime worked year-to-date. The report shall
32 detail these amounts both departmentwide and by prison complex.

33 Twenty-five percent of land earnings and interest from the state
34 charitable, penal and reformatory institutions land fund shall be
35 distributed to the state department of corrections in compliance with the
36 enabling act and the Constitution of Arizona to be used to support state
37 penal institutions.

38 Before spending any state education fund for correctional education
39 monies in excess of \$738,900, the state department of corrections shall
40 report the intended use of the monies to the director of the joint
41 legislative budget committee.

42 Before implementing any changes in contracted rates for inmate
43 health care contracted services, the state department of corrections shall
44 submit its expenditure plan for review by the joint legislative budget
45 committee.

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

6 1. The total number of performance measures, by facility, for which
7 the department is not in substantial compliance.

8 2. An explanation for each instance of noncompliance.

9 3. The department's plan to comply with the performance measures.

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

14 The department shall report actual fiscal year 2022-2023, estimated
15 fiscal year 2023-2024 and requested fiscal year 2024-2025 expenditures as
16 delineated in the prior year when the department submits its fiscal year
17 2024-2025 budget request pursuant to section 35-113, Arizona Revised
18 Statutes.

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

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

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

33 (a) Involvement with the justice system.

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

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

37 (d) Experienced homelessness or are at a high risk of becoming
38 homeless.

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

42 3. Delivers forensic peer and family support services to enhance
43 and strengthen successful reentry into the community that include
44 workforce development, securing permanent housing, navigating systems of
45 care, educational and professional development opportunities, family

1 connection and reintegration services, supporting multiple pathways to
2 recovery and providing sober social activities.

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

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

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

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

15 2. Use the grant monies for individuals that have been previously
16 mentored by the nonprofit organization. To receive resources from the
17 grant, individuals being released from prison must have been mentored for
18 at least three months by the nonprofit organization while the individual
19 was in prison.

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

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

25 (b) Behavioral health services, including peer support and case
26 management.

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

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

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

34 1. The names of the nonprofit organizations that were awarded
35 grants.

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

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

41 The amount appropriated in the inmate dog training line item shall
42 be used to contract with a nonprofit organization that trains inmates to
43 rehabilitate and resocialize at-risk shelter dogs. The amount
44 appropriated in the inmate dog training line item is exempt from the

1 provisions of section 35-190, Arizona Revised Statutes, relating to
 2 lapsing of appropriations, until June 30, 2025.

3 THE DEPARTMENT MAY SPEND THE \$2,000,000 APPROPRIATED BY LAWS 2022,
 4 CHAPTER 313, SECTION 23 FOR THE COMMUNITY TREATMENT PROGRAM FOR IMPRISONED
 5 WOMEN LINE ITEM ON COMMUNITY CORRECTIONS LINE ITEM EXPENDITURES IN FISCAL
 6 YEAR 2023-2024.

7 INCLUDED IN THE OPERATING LUMP SUM APPROPRIATION IS \$75,000,000 FROM
 8 THE CONSUMER REMEDIATION SUBACCOUNT OF THE CONSUMER RESTITUTION AND
 9 REMEDIATION REVOLVING FUND ESTABLISHED BY SECTION 44-1531.02, ARIZONA
 10 REVISED STATUTES. THIS AMOUNT CONSISTS OF MONIES DEPOSITED IN THE
 11 SUBACCOUNT PURSUANT TO OPIOID CLAIMS-RELATED LITIGATION OR SETTLEMENTS.
 12 THIS AMOUNT IS INTENDED TO OFFSET PAST AND CURRENT DEPARTMENT COSTS FOR
 13 CARE, TREATMENT, PROGRAMS AND OTHER EXPENDITURES FOR INDIVIDUALS WITH
 14 OPIOID USE DISORDER AND ANY CO-OCCURRING SUBSTANCE USE DISORDER OR MENTAL
 15 HEALTH CONDITIONS OR FOR ANY OTHER SPECIFIED PURPOSES THAT ARE INCLUDED IN
 16 A COURT ORDER OR A SETTLEMENT OR COMPROMISE THAT IS ENTERED INTO BY THIS
 17 STATE AND OTHER PARTIES TO THE OPIOID LITIGATION.

18 THE AMOUNT APPROPRIATED IN THE INJUNCTION-RELATED IT UPGRADES LINE
 19 ITEM SHALL BE USED TO ADDRESS INFORMATION TECHNOLOGY IMPROVEMENTS AS
 20 REQUIRED BY THE COURT IN THE JENSEN V THORNELL INMATE HEALTH CARE
 21 LITIGATION. THE AMOUNT APPROPRIATED IN THE INJUNCTION-RELATED IT UPGRADES
 22 LINE ITEM IS EXEMPT FROM THE PROVISIONS OF SECTION 35-190, ARIZONA REVISED
 23 STATUTES, RELATING TO LAPSING OF APPROPRIATIONS, UNTIL JUNE 30, 2025.

24 THE DEPARTMENT SHALL USE THE AMOUNT APPROPRIATED IN THE NONCONTRACT
 25 MEDICATION LINE ITEM TO PURCHASE MEDICATIONS TO TREAT HEPATITIS C AND FOR
 26 MEDICATION-ASSISTED TREATMENT FOR SUBSTANCE USE DISORDER. BEFORE SPENDING
 27 THESE MONIES FOR ANY OTHER PURPOSE, THE DEPARTMENT SHALL SUBMIT AN
 28 EXPENDITURE PLAN FOR REVIEW BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.
 29 THE AMOUNT APPROPRIATED IN THE NONCONTRACT MEDICATION LINE ITEM IS EXEMPT
 30 FROM THE PROVISIONS OF SECTION 35-190, ARIZONA REVISED STATUTES, RELATING
 31 TO LAPSING OF APPROPRIATIONS, UNTIL JUNE 30, 2025.

32 Sec. 9. Laws 2023, chapter 133, section 97 is amended to read:

33 Sec. 97. DEPARTMENT OF WATER RESOURCES

	<u>2023-24</u>
FTE positions	179.0
Operating lump sum appropriation	\$ 15,228,500
Adjudication support	1,900,600
Arizona water protection fund deposit	1,250,000
Assured and adequate water supply administration	2,513,400
Brackish groundwater study	100,000*
Brackish groundwater recovery pilot program	11,000,000*
Rural water studies	1,290,800

1	Conservation and drought program	430,300	
2	Automated groundwater monitoring	418,600	
3	Colorado River legal expenses	500,000*	
4	Water supply and demand assessment	3,500,000	
5	Santa Rosa canal groundwater		
6	delivery	25,000,000*	
7	Statewide water resources planning	<u>5,000,000</u>	
8	Total appropriation - department of water		
9	resources	\$ 68,132,200	\$ 57,132,200
10	Fund sources:		
11	State general fund	\$ 66,114,500	\$ 55,114,500
12	Water resources fund	1,726,500	
13	Assured and adequate water		
14	supply administration fund	291,200	

15 Monies in the assured and adequate water supply administration line
16 item may be used only for the exclusive purposes prescribed in sections
17 45-108, 45-576, 45-577, 45-578 and 45-579, Arizona Revised Statutes. The
18 department of water resources may not transfer any monies into or out of
19 the assured and adequate water supply administration line item.

20 The department of water resources shall use the monies in the
21 brackish groundwater study line item to review and update information
22 contained in studies on the availability of brackish groundwater in this
23 state.

24 ~~Of the \$11,000,000 allocated to the brackish groundwater recovery~~
25 ~~pilot program line item, \$2,000,000 is allocated to the department of~~
26 ~~water resources for a brackish groundwater desalination demonstration~~
27 ~~program and to develop a base of knowledge to enhance groundwater recovery~~
28 ~~through desalination in this state's active management areas. The~~
29 ~~department shall locate this pilot program within the department's active~~
30 ~~management area section and a portion of the monies may be used for~~
31 ~~staffing. The department shall organize the program following the model~~
32 ~~of work undertaken by the Texas water development board to further the use~~
33 ~~and development of cost-effective desalination technologies.~~

34 ~~Of the \$11,000,000 allocated to the brackish groundwater recovery~~
35 ~~pilot program line item, \$9,000,000 is allocated for matching participants~~
36 ~~dollar-for-dollar for brackish groundwater desalination projects within~~
37 ~~active management areas undertaken for the benefit of those receiving~~
38 ~~water from the central Arizona project. The central Arizona project shall~~
39 ~~receive three dollars for every dollar it contributes to this pilot~~
40 ~~program.~~

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

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

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

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

13 The department of water resources shall use the monies in the Santa
14 Rosa canal groundwater delivery line item to distribute equally between
15 the irrigation districts that are constructing infrastructure in
16 furtherance of the purposes of the settlement between the
17 Maricopa-Stanfield irrigation and drainage district, the central Arizona
18 irrigation and drainage district and the Ak-Chin Indian community and with
19 respect to the delivery of groundwater by the districts by means other
20 than the Santa Rosa canal.

21 Sec. 10. Laws 2023, chapter 133, section 113 is amended to read:

22 Sec. 113. Automation projects fund; appropriations; quarterly
23 reports; exemption; fiscal year 2023-2024

24 A. The sum of \$20,647,800 is appropriated from the human resources
25 information system subaccount in the automation projects fund established
26 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
27 2023-2024 to the department of administration to replace the human
28 resources information system.

29 B. The ~~sum of \$15,000,000 is~~ FOLLOWING AMOUNTS ARE appropriated
30 from the health and human services information system subaccount in the
31 automation projects fund established pursuant to section 41-714, Arizona
32 Revised Statutes, in fiscal year 2023-2024 to the department of
33 administration for THE FOLLOWING statewide health and human services
34 information technology projects:

35 1. \$6,700,000 FOR A NEW INFORMATION TECHNOLOGY PLATFORM TO
36 AUTHENTICATE INDIVIDUALS APPLYING FOR HEALTH AND HUMAN SERVICE PROGRAMS TO
37 PREVENT FRAUD, WASTE AND ABUSE. THIS PROJECT IS SUBJECT TO REVIEW BY THE
38 JOINT LEGISLATIVE BUDGET COMMITTEE.

39 2. \$2,814,600 FOR THE DEVELOPMENT OF SEVERAL MODULES ASSOCIATED
40 WITH THE MEDICAID ENTERPRISE SYSTEM MAINFRAME REPLACEMENT. THIS PROJECT
41 IS DEEMED TO HAVE BEEN FAVORABLY REVIEWED BY THE JOINT LEGISLATIVE BUDGET
42 COMMITTEE.

43 3. \$1,685,400 FOR MEDICAID ENTERPRISE SYSTEM FRAUD AND WASTE ABUSE
44 PREVENTION ENHANCEMENTS. THIS PROJECT IS DEEMED TO HAVE BEEN FAVORABLY
45 REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.

1 4. \$2,000,000 FOR THE MEDICAID ENTERPRISE SYSTEM SYSTEMS
2 INTEGRATOR, WHICH ESTABLISHES A PLATFORM INFRASTRUCTURE IN THE CLOUD TO
3 SERVE AS THE FOUNDATION FOR THE MODULAR REPLACEMENT OF THE PRIOR PREPAID
4 MEDICAID MANAGEMENT INFORMATION SYSTEM, AND SERVICENOW PROJECTS. THIS
5 AMOUNT WAS FAVORABLY REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE IN
6 OCTOBER 2023.

7 C. THE SUM OF \$1,800,000 IS TRANSFERRED FROM THE HEALTH AND HUMAN
8 SERVICES INFORMATION SYSTEM SUBACCOUNT IN THE AUTOMATION PROJECTS FUND
9 ESTABLISHED PURSUANT TO SECTION 41-714, ARIZONA REVISED STATUTES, IN
10 FISCAL YEAR 2023-2024 FOR DEPOSIT IN THE STATE GENERAL FUND.

11 ~~C.~~ D. The sum of \$2,000,000 is appropriated from the department of
12 administration subaccount in the automation projects fund established
13 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
14 2023-2024 to the department of administration for the K-12 school
15 financial transparency reporting portal.

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

26 ~~E.~~ F. The sum of \$494,500 is appropriated from the department of
27 public safety subaccount in the automation projects fund established
28 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
29 2023-2024 to the department of public safety to replace the concealed
30 weapons tracking system.

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

38 1. Captures data fields from electronically filed individual and
39 corporate income tax returns and makes the data available for querying and
40 reporting purposes. The system shall provide the department of revenue
41 staff, the joint legislative budget committee staff and governor's office
42 of strategic planning and budgeting staff direct access to the querying
43 and reporting functions. The querying and reporting functions shall
44 include procedures to protect taxpayer confidentiality under applicable
45 state and federal law.

1 2. For electronic corporate income tax returns, captures
2 information regarding the principal business activity of the corporation.
3 This requirement may be satisfied through North American industry
4 classification system data listed on federal tax forms. The tax system
5 shall allow for querying and reporting based on principal business
6 activity.

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

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

23 Before awarding any procurement contract for the tax system, the
24 department of revenue shall submit a report addressing the project
25 specifications contained in this subsection for review by the joint
26 legislative budget committee.

27 ~~G.~~ H. As part of the department of administration's request for
28 expenditure review pursuant to section 41-714, Arizona Revised Statutes
29 shall, the department shall also submit a report for review of the
30 agency's plan to support the business one-stop project through its
31 completion, including plans for how the new system will integrate with the
32 business one-stop solution.

33 ~~H.~~ I. The following amounts are appropriated from the
34 judiciary-supreme court subaccount in the automation projects fund
35 established pursuant to section 41-714, Arizona Revised Statutes, in
36 fiscal year 2023-2024 to the Arizona supreme court for the following
37 automation and information projects:

- 38 1. \$3,270,000 to replace the probation case management system.
39 2. \$2,500,000 for a statewide community supervision electronic
40 monitoring system.

1 Quarterly Reports

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

9 Nonlapsing

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

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

22 1. \$7,758,900 from the department of administration subaccount in
23 the automation projects fund established pursuant to section 41-714,
24 Arizona Revised Statutes, to develop a business one-stop web portal.

25 2. \$9,000,000 appropriated from the department of economic security
26 subaccount in the automation projects fund established pursuant to section
27 41-714, Arizona Revised Statutes, to update the childcare management
28 system at the department of economic security.

29 3. \$550,000 appropriated from the department of public safety
30 subaccount in the automation projects fund established pursuant to section
31 41-714, Arizona Revised Statutes, to the department of administration to
32 update the concealed weapons tracking system at the department of public
33 safety.

34 Sec. 11. Subject to applicable laws, the sums or sources of revenue
35 set forth in this act are appropriated for the fiscal years indicated and
36 only from the funding sources listed for the purposes and objects
37 specified. If monies from funding sources in this act are unavailable, no
38 other funding source may be used.

39 Sec. 12. ARIZONA STATE BOARD OF ACCOUNTANCY

		<u>2024-25</u>
	FTE positions	14.0
	Lump sum appropriation	\$ 2,230,400
	Fund sources:	
	Board of accountancy fund	\$ 2,230,400

1	Sec. 13.	ACUPUNCTURE BOARD OF EXAMINERS	
2			<u>2024-25</u>
3		FTE positions	1.0
4		Lump sum appropriation	\$ 200,600
5		Fund sources:	
6		Acupuncture board of examiners	
7		fund	\$ 200,600
8	Sec. 14.	DEPARTMENT OF ADMINISTRATION	
9			<u>2024-25</u>
10		FTE positions	548.1
11		Operating lump sum appropriation	\$ 93,677,400
12		Utilities	7,649,900
13		Arizona financial information	
14		system	11,480,000
15		Risk management administrative	
16		expenses	10,870,700
17		Risk management losses and	
18		premiums	54,414,800
19		Workers' compensation losses	
20		and premiums	28,395,000
21		Cyber risk insurance	23,037,200
22		Information technology project	
23		management and oversight	1,656,700
24		State surplus property sales	
25		agency proceeds	1,810,000
26		Digital solutions office	1,345,700
27		Critical applications catalogue	900,000
28		Cybersecurity systems	
29		administration	446,500
30		School district health insurance	
31		actuarial study	250,000
32		Government transformation office	<u>2,055,500</u>
33	Total appropriation – department of		
34	administration		\$237,989,400
35		Fund sources:	
36		State general fund	\$ 9,295,100
37		Air quality fund	928,200
38		Arizona financial information	
39		system collections fund	11,480,000
40		Automation operations fund	29,726,400
41		Capital outlay stabilization fund	20,997,700
42		Corrections fund	628,900
43		Cyber risk insurance fund	23,037,200
44		Federal surplus materials revolving	
45		fund	468,200

1	Information technology fund	3,951,500
2	Personnel division fund	13,922,500
3	Risk management revolving fund	101,874,600
4	Special employee health insurance	
5	trust fund	5,684,700
6	Special services revolving fund	1,243,000
7	State surplus materials revolving	
8	fund	3,048,900
9	State web portal fund	9,329,300
10	Telecommunications fund	2,373,200

11 The appropriation from the automation operations fund established by
 12 section 41-711, Arizona Revised Statutes, is an estimate representing all
 13 monies, including balance forward, revenues and transfers during fiscal
 14 year 2024-2025. These monies are appropriated to the department of
 15 administration for the purposes established in section 41-711, Arizona
 16 Revised Statutes. The appropriation is adjusted as necessary to reflect
 17 monies credited to the automation operations fund for automation operation
 18 center projects. Before spending any automation operations fund monies in
 19 excess of \$29,726,400 in fiscal year 2024-2025, the department shall
 20 report the intended use of the monies to the joint legislative budget
 21 committee.

22 On or before September 1, 2025, the department shall submit a report
 23 to the joint legislative budget committee on the results of pilot projects
 24 implemented in fiscal year 2024-2025 for the state employee public
 25 transportation service reimbursements pursuant to section 41-710.01,
 26 Arizona Revised Statutes, in a vehicle emissions control area as defined
 27 in section 49-541, Arizona Revised Statutes, of a county with a population
 28 of more than four hundred thousand persons.

29 All state surplus materials revolving fund monies received by the
 30 department of administration in excess of \$3,048,900 in fiscal year
 31 2024-2025 are appropriated to the department. Before spending state
 32 surplus materials revolving fund monies in excess of \$3,048,900 in fiscal
 33 year 2024-2025, the department shall report the intended use of the monies
 34 to the joint legislative budget committee.

35 On or before November 1, 2025, the department shall submit a report
 36 to the director of the joint legislative budget committee on expenditures
 37 made from the cyber risk insurance fund established by section 41-622,
 38 Arizona Revised Statutes, from the prior year.

39 The amount appropriated for a school district health insurance
 40 actuarial study shall be used to conduct an actuarial study of the cost
 41 and benefits for school district optional participation in the state
 42 health insurance program. On or before December 31, 2024, the department
 43 shall submit a report to the governor, the president of the senate, the
 44 speaker of the house of representatives and the director of the joint

1 legislative budget committee on the findings of the school district health
2 insurance actuarial study.

3 Sec. 15. DEPARTMENT OF ADMINISTRATION, DIVISION OF SCHOOL FACILITIES

4		<u>2024-25</u>
5	FTE positions	17.0
6	Operating lump sum appropriation	\$ 1,653,400
7	New school facilities debt service	9,938,100
8	Building renewal grants deposit	199,967,900
9	New school facilities	<u>31,489,500</u>
10	Total appropriation – department of	
11	administration, division	
12	of school facilities	\$243,048,900
13	Fund sources:	
14	State general fund	\$243,048,900

15 Pursuant to section 35-142.01, Arizona Revised Statutes, any
16 reimbursement received by or allocated to the division of school
17 facilities under the federal qualified school construction bond program in
18 fiscal year 2024-2025 shall be deposited in or revert to the state general
19 fund.

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

24 Pursuant to section 41-5741, Arizona Revised Statutes, the amount
25 appropriated for new school facilities shall be used only for facilities
26 and land costs for school districts that received final approval from the
27 division of school facilities on or before December 15, 2023.

28 The division of school facilities may also use the unencumbered
29 balance of up to \$24,613,700 in the new school facilities fund established
30 by section 41-5741, Arizona Revised Statutes, for facilities and land
31 costs for school districts that received final approval from the division
32 of school facilities on or before December 15, 2023 pursuant to section
33 41-5741, Arizona Revised Statutes.

34 The division of school facilities may also use the unencumbered
35 balance of up to \$3,595,000 in the new school facilities fund established
36 by section 41-5741, Arizona Revised Statutes, for construction costs for
37 the Pima unified school district new high school construction project that
38 received final approval from the division of school facilities on December
39 15, 2021.

40 After approving a distribution of funding for a land purchase, a
41 land lease or the construction of a new school, the division of school
42 facilities shall report to the joint legislative budget committee and the
43 governor's office of strategic planning and budgeting the final amount of
44 the distribution.

1	Sec. 16.	OFFICE OF ADMINISTRATIVE HEARINGS	
2			<u>2024-25</u>
3		FTE positions	12.0
4		Lump sum appropriation	<u>\$ 990,000</u>
5		Fund sources:	
6		State general fund	\$ 990,000
7	Sec. 17.	ARIZONA DEPARTMENT OF AGRICULTURE	
8			<u>2024-25</u>
9		FTE positions	209.4
10		Operating lump sum appropriation	\$ 16,941,200
11		Agricultural employment relations	
12		board	23,300
13		Animal damage control	65,000
14		Red imported fire ant control	23,200
15		Agricultural consulting and	
16		training	<u>135,700</u>
17	Total appropriation – Arizona department		
18		of agriculture	\$ 17,188,400
19		Fund sources:	
20		State general fund	\$ 15,605,100
21		Air quality fund	1,583,300
22	Sec. 18.	ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM	
23			<u>2024-25</u>
24		FTE positions	2,459.3
25		Operating lump sum appropriation	\$ 155,687,100
26		Administration	
27		AHCCCS data storage	19,325,800
28		DES eligibility	97,074,500
29		Proposition 204 – AHCCCS	
30		administration	15,222,200
31		Proposition 204 – DES eligibility	44,358,700
32		<u>Medicaid services</u>	
33		Traditional medicaid services	8,144,224,600
34		Proposition 204 services	7,769,810,300
35		Adult expansion services	740,010,600
36		Comprehensive medical and	
37		dental program	177,233,200
38		KidsCare services	229,689,800
39		ALTCS services	2,472,720,900
40		Behavioral health services	
41		in schools	8,630,600

1	<u>Nonmedicaid behavioral health services</u>	
2	Crisis services	16,391,300
3	Nonmedicaid seriously mentally	
4	ill services	77,646,900
5	Supported housing	65,324,800
6	<u>Hospital payments</u>	
7	Disproportionate share payments	5,087,100
8	Disproportionate share payments –	
9	voluntary match	65,330,500
10	Critical access hospitals	16,454,300
11	Graduate medical education	469,246,600
12	Targeted investments program	<u>56,000,000</u>
13	Total appropriation and expenditure	
14	authority – Arizona health	
15	care cost containment system	\$20,645,469,800
16	Fund sources:	
17	State general fund	\$ 2,665,167,000
18	Budget neutrality compliance fund	4,914,300
19	Children's health insurance	
20	program fund	174,025,900
21	Prescription drug rebate	
22	fund – state	189,831,600
23	Seriously mentally ill	
24	housing trust fund	217,700
25	Substance abuse services fund	2,250,200
26	Tobacco products tax fund –	
27	emergency health services	
28	account	17,458,500
29	Tobacco tax and health care	
30	fund – medically needy account	66,586,300
31	Expenditure authority	17,525,018,300

32 Operating budget

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

39 The amounts included in the proposition 204 – AHCCCS administration,
 40 proposition 204 – DES eligibility and proposition 204 services line items
 41 include all available sources of funding consistent with section
 42 36-2901.01, subsection B, Arizona Revised Statutes.

43 Before spending the monies for the replacement of the prepaid
 44 medicaid management information system, the Arizona strategic enterprise
 45 technology office shall submit, on behalf of the Arizona health care cost

1 containment system, an expenditure plan for review by the joint
2 legislative budget committee. The report shall include the project cost,
3 deliverables, the timeline for completion and the method of procurement
4 that are consistent with the department's prior reports for its
5 appropriations from the automation projects fund.

6 Medical services and behavioral health services

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

11 The Arizona health care cost containment system administration shall
12 report to the joint legislative budget committee on or before March 1,
13 2025 on preliminary actuarial estimates of the capitation rate changes for
14 the following fiscal year along with the reasons for the estimated
15 changes. For any actuarial estimates that include a range, the total
16 range from minimum to maximum may not be more than two percent. Before
17 implementing any changes in capitation rates, the administration shall
18 report its expenditure plan for review by the joint legislative budget
19 committee. Before the administration implements any change in policy
20 affecting the amount, sufficiency, duration and scope of health care
21 services and who may provide services, the administration shall prepare a
22 fiscal impact analysis on the potential effects of this change on the
23 following year's capitation rates. If the fiscal impact analysis
24 demonstrates that this change will result in additional state costs of
25 \$1,000,000 or more for any fiscal year, the administration shall submit
26 the policy change for review by the joint legislative budget committee.

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

30 The Arizona health care cost containment system administration shall
31 transfer up to \$1,200,000 from the traditional medicaid services line item
32 for fiscal year 2024-2025 to the attorney general for costs associated
33 with e-cigarette enforcement and tobacco settlement litigation.

34 The Arizona health care cost containment system administration shall
35 transfer \$836,000 from the traditional medicaid services line item for
36 fiscal year 2024-2025 to the department of revenue for enforcement costs
37 associated with the March 13, 2013 master settlement agreement with
38 tobacco companies.

39 The amount appropriated for the traditional medicaid services line
40 item includes \$4,098,200 from the state general fund and \$8,059,900 from
41 expenditure authority for inpatient payments to rural hospitals as defined
42 in section 36-2905.02, Arizona Revised Statutes.

43 Of the amount appropriated for the proposition 204 services line
44 item, \$100,000,000 shall be used from the hospital assessment fund
45 established by section 36-2901.09, Arizona Revised Statutes, to cover a

1 portion of the nonfederal share of the costs of services described in
2 section 36-2907, subsection F, Arizona Revised Statutes. This amount is
3 included in the expenditure authority fund source.

4 On or before June 30, 2025, the Arizona health care cost containment
5 system administration shall report to the joint legislative budget
6 committee on the progress in implementing the Arnold v. Sarn lawsuit
7 settlement. The report shall include, at a minimum, the administration's
8 progress toward meeting all criteria specified in the 2014 joint
9 stipulation, including the development and estimated cost of additional
10 behavioral health service capacity in Maricopa county for supported
11 housing services for 1,200 class members, supported employment services
12 for 750 class members, eight assertive community treatment teams and
13 consumer operated services for 1,500 class members. The administration
14 shall also report by fund source the amounts it plans to use to pay for
15 expanded services.

16 Long-term care

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

22 Pursuant to section 11-292, subsection B, Arizona Revised Statutes,
23 the county portion of the fiscal year 2024-2025 nonfederal costs of
24 providing long-term care system services is \$399,872,100. This amount is
25 included in the expenditure authority fund source.

26 Any supplemental payments received in excess of \$97,235,600 for
27 nursing facilities that serve Arizona long-term care system medicaid
28 patients in fiscal year 2024-2025, including any federal matching monies,
29 by the Arizona health care cost containment system administration are
30 appropriated to the administration in fiscal year 2024-2025. Before
31 spending these increased monies, the administration shall notify the joint
32 legislative budget committee and the governor's office of strategic
33 planning and budgeting of the amount of monies that will be spent under
34 this provision. These payments are included in the expenditure authority
35 fund source.

36 Payments to hospitals

37 The \$5,087,100 appropriation for disproportionate share payments for
38 fiscal year 2024-2025 made pursuant to section 36-2903.01, subsection 0,
39 Arizona Revised Statutes, includes \$4,202,300 for the Maricopa county
40 health care district and \$884,800 for private qualifying disproportionate
41 share hospitals.

42 Any monies received for disproportionate share hospital payments
43 from political subdivisions of this state, tribal governments and any
44 university under the jurisdiction of the Arizona board of regents, and any
45 federal monies used to match those payments, in fiscal year 2024-2025 by

1 the Arizona health care cost containment system administration in excess
2 of \$65,330,500 are appropriated to the administration in fiscal year
3 2024-2025. Before spending these increased monies, the administration
4 shall notify the joint legislative budget committee and the governor's
5 office of strategic planning and budgeting of the amount of monies that
6 will be spent under this provision.

7 The expenditure authority fund source includes voluntary payments
8 made from political subdivisions for payments to hospitals that operate a
9 graduate medical education program or treat low-income patients and for
10 payments to qualifying providers affiliated with teaching hospitals. The
11 political subdivision portions of the fiscal year 2024-2025 costs of
12 graduate medical education, disproportionate share payments – voluntary
13 match, traditional medicaid services, proposition 204 services and adult
14 expansion services line items are included in the expenditure authority
15 fund source.

16 Any monies for graduate medical education received in fiscal year
17 2024-2025, including any federal matching monies, by the Arizona health
18 care cost containment system administration in excess of \$469,246,600 are
19 appropriated to the administration in fiscal year 2024-2025. Before
20 spending these increased monies, the administration shall notify the joint
21 legislative budget committee and the governor's office of strategic
22 planning and budgeting of the amount of monies that will be spent under
23 this provision.

24 If any graduate medical education monies remain after the Arizona
25 health care cost containment system administration has funded all eligible
26 graduate medical education programs in counties with a population of less
27 than five hundred thousand persons, the administration may fund the costs
28 of graduate medical education programs operated by community health
29 centers and rural health clinics.

30 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
31 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
32 graduate medical education includes \$5,000,000 from the state general fund
33 and \$10,678,900 from expenditure authority for the direct and indirect
34 costs of graduate medical education programs located in counties with a
35 population of less than five hundred thousand persons. The state general
36 fund amount may supplement, but not supplant, voluntary payments made from
37 political subdivisions for payments to hospitals that operate a graduate
38 medical education program. The administration shall prioritize
39 distribution to programs at hospitals in counties with a higher percentage
40 of persons residing in a health professional shortage area as defined in
41 42 Code of Federal Regulations part 5.

42 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
43 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
44 graduate medical education includes \$4,000,000 from the state general fund
45 and \$8,543,100 from expenditure authority for the direct and indirect

1 costs of graduate medical education programs located in counties with a
 2 population of more than five hundred thousand persons. The state general
 3 fund amount may supplement, but not supplant, voluntary payments made from
 4 political subdivisions for payments to hospitals that operate a graduate
 5 medical education program.

6 Monies appropriated for the graduate medical education line item in
 7 Laws 2023, Chapter 133, section 10 are exempt from the provisions of
 8 section 35-190, Arizona Revised Statutes, relating to lapsing of
 9 appropriations, until June 30, 2025.

10 Monies appropriated for graduate medical education in this section
 11 are exempt from the provisions of section 35-190, Arizona Revised
 12 Statutes, relating to lapsing of appropriations, until June 30, 2026.

13 Other

14 On or before July 1, 2025, the Arizona health care cost containment
 15 system administration shall report to the director of the joint
 16 legislative budget committee the total amount of medicaid reconciliation
 17 payments and penalties received on or before that date since July 1, 2024.

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

21 Sec. 19. BOARD OF ATHLETIC TRAINING

22 2024-25

23	FTE positions		1.5
24	Lump sum appropriation	\$	165,300
25	Fund sources:		
26	Athletic training fund	\$	165,300

27 Sec. 20. ATTORNEY GENERAL – DEPARTMENT OF LAW

28 2024-25

29	FTE positions		671.7
30	Operating lump sum appropriation	\$	64,477,900
31	Capital postconviction prosecution		876,400
32	Child and family advocacy centers		100,000
33	Criminal division major fraud unit		1,187,300
34	Internet crimes against children		
35	enforcement		1,271,500
36	Government accountability and		
37	special litigation		1,287,500
38	Organized retail theft		
39	task force		1,570,700
40	Risk management interagency		
41	service agreement		10,655,300
42	State grand jury		193,000
43	Southern Arizona law enforcement		1,656,600
44	Tobacco enforcement		875,900

1	Veterans substance abuse	
2	treatment grants	5,000,000
3	Victims' rights	<u>4,023,500</u>
4	Total appropriation – attorney general –	
5	department of law	\$ 93,175,600
6	Fund sources:	
7	State general fund	\$ 27,664,200
8	Antitrust enforcement revolving	
9	fund	160,900
10	Attorney general legal services	
11	cost allocation fund	2,314,900
12	Collection enforcement revolving	
13	fund	7,232,100
14	Consumer protection-consumer	
15	fraud revolving fund	14,864,900
16	Consumer restitution and remediation	
17	revolving fund - consumer	
18	remediation subaccount	5,000,000
19	Interagency service agreements fund	18,078,100
20	Internet crimes against children	
21	enforcement fund	900,000
22	Risk management revolving fund	13,147,700
23	Victims' rights fund	3,812,800

24 All monies appropriated to the attorney general legal services line
 25 item in the department of child safety budget do not count toward the
 26 attorney general's interagency service agreements fund appropriation in
 27 fiscal year 2024-2025.

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

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

35 The \$900,000 appropriation from the internet crimes against children
 36 enforcement fund established by section 41-199, Arizona Revised Statutes,
 37 and the \$371,500 appropriation from the state general fund for the
 38 internet crimes against children enforcement line item are continuing
 39 appropriations and are exempt from the provisions of section 35-190,
 40 Arizona Revised Statutes, relating to lapsing of appropriations, until
 41 June 30, 2026.

42 The amount appropriated for the veterans substance abuse treatment
 43 grants line item shall be used for grants to veterans services
 44 organizations that treat opioid use disorder in conjunction with judicial
 45 programs that address substance abuse treatment and rehabilitation for

1 veterans. To be eligible for a grant, a veterans services organization
 2 program must follow best practices, be evidence-based, adhere to the
 3 individualized plan ordered by veterans treatment courts for each veteran
 4 and incorporate tracking of key metrics.

5 Before spending any monies appropriated for the veterans substance
 6 abuse treatments grants line item, the attorney general shall submit an
 7 expenditure plan to the joint legislative budget committee for review. The
 8 veterans substance abuse treatments grants line item includes \$5,000,000
 9 from opioid claims-related monies deposited in the consumer remediation
 10 subaccount of the consumer restitution and remediation revolving fund
 11 pursuant to section 44-1531.02, subsection C, Arizona Revised Statutes.

12 The \$1,570,700 appropriation for the organized retail theft task
 13 force line item shall be used for operational expenses of the organized
 14 retail task force and for hiring one attorney, one paralegal, two
 15 investigators and one support staff person within the office of the
 16 attorney general and four peace officers who are assigned to the task
 17 force to focus specifically on investigating and prosecuting organized
 18 retail crime.

19 Of the amount appropriated to the attorney general for the opioid
 20 abatement line item in fiscal year 2023-2024 pursuant to Laws 2023,
 21 chapter 133, section 13, \$12,000,000 from the consumer remediation
 22 subaccount of the consumer restitution and remediation revolving fund
 23 established by section 44-1531.02, Arizona Revised Statutes, is exempt
 24 from the provisions of section 35-190, Arizona Revised Statutes, relating
 25 to lapsing of appropriations, until June 30, 2025.

26 Sec. 21. BARBERING AND COSMETOLOGY BOARD

		<u>2024-25</u>
	FTE positions	29.5
	Lump sum appropriation	\$ 2,686,900
	Fund sources:	
	Barbering and cosmetology fund	\$ 2,686,900

32 Sec. 22. BOARD OF BEHAVIORAL HEALTH EXAMINERS

		<u>2024-25</u>
	FTE positions	27.0
	Lump sum appropriation	\$ 2,740,500
	Fund sources:	
	Board of behavioral health examiners fund	\$ 2,740,500

39 Sec. 23. STATE BOARD FOR CHARTER SCHOOLS

		<u>2024-25</u>
	FTE positions	25.0
	Lump sum appropriation	\$ 2,835,100
	Fund sources:	
	State general fund	\$ 2,835,100

1	Sec. 24. DEPARTMENT OF CHILD SAFETY	
2		<u>2024-25</u>
3	FTE positions	3,283.1
4	Operating lump sum appropriation	\$147,799,100
5	<u>Additional operating resources</u>	
6	Attorney general legal services	27,894,900
7	Caseworkers	131,939,000
8	Office of child welfare	
9	investigations	11,235,900
10	Training resources	9,150,000
11	<u>Out-of-home placements</u>	
12	Congregate group care	103,682,000
13	Extended foster care	19,887,200
14	Foster home placement	42,547,300
15	Foster home recruitment,	
16	study and supervision	32,753,600
17	Kinship care	20,584,600
18	Permanent placements	
19	Adoption services	287,221,600
20	Permanent guardianship subsidy	16,805,600
21	Support services	
22	DCS child care subsidy	61,675,400
23	In-home mitigation	34,488,100
24	Out-of-home support services	122,710,800
25	Preventive services	32,412,700
26	<u>Comprehensive health plan</u>	
27	Comprehensive health plan	
28	services	127,989,800
29	Comprehensive health plan	
30	administration	28,642,700
31	Comprehensive health plan	
32	premium tax	<u>3,196,600</u>
33	Total appropriation and expenditure	
34	authority – department of	
35	child safety	\$1,262,616,900
36	Fund sources:	
37	State general fund	\$ 458,314,500
38	Federal child care and	
39	development fund block grant	40,516,000
40	Federal temporary assistance	
41	for needy families block	
42	grant	161,082,200
43	Child abuse prevention fund	1,459,300
44	Children and family services	
45	training program fund	208,000

1	Child safety expenditure authority	440,186,100
2	Child welfare licensing fee fund	1,021,700
3	Comprehensive health plan	
4	expenditure authority fund –	
5	expenditure authority	159,829,100

6 Additional operating resources

7 The department of child safety shall provide training to any new
8 child safety FTE positions before assigning any client caseload duties to
9 any of these employees.

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

12 All expenditures made by the department of child safety for attorney
13 general legal services shall be funded only from the attorney general
14 legal services line item. Monies in department of child safety line items
15 intended for this purpose shall be transferred to the attorney general
16 legal services line item before expenditure.

17 Out-of-home placements

18 The department of child safety may transfer up to ten percent of the
19 total amount of federal temporary assistance for needy families block
20 grant monies appropriated to the department of economic security and the
21 department of child safety to the social services block grant. Before
22 transferring federal temporary assistance for needy families block grant
23 monies to the social services block grant, the department of child safety
24 shall report the proposed amount of the transfer to the director of the
25 joint legislative budget committee. This report may be in the form of an
26 expenditure plan that is submitted at the beginning of the fiscal year and
27 updated, if necessary, throughout the fiscal year.

28 The amount appropriated for kinship care shall be used for a stipend
29 of \$300 per month for a relative caretaker, including a grandparent, any
30 level of great-grandparent or any nongrandparent relative, or a caretaker
31 of fictive kinship, if a dependent child is placed in the care of a
32 relative caretaker or caretaker of fictive kinship pursuant to department
33 guidelines. The department shall provide the stipend on behalf of all
34 children placed with an unlicensed kinship foster care parent. The
35 unlicensed kinship foster care parent is not required to file an
36 application to receive the stipend. Before changing the eligibility for
37 the program or the amount of the stipend, the department shall submit a
38 report for review by the joint legislative budget committee detailing the
39 proposed changes.

40 On or before March 31, 2025, the department of child safety shall
41 report to the joint legislative budget committee the number of children
42 who are part of the kinship stipend program and reside with a nonrelative
43 caretaker of fictive kinship.

1 Support services

2 The preventive services line item appropriation includes \$264,400
3 from the state general fund to draw down \$1,322,000 in additional federal
4 monies associated with the community based child abuse prevention block
5 grant. If grant monies are no longer available, the appropriation is
6 reduced by the amounts of \$264,400 from the general fund and \$1,322,000
7 from child safety expenditure authority.

8 Departmentwide

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

14 Child safety expenditure authority includes all department funding
15 sources excluding the state general fund, the federal child care and
16 development fund block grant, the federal temporary assistance for needy
17 families block grant, the child abuse prevention fund, the children and
18 family services training program fund and the comprehensive health plan
19 expenditure authority fund.

20 On or before December 1, 2024, the department of child safety shall
21 submit a report to the joint legislative budget committee on the
22 department's efforts to implement the family first prevention services act
23 of 2018. The report shall quantify the department's efforts in at least
24 the following areas, including any associated fiscal impacts:

25 1. Reducing the number of children placed for more than two weeks
26 in congregate care settings, excluding qualified residential treatment
27 programs, facilities for pregnant and parenting youth, supervised
28 independent living and specialized programs for victims of sex
29 trafficking.

30 2. Assisting congregate care providers in attaining status as
31 qualified residential treatment programs.

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

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

36 Benchmarks

37 For the purposes of this section:

38 1. "Backlog case":

39 (a) Means any nonactive case for which documentation has not been
40 entered in the child welfare automated system for at least sixty days and
41 for which services have not been authorized for at least sixty days and
42 any case that has had an investigation, has been referred to another unit
43 and has had no contact for at least sixty days.

44 (b) Includes any case for which the investigation has been open
45 without any documentation or contact for at least sixty days, any case

1 involving in-home services for which there has been no contact or services
2 authorized for at least sixty days and any case involving foster care in
3 which there has been no contact or any documentation entered in the child
4 welfare automated system for at least sixty days.

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

7 3. "Open report" means a report that is under investigation or
8 awaiting closure by a supervisor.

9 On or before February 28, 2025 and August 31, 2025, the department
10 of child safety shall present a report to the joint legislative budget
11 committee on the progress made during July 2024 through December 2024 and
12 January 2025 through June 2025, respectively, in meeting the caseload
13 standard and reducing the number of backlog and long-term cases. Each
14 report shall include the number of backlog cases, the number of open
15 reports, the number of long-term cases and the caseworker workload in
16 comparison to the previous six months. Each report shall provide the
17 number of backlog cases by disposition, including the number of backlog
18 cases in the investigation phase, the number of backlog cases associated
19 with out-of-home placements and the number of backlog cases associated
20 with in-home cases.

21 To determine the caseworker workload, the department shall report
22 the number of case-carrying caseworkers at each field office and the
23 number of investigations, in-home cases and long-term cases assigned to
24 each field office.

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

26 For open reports, the department's benchmark is fewer than 8,000
27 open reports.

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

29 If the department of child safety has not submitted a required
30 report within thirty days after the report is due, the director of the
31 joint legislative budget committee shall inform the general accounting
32 office of the department of administration, which shall withhold two
33 percent of the department of child safety's operating lump sum semiannual
34 budget allocation until the department of child safety submits the
35 required report.

36 Sec. 25. STATE BOARD OF CHIROPRACTIC EXAMINERS

37			<u>2024-25</u>
38	FTE positions		6.0
39	Lump sum appropriation	\$	638,700
40	Fund sources:		
41	Board of chiropractic examiners		
42	fund	\$	638,700

1	Sec. 26. ARIZONA COMMERCE AUTHORITY	
2		<u>2024-25</u>
3	Operating lump sum appropriation	\$ 10,000,000
4	Arizona competes fund deposit	500,000
5	Asia trade offices	750,000
6	Economic development marketing	
7	and attraction	500,000
8	Frankfurt, Germany trade office	500,000
9	Israel trade office	300,000
10	Mexico trade offices	<u>500,000</u>
11	Total appropriation – Arizona commerce	
12	authority	\$ 13,050,000
13	Fund sources:	
14	State general fund	\$ 13,050,000
15	Pursuant to section 43-409, Arizona Revised Statutes, of the amounts	
16	listed above, \$10,500,000 of the state general fund withholding tax	
17	revenues is allocated in fiscal year 2024-2025 to the Arizona commerce	
18	authority, of which \$10,000,000 is credited to the Arizona commerce	
19	authority fund established by section 41-1506, Arizona Revised Statutes,	
20	and \$500,000 is credited to the Arizona competes fund established by	
21	section 41-1545.01, Arizona Revised Statutes.	
22	Sec. 27. ARIZONA COMMUNITY COLLEGES	
23		<u>2024-25</u>
24	<u>Equalization aid</u>	
25	Cochise	\$ 10,575,800
26	Graham	21,132,400
27	Navajo	12,016,200
28	Yuma/La Paz	<u>896,400</u>
29	Total – equalization aid	\$ 44,620,800
30	<u>Operating state aid</u>	
31	Cochise	\$ 4,000,800
32	Coconino	1,392,500
33	Gila	149,700
34	Graham	1,758,900
35	Mohave	961,500
36	Navajo	1,375,600
37	Pinal	1,032,900
38	Santa Cruz	54,600
39	Yavapai	371,300
40	Yuma/La Paz	<u>2,262,400</u>
41	Total – operating state aid	\$ 13,360,200

1	<u>STEM and workforce programs state aid</u>	
2	Cochise	\$ 833,400
3	Coconino	300,700
4	Gila	88,100
5	Graham	446,300
6	Maricopa	8,073,700
7	Mohave	392,600
8	Navajo	273,600
9	Pima	1,768,900
10	Pinal	634,800
11	Santa Cruz	41,800
12	Yavapai	636,600
13	Yuma/La Paz	<u>778,200</u>
14	Total – STEM and workforce programs	
15	state aid	\$ 14,268,700
16	<u>Rural aid</u>	
17	Cochise	\$ 2,999,100
18	Coconino	892,800
19	Gila	258,000
20	Graham	1,239,300
21	Mohave	1,149,000
22	Navajo	815,000
23	Pinal	1,794,100
24	Santa Cruz	113,800
25	Yavapai	1,833,600
26	Yuma/La Paz	<u>2,905,300</u>
27	Total – rural aid	\$ 14,000,000
28	Rural county reimbursement subsidy	\$ 1,082,900
29	Additional Gila workforce	
30	development aid	200,000
31	Diné college remedial education	<u>1,000,000</u>
32	Total appropriation – Arizona community	
33	colleges	\$ 88,532,600
34	Fund sources:	
35	State general fund	\$ 88,532,600

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

39 On or before October 15, 2025, the Diné college board of regents
40 shall submit to the governor, the speaker of the house of representatives,
41 the president of the senate, the secretary of state and the joint
42 legislative budget committee a report that details the course completion
43 rate for students who received remedial education during the 2024-2025
44 academic year.

1	Sec. 28. REGISTRAR OF CONTRACTORS		
2			<u>2024-25</u>
3	FTE positions		105.6
4	Operating lump sum appropriation	\$	13,050,200
5	Office of administrative		
6	hearings costs		<u>1,017,600</u>
7	Total appropriation – registrar of		
8	contractors	\$	14,067,800
9	Fund sources:		
10	Registrar of contractors fund	\$	14,067,800
11	Sec. 29. CORPORATION COMMISSION		
12			<u>2024-25</u>
13	FTE positions		301.9
14	Operating lump sum appropriation	\$	35,031,300
15	Corporation filings, same-day		
16	service		416,500
17	Utilities audits, studies,		
18	investigations and hearings		<u>380,000*</u>
19	Total appropriation – corporation commission	\$	35,827,800
20	Fund sources:		
21	State general fund	\$	798,900
22	Arizona arts trust fund		57,700
23	Investment management regulatory		
24	and enforcement fund		1,305,700
25	Public access fund		8,020,800
26	Securities regulatory and		
27	enforcement fund		7,272,500
28	Utility regulation revolving fund		18,372,200
29	Sec. 30. STATE DEPARTMENT OF CORRECTIONS		
30			<u>2024-25</u>
31	FTE positions		9,592.0
32	Operating lump sum appropriation	\$	863,381,600
33	Overtime and compensatory time		15,540,500
34	Private prison per diem		275,716,800
35	Community corrections		27,452,300
36	Inmate health care contracted		
37	services		367,557,100
38	Substance abuse treatment		3,945,400
39	Noncontract medication		55,000,000
40	Injunction-related IT upgrades		<u>16,000,000</u>
41	Total appropriation – state department		
42	of corrections	\$	1,624,593,700

1	Fund sources:	
2	State general fund	\$1,515,971,300
3	State education fund for	
4	correctional education	723,200
5	Alcohol abuse treatment fund	555,800
6	Penitentiary land fund	3,460,300
7	State charitable, penal and	
8	reformatory institutions	
9	land fund	3,734,100
10	Corrections fund	31,312,500
11	Transition program fund	15,048,600
12	Prison construction and	
13	operations fund	12,500,100
14	Inmate store proceeds fund	1,287,800
15	Consumer restitution and remediation	
16	revolving fund - consumer	
17	remediation subaccount	40,000,000

18 Of the amount appropriated in the operating lump sum, \$487,093,200
 19 is designated for personal services and \$222,017,000 is designated for
 20 employee-related expenditures. The department shall submit an expenditure
 21 plan for review by the joint legislative budget committee before spending
 22 these monies other than for personal services or employee-related
 23 expenditures.

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

31 The department shall submit an expenditure plan for review by the
 32 joint legislative budget committee before spending monies appropriated for
 33 the overtime and compensatory time line item other than for personal
 34 services or employee-related expenditures.

35 Private prison vendors that contract with this state may use staff
 36 vacancy savings to pay for overtime costs without incurring a penalty or
 37 staffing offset.

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

43 The state department of corrections shall forward to the president
 44 of the senate, the speaker of the house of representatives, the
 45 chairpersons of the senate and house of representatives appropriations

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

11 On or before November 1, 2024, the state department of corrections
12 shall provide a report on bed capacity to the joint legislative budget
13 committee. The report shall reflect the bed capacity for each security
14 classification by gender at each state-run and private institution,
15 divided by rated and total beds. The report shall include bed capacity
16 data for June 30, 2023 and June 30, 2024 and the projected capacity for
17 June 30, 2025, as well as the reasons for any change within that time
18 period. Within the total bed count, the department shall provide the
19 number of temporary and special use beds. The report shall also address
20 the department's rationale for eliminating any permanent beds rather than
21 reducing the level of temporary beds. The report shall also include any
22 plans to vacate beds but not permanently remove the beds from the bed
23 count.

24 If the department develops a plan after the department's November 1,
25 2024 report to open or close one hundred or more state-operated or private
26 prison rated beds, the department shall submit a plan detailing the
27 proposed bed changes for review by the joint legislative budget committee
28 before implementing these changes.

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

33 On or before December 15, 2024 and July 15, 2025, the state
34 department of corrections shall submit a report to the joint legislative
35 budget committee on the progress made in meeting the staffing needs for
36 correctional officers. Each report shall include the number of filled
37 correctional officer positions, the number of vacant correctional officer
38 positions, the number of people in training, the number of separations and
39 the number of hours of overtime worked year-to-date. The report shall
40 detail these amounts both departmentwide and by prison complex.

1 Twenty-five percent of land earnings and interest from the state
2 charitable, penal and reformatory institutions land fund shall be
3 distributed to the state department of corrections in compliance with the
4 enabling act and the Constitution of Arizona to be used to support state
5 penal institutions.

6 Before spending any state education fund for correctional education
7 monies in excess of \$723,200, the state department of corrections shall
8 report the intended use of the monies to the director of the joint
9 legislative budget committee.

10 Before implementing any changes in contracted rates for inmate
11 health care contracted services, the state department of corrections shall
12 submit its expenditure plan for review by the joint legislative budget
13 committee.

14 On or before August 1, 2024 and February 1, 2025, the state
15 department of corrections shall submit a report to the joint legislative
16 budget committee on the status of all inmate health care performance
17 measures that are tracked by the department for contract monitoring
18 purposes. Each report must include:

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

23 On or before August 1, 2024, the state department of corrections
24 shall transfer to the public safety personnel retirement system via the
25 department of administration its estimated required annual contribution to
26 the corrections officer retirement plan for fiscal year 2024-2025.

27 The department shall report actual fiscal year 2023-2024, estimated
28 fiscal year 2024-2025 and requested fiscal year 2025-2026 expenditures as
29 delineated in the prior year when the department submits its fiscal year
30 2025-2026 budget request pursuant to section 35-113, Arizona Revised
31 Statutes.

32 The department shall use the amount appropriated in the private
33 prison per diem line item to pay private prison contractors for housing
34 and providing medical care to Arizona inmates. Before spending these
35 monies for any other purpose, the department shall submit an expenditure
36 plan for review by the joint legislative budget committee.

37 Included in the operating lump sum appropriation is \$40,000,000 from
38 the consumer remediation subaccount of the consumer restitution and
39 remediation revolving fund established by section 44-1531.02,
40 Arizona Revised Statutes. This amount consists of monies deposited in the
41 subaccount pursuant to opioid claims-related litigation or settlements.
42 This amount is intended to offset past and current department costs for
43 care, treatment, programs and other expenditures for individuals with
44 opioid use disorder and any co-occurring substance use disorder or mental
45 health conditions or for any other specified purposes that are included in

1 a court order or a settlement or compromise that is entered into by this
 2 state and other parties to the opioid litigation.

3 The amount appropriated in the injunction-related IT upgrades line
 4 item shall be used to address information technology improvements as
 5 required by the court in the Jensen v Thornell inmate health care
 6 litigation.

7 The department shall use the amount appropriated in the noncontract
 8 medication line item to purchase medications to treat hepatitis C and for
 9 medication-assisted treatment for substance use disorder. Before spending
 10 these monies for any other purpose, the department shall submit an
 11 expenditure plan for review by the joint legislative budget committee.

12 Sec. 31. ARIZONA CRIMINAL JUSTICE COMMISSION

	<u>2024-25</u>
FTE positions	11.0
Operating lump sum appropriation	\$ 1,406,900
Major incident regional law enforcement task force	600,000
State aid to county attorneys	973,700
State aid to indigent defense	700,000
State aid for juvenile dependency proceedings fund deposit	2,000,000
Victim compensation and assistance	<u>6,223,200</u>
Total appropriation – Arizona criminal justice commission	\$ 11,903,800
Fund sources:	
State general fund	\$ 4,600,000
Criminal justice enhancement fund	733,700
Resource center fund	647,100
State aid to county attorneys fund	973,700
State aid to indigent defense fund	700,000
Victim compensation and assistance fund	4,249,300

33 All victim compensation and assistance fund monies received by the
 34 Arizona criminal justice commission in excess of \$4,249,300 in fiscal year
 35 2024-2025 are appropriated to the crime victims program. Before spending
 36 any victim compensation and assistance fund monies in excess of \$4,249,300
 37 in fiscal year 2024-2025, the Arizona criminal justice commission shall
 38 report the intended use of the monies to the joint legislative budget
 39 committee.

40 All monies received by the Arizona criminal justice commission in
 41 excess of \$973,700 in fiscal year 2024-2025 from the state aid to county
 42 attorneys fund established by section 11-539, Arizona Revised Statutes,
 43 are appropriated to the state aid to county attorneys program. Before
 44 spending any state aid to county attorneys fund monies in excess of
 45 \$973,700 in fiscal year 2024-2025, the Arizona criminal justice commission

1 shall report the intended use of the monies to the joint legislative
 2 budget committee.

3 Sec. 32. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND

4		<u>2024-25</u>
5	FTE positions	562.2
6	Administration/statewide	\$ 8,404,300
7	Phoenix day school for the deaf	10,811,200
8	Tucson campus	13,330,400
9	Preschool/outreach programs	7,824,200
10	School bus/agency vehicle	
11	replacement	369,000
12	Cooperative services	<u>19,621,400</u>

13 Total appropriation – Arizona state schools
 14 for the deaf and the blind \$ 60,360,500

15 Fund sources:

16	State general fund	\$ 25,991,300
17	Schools for the deaf and	
18	the blind fund	14,579,800
19	Cooperative services fund	19,621,400
20	Telecommunication fund	
21	for the deaf	168,000

22 Before spending any schools for the deaf and the blind fund monies
 23 in excess of \$14,579,800 in fiscal year 2024-2025, the Arizona state
 24 schools for the deaf and the blind shall report to the joint legislative
 25 budget committee the intended use of the monies.

26 Before spending any cooperative services fund monies in excess of
 27 \$19,621,400 in fiscal year 2024-2025, the Arizona state schools for the
 28 deaf and the blind shall report to the joint legislative budget committee
 29 the intended use of the monies.

30 Sec. 33. COMMISSION FOR THE DEAF AND THE HARD OF HEARING

31		<u>2024-25</u>
32	FTE positions	21.0
33	Operating lump sum appropriation	\$ 4,634,600
34	Support services for the	
35	deaf-blind	192,000
36	Website security upgrades	<u>200,000</u>

37 Total appropriation – commission for the
 38 deaf and the hard of hearing \$ 5,026,600

39 Fund sources:

40	Telecommunication fund for	
41	the deaf	\$ 5,026,600

1	Sec. 34. STATE BOARD OF DENTAL EXAMINERS	
2		<u>2024-25</u>
3	FTE positions	13.0
4	Operating lump sum appropriation	\$ 2,103,600
5	Annual leave payout	\$ 9,300*
6	Total appropriation – state board of	
7	dental examiners	\$ 2,112,900
8	Fund sources:	
9	Dental board fund	\$ 2,112,900
10	Sec. 35. OFFICE OF ECONOMIC OPPORTUNITY	
11		<u>2024-25</u>
12	FTE positions	5.0
13	Lump sum appropriation	<u>\$ 523,300</u>
14	Fund sources:	
15	State general fund	\$ 523,300
16	Sec. 36. DEPARTMENT OF ECONOMIC SECURITY	
17		<u>2024-25</u>
18	FTE positions	4,611.8
19	Operating lump sum appropriation	\$333,957,100
20	<u>Administration</u>	
21	Attorney general legal services	12,755,600
22	<u>Aging and adult services</u>	
23	Adult services	10,731,900
24	Community and emergency services	3,724,000
25	Coordinated homeless services	2,522,600
26	Coordinated hunger services	2,254,600
27	Domestic violence prevention	14,004,000
28	Long-term care ombudsman	1,000,000
29	<u>Benefits and medical eligibility</u>	
30	Temporary assistance for needy	
31	families – cash benefits	22,736,400
32	Tribal pass-through funding	4,680,300
33	<u>Child support enforcement</u>	
34	County participation	8,539,700
35	<u>Developmental disabilities</u>	
36	DDD premium tax payment	64,871,600
37	Case management – medicaid	140,855,600
38	Home and community based	
39	services – medicaid	2,292,850,800
40	Institutional services –	
41	medicaid	51,334,400
42	Physical and behavioral	
43	health services – medicaid	655,369,900
44	Medicare clawback payments	7,132,700
45	Targeted case management – medicaid	19,324,900

1	State match transfer from AHCCCS	1,122,988,600
2	Case management – state-only	6,335,600
3	Home and community based	
4	services – state-only	14,089,000
5	Cost effectiveness study – client	
6	services	8,420,000
7	Arizona early intervention program	16,119,000
8	State-funded long-term care	
9	services	44,389,800
10	Group home monitoring program	1,200,000
11	<u>Employment and rehabilitation services</u>	
12	JOBS	11,005,600
13	Child care subsidy	320,580,200
14	Independent living rehabilitation	
15	services	1,289,400
16	Rehabilitation services	7,249,100
17	Workforce innovation	
18	and opportunity act	
19	services	<u>85,824,200</u>
20	Total appropriation and expenditure	
21	authority – department of	
22	economic security	\$5,288,136,600
23	Fund sources:	
24	State general fund	\$1,339,544,800
25	Federal child care and	
26	development fund block grant	331,029,300
27	Federal temporary assistance for	
28	needy families block grant	66,591,200
29	Long-term care system fund	34,429,200
30	Public assistance collections	
31	fund	441,800
32	Special administration fund	4,637,900
33	Spinal and head injuries trust	
34	fund	2,385,500
35	Statewide cost allocation plan	
36	fund	1,000,000
37	Child support enforcement	
38	administration fund	17,683,300
39	Domestic violence services fund	4,000,300
40	Workforce investment act grant	87,116,600
41	Child support enforcement	
42	administration fund	
43	expenditure authority	44,195,500

1	Developmental disabilities	
2	medicaid expenditure	
3	authority	3,311,833,900
4	Health care investment fund	
5	expenditure authority	43,247,300

6 Aging and adult services

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

12 On or before December 15, 2024, the department of economic security
 13 shall report to the joint legislative budget committee the amount of state
 14 and federal monies available statewide for domestic violence prevention
 15 funding. The report shall include, at a minimum, the amount of monies
 16 available and the state fiscal agent receiving those monies.

17 Benefits and medical eligibility

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

21 Child support enforcement

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

28 Developmental disabilities

29 On or before September 1, 2025, the department of economic security
 30 shall report to the president of the senate, the speaker of the house of
 31 representatives, the chairpersons of the senate and house of
 32 representatives appropriations committees and the director of the joint
 33 legislative budget committee any new placement into a state-owned ICF-IID
 34 or the Arizona training program at the Coolidge campus in fiscal year
 35 2024-2025 and the reason for this placement, rather than a placement into
 36 a privately run facility for persons with developmental disabilities, was
 37 deemed as the most appropriate placement. The department shall also
 38 report if no new placements were made. On or before September 1, 2025,
 39 the department shall also report to the director of the joint legislative
 40 budget committee the total costs associated with the Arizona training
 41 program at Coolidge in fiscal year 2024-2025.

42 The department shall report to the joint legislative budget
 43 committee on or before March 1 of each year on preliminary actuarial
 44 estimates of the capitation rate changes for the following fiscal year
 45 along with the reasons for the estimated changes. For any actuarial

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

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

20 Before transferring any monies in or out of the case management –
21 medicaid and case management – state-only and developmental disabilities
22 administration line items and before transferring any monies in or out of
23 the operating lump sum item related to the developmental disabilities
24 program and its administration, the department shall submit a report for
25 review by the joint legislative budget committee, except that transfers
26 from the state match transfer from AHCCCS line item into those line items
27 do not require a report for review.

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

35 The amounts appropriated for the group home monitoring program in
36 fiscal year 2023-2024 pursuant to Laws 2023, chapter 133, section 29 and
37 in fiscal year 2024-2025 are exempt from the provisions of section 35-190,
38 Arizona Revised Statutes, relating to lapsing of appropriations, until
39 June 30, 2026.

40 The amount appropriated for the Graham county rehabilitation center
41 in fiscal year 2023-2024 pursuant to Laws 2023, chapter 133, section 29 is
42 exempt from the provisions of section 35-190, Arizona Revised Statutes,
43 relating to lapsing of appropriations, until June 30, 2025. Of the amount
44 appropriated, \$800,000 shall be used to remodel the Graham county
45 rehabilitation facilities in Safford and Willcox.

1 Employment and rehabilitation services

2 On or before September 15, 2024 and March 15, 2025, the department
3 of economic security shall submit a report to the president of the senate,
4 the speaker of the house of representatives, the chairpersons of the
5 senate and house of representatives appropriations committees and the
6 joint legislative budget committee on child care development block grant
7 monies provided from the coronavirus aid, relief, and economic security
8 act, the consolidated appropriations act, 2021 and the American rescue
9 plan act of 2021 (P.L. 117-2). The report must include, at a minimum, the
10 actual expenditures made to date by purpose and, separately, by federal
11 legislation, the expenditure plan for all remaining monies by purpose and,
12 separately, by federal legislation, the number of children served with the
13 monies on average each month, the average child care reimbursement rates
14 for the entire program, including these monies, and the number of child
15 care settings with a quality rating.

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

23 All workforce investment act grant monies that are received by this
24 state in excess of \$87,116,600 are appropriated to the workforce
25 innovation and opportunity act services line item. Before spending these
26 increased monies, the department shall report the intended use of monies
27 in excess of \$87,116,600 to the joint legislative budget committee.

28 Departmentwide

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

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

1	Sec. 37.	STATE BOARD OF EDUCATION	
2			<u>2024-25</u>
3		FTE positions	23.0
4		Operating lump sum appropriation	\$ 3,222,100
5		Arizona empowerment scholarship	
6		account appeals	<u>227,900</u>
7		Total appropriation –	
8		state board of education	\$ 3,450,000
9		Fund sources:	
10		State general fund	\$ 3,450,000
11	Sec. 38.	SUPERINTENDENT OF PUBLIC INSTRUCTION	
12			<u>2024-25</u>
13		FTE positions	232.9
14		Operating lump sum appropriation	\$ 15,626,800
15		<u>Formula programs</u>	
16		Basic state aid	6,335,820,300
17		Special education fund	36,029,200
18		Classroom site fund	1,053,335,300
19		Instructional improvement fund	80,425,700
20		<u>Property tax relief</u>	
21		Additional state aid	526,653,100
22		<u>Non-formula programs</u>	
23		Accountability and achievement	
24		testing	16,442,200
25		Adult education	17,058,900
26		Alternative teacher development	
27		program	1,000,000
28		Arizona English language	
29		learner fund	4,960,400
30		Arizona holocaust education center	7,000,000
31		CTED certification exam fee	
32		reimbursement	1,000,000
33		CTED completion grants	1,000,000
34		CTED soft capital and equipment	1,000,000
35		College credit by examination	
36		incentive program	3,772,100
37		College placement exam fee waiver	1,265,800
38		Computer science professional	
39		development program	1,000,000
40		Early literacy	17,380,000
41		Education learning and	
42		accountability system	5,446,700
43		English learner administration	6,597,000
44		Flagstaff robotics program	20,000
45		Geographic literacy	100,000

1	Gifted assessments	850,000
2	Jobs for Arizona graduates	500,000
3	Live, remote instructional courses	100,000
4	Onetime school meal grants	3,800,000
5	School safety program	81,992,400
6	State block grant for vocational	
7	education	11,774,300
8	Student level data access	359,000
9	Teacher certification	2,544,600
10	Tribal college dual enrollment	
11	program	<u>325,000</u>
12	Total appropriation and expenditure	
13	authority – superintendent	
14	of public instruction	\$8,235,178,800
15	Fund sources:	
16	State general fund	\$6,573,446,600
17	Education sales tax fund	7,000,000
18	Permanent state school fund	357,889,000
19	Teacher certification fund	2,517,700
20	Tribal college dual enrollment	
21	program fund	325,000
22	Department of education empowerment	
23	scholarship account fund	359,000
24	Expenditure authority	1,293,641,500

25 Operating lump sum

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 \$357,889,000 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 2024-2025.

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 Any monies available to the department of education for the
23 classroom site fund pursuant to section 37-521, subsection B, paragraph 4,
24 Arizona Revised Statutes, and section 42-5029.02, subsection A, paragraph
25 10, Arizona Revised Statutes, in excess of expenditure authority amounts
26 are allocated for the purposes of section 37-521, subsection B, paragraph
27 4, Arizona Revised Statutes, and section 42-5029.02, subsection A,
28 paragraph 10, Arizona Revised Statutes.

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

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

37 Any monies available to the department of education for
38 accountability purposes pursuant to section 42-5029.02, subsection A,
39 paragraph 7, Arizona Revised Statutes, in excess of the expenditure
40 authority amounts are allocated for the purposes of section 42-5029.02,
41 subsection A, paragraph 7, Arizona Revised Statutes.

42 The department of education may use the appropriated amount for
43 accountability and achievement testing in fiscal year 2024-2025 for costs
44 of the English language proficiency assessments required by section
45 15-756.05, Arizona Revised Statutes.

1 The appropriated amount for adult education includes \$6,160,000 for
2 a onetime allocation to the continuing high school and workforce training
3 program established by section 15-217.01, Arizona Revised Statutes,
4 \$3,000,000 for a onetime deposit in the adult workforce diploma program
5 fund established by section 15-217.02, Arizona Revised Statutes, and
6 \$3,000,000 for a onetime deposit in the community college adult education
7 workforce development program fund established by section 15-217.03,
8 Arizona Revised Statutes.

9 The department of education shall distribute the appropriated amount
10 for the Arizona holocaust education center line item to the Arizona
11 holocaust education center for a onetime distribution for the creation and
12 operation of the center as a resource for fulfilling the requirements of
13 section 15-701.02, Arizona Revised Statutes. The department of
14 administration shall allot the full amount of the line item on or before
15 August 15, 2024. The department of education shall make the distribution
16 on or before August 15, 2024. This appropriation is exempt from the
17 provisions of section 35-190, Arizona Revised Statutes, relating to
18 lapsing of appropriations.

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

26 If the appropriated amount for CTED completion grants is
27 insufficient to fund all grant requests from career technical education
28 districts, the department of education shall reduce grant amounts on a
29 proportional basis in order to cap total statewide allocations at
30 \$1,000,000.

31 The appropriated amount for CTED completion grants is exempt from
32 the provisions of section 35-190, Arizona Revised Statutes, relating to
33 lapsing of appropriations, until June 30, 2026.

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

40 The department of education shall use the appropriated amount for
41 English learner administration to provide English language acquisition
42 services for the purposes of section 15-756.07, Arizona Revised Statutes,
43 and for the costs of providing English language proficiency assessments,
44 scoring and ancillary materials as prescribed by the department of
45 education to school districts and charter schools for the purposes of

1 title 15, chapter 7, article 3.1, Arizona Revised Statutes. The
2 department may use a portion of the appropriated amount to hire staff or
3 contract with a third party to carry out the purposes of section
4 15-756.07, Arizona Revised Statutes. Notwithstanding section 41-192,
5 Arizona Revised Statutes, the superintendent of public instruction also
6 may use a portion of the appropriated amount to contract with one or more
7 private attorneys to provide legal services in connection with the case of
8 Flores v. State of Arizona, No. CIV 92-596-TUC-RCC.

9 The department of education shall use the appropriated amount for
10 geographic literacy to issue a grant to a statewide geographic alliance
11 for strengthening geographic literacy in this state.

12 The department of education shall use the appropriated amount for
13 jobs for Arizona graduates to issue a grant to a nonprofit organization
14 for a JOBS for Arizona graduates program.

15 The department of education shall allocate the appropriated amount
16 for onetime school meal grants to school districts and charter schools
17 that participate in the national school lunch program or school breakfast
18 program established under the national school lunch and child nutrition
19 acts (42 United States Code sections 1751 through 1793) for grants to
20 reduce or eliminate copayments that would otherwise be charged to children
21 eligible for reduced-price meals. If the appropriated amount is
22 insufficient to cover the grant awards for all eligible grantees, the
23 department shall reduce each grant proportionately to cover all eligible
24 grantees.

25 The amount appropriated for the school safety program in fiscal year
26 2022-2023 pursuant to laws 2022, chapter 313, section 31 included an
27 increase of \$50,000,000 for additional school safety grants. In
28 allocating the \$50,000,000 increase, the department of education shall
29 first distribute monies to schools on the school safety program waiting
30 list to receive grants for the costs of placing school resource officers
31 on school campuses. The awarded grants may not supplant funding provided
32 by local governments for school resource officers. If the total cost of
33 funding grants for school resource officers is less than \$50,000,000, the
34 department may allocate the remaining monies to grants to schools for the
35 costs of placing school counselors and social workers on school campuses
36 pursuant to section 15-154, Arizona Revised Statutes.

37 Any monies available to the department of education for school
38 safety pursuant to section 42-5029.02, subsection A, paragraph 6, Arizona
39 Revised Statutes, in excess of the expenditure authority amounts are
40 allocated for the purposes of section 42-5029.02, subsection A, paragraph
41 6, Arizona Revised Statutes.

42 After review by the joint legislative budget committee, in fiscal
43 year 2024-2025, the department of education may use a portion of its
44 fiscal year 2024-2025 state general fund appropriations for basic state
45 aid, additional state aid or the special education fund to fund a

1 shortfall in funding for basic state aid, additional state aid or the
 2 special education fund, if any, that occurred in fiscal year 2023-2024.

3 The department shall provide an updated report on its budget status
 4 every three months for the first half of each fiscal year and every month
 5 thereafter to the president of the senate, the speaker of the house of
 6 representatives, the chairpersons of the senate and house of
 7 representatives appropriations committees, the director of the joint
 8 legislative budget committee and the director of the governor's office of
 9 strategic planning and budgeting. Each report shall include, at a
 10 minimum, the department's current funding surplus or shortfall projections
 11 for basic state aid and other major formula-based programs and is due
 12 thirty days after the end of the applicable reporting period.

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

17 Sec. 39. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

	<u>2024-25</u>
18 FTE positions	61.5
19 Administration	\$ 4,544,300
20 Emergency management	874,600
21 Emergency management matching funds	1,544,900
22 Hazard mitigation assistance	462,900
23 Military affairs	2,105,000
24 National guard matching funds	3,529,200
25 National guard tuition	
26 reimbursement	1,000,000
27 Hazard mitigation revolving	
28 fund deposit	200,000
29 Assist law enforcement fentanyl	
30 interdiction	<u>3,000,000</u>
31 Total appropriation – department of	
32 emergency and military affairs	\$ 17,260,900
33 Fund sources:	
34 State general fund	\$ 14,260,900
35 Consumer restitution and remediation	
36 revolving fund - consumer	
37 remediation subaccount	3,000,000

38 The \$3,529,200 national guard matching funds appropriation is exempt
 39 from the provisions of section 35-190, Arizona Revised Statutes, relating
 40 to lapsing of appropriations, except that all fiscal year 2024-2025 monies
 41 remaining unexpended and unencumbered on December 31, 2025 revert to the
 42 state general fund.
 43

1 The appropriated amount for the national guard tuition reimbursement
 2 line item is exempt from the provisions of section 35-190, Arizona Revised
 3 Statutes, relating to lapsing of appropriations, until September 30, 2025.

4 Monies in the assist local law enforcement fentanyl interdiction
 5 line item are from the consumer remediation subaccount of the consumer
 6 restitution and remediation revolving fund established by section
 7 44-1531.02, Arizona Revised Statutes, and consist of monies deposited in
 8 the subaccount pursuant to opioid claims-related litigation or
 9 settlements.

10 Sec. 40. DEPARTMENT OF ENVIRONMENTAL QUALITY

	<u>2024-25</u>
FTE positions	358.7
Operating lump sum appropriation	\$ 67,698,600
Safe drinking water program	1,991,800
Emissions control contractor payment	<u>28,894,500</u>
Total appropriation – department of environmental quality	\$ 98,584,900
Fund sources:	
Air quality fund	\$ 9,207,700
Emergency response fund	132,800
Emissions inspection fund	33,153,800
Hazardous waste management fund	1,939,400
Indirect cost fund	18,979,600
Permit administration fund	7,256,800
Recycling fund	2,465,900
Safe drinking water program fund	1,991,800
Solid waste fee fund	2,584,900
Water quality fee fund	20,872,200

31 The department of environmental quality shall report annually on the
 32 progress of WQARF activities, including emergency response, priority site
 33 remediation, cost recovery activity, revenue and expenditure activity and
 34 other WQARF-funded program activity. The department shall submit the
 35 fiscal year 2024-2025 report to the joint legislative budget committee on
 36 or before September 1, 2024. This report shall also include a budget for
 37 the WQARF program that is developed in consultation with the WQARF
 38 advisory board. This budget shall specify the monies budgeted for each
 39 listed site during fiscal year 2024-2025. In addition, the department and
 40 the WQARF advisory board shall prepare and submit to the joint legislative
 41 budget committee, on or before October 1, 2024, a report in a table format
 42 summarizing the current progress on remediation of each listed site on the
 43 WQARF registry. The table shall include the stage of remediation for each
 44 site at the end of fiscal year 2023-2024, indicate whether the current
 45 stage of remediation is anticipated to be completed in fiscal year

1 2024-2025 and indicate the anticipated stage of remediation at each listed
 2 site at the end of fiscal year 2024-2025, assuming fiscal year 2024-2025
 3 funding levels. The department and the WQARF advisory board may include
 4 other relevant information about the listed sites in the table.

5 All permit administration fund monies received by the department of
 6 environmental quality in excess of \$7,256,800 in fiscal year 2024-2025 are
 7 appropriated to the department. Before spending permit administration
 8 fund monies in excess of \$7,256,800 in fiscal year 2024-2025, the
 9 department shall report the intended use of the monies to the joint
 10 legislative budget committee.

11 All monies in the department of environmental quality indirect cost
 12 fund, including the beginning balance, that are in excess of \$18,979,600
 13 in fiscal year 2024-2025 are appropriated to the department. Before
 14 spending indirect cost fund monies in excess of \$18,979,600 in fiscal year
 15 2024-2025, the department shall report the intended use of the monies to
 16 the joint legislative budget committee.

17 Notwithstanding section 49-544, Arizona Revised Statutes, the
 18 department may use up to \$400,000 from the fund balance in the emissions
 19 inspection fund established by section 49-544, Arizona Revised Statutes,
 20 in fiscal year 2024-2025 for agency operating costs. Before expending any
 21 emissions inspection fund monies on operating costs, the department shall
 22 report the intended use of the monies to the joint legislative budget
 23 committee.

24 Sec. 41. GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

		<u>2024-25</u>
25		
26	FTE positions	5.0
27	Lump sum appropriation	\$ 310,500
28	Fund sources:	
29	Personnel division fund	\$ 310,500

30 Sec. 42. STATE BOARD OF EQUALIZATION

		<u>2024-25</u>
31		
32	FTE positions	7.0
33	Lump sum appropriation	\$ 751,100
34	Fund sources:	
35	State general fund	\$ 751,100

36 Sec. 43. BOARD OF EXECUTIVE CLEMENCY

		<u>2024-25</u>
37		
38	FTE positions	14.5
39	Lump sum appropriation	\$ 1,370,300
40	Fund sources:	
41	State general fund	\$ 1,370,300

42 On or before November 1, 2024, the board of executive clemency shall
 43 report to the directors of the joint legislative budget committee and the
 44 governor's office of strategic planning and budgeting the total number and
 45 types of cases the board reviewed in fiscal year 2023-2024.

1	Sec. 44.	ARIZONA EXPOSITION AND STATE FAIR BOARD	
2			<u>2024-25</u>
3		FTE positions	184.0
4		Lump sum appropriation	\$ 21,276,100
5		Fund sources:	
6		Arizona exposition and state	
7		fair fund	\$ 21,276,100
8	Sec. 45.	ARIZONA DEPARTMENT OF FORESTRY AND FIRE MANAGEMENT	
9			<u>2024-25</u>
10		FTE positions	235.5
11		Operating lump sum appropriation	\$ 7,203,900
12		Environmental county grants	250,000
13		Inmate firefighting crews	867,700
14		Postrelease firefighting crews	1,278,900
15		Fire suppression	5,200,000
16		State fire marshal	1,792,000
17		State fire school	289,000
18		Hazardous vegetation removal	3,039,300
19		US forest service land thinning	1,657,700
20		Wildfire mitigation	<u>27,026,700</u>
21		Total appropriation – Arizona department	
22		of forestry and fire management	\$ 48,605,200
23		Fund sources:	
24		State general fund	\$ 48,605,200
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, 2026.	
28		The appropriation for the wildfire mitigation line item is exempt	
29		from the provisions of section 35-190, Arizona Revised Statutes, relating	
30		to lapsing of appropriations, until June 30, 2027.	
31	Sec. 46.	ARIZONA GAME AND FISH DEPARTMENT	
32			<u>2024-25</u>
33		FTE positions	273.5
34		Operating lump sum appropriation	\$38,914,700
35		Pittman-Robertson/Dingell-Johnson	
36		act	<u>3,058,000</u>
37		Total appropriation – Arizona game and fish	
38		department	\$41,972,700
39		Fund sources:	
40		Capital improvement fund	\$ 1,001,200
41		Game and fish fund	35,547,800
42		Wildlife endowment fund	16,200
43		Watercraft licensing fund	5,017,800
44		Game, nongame, fish and	
45		endangered species fund	389,700

1	Sec. 47. DEPARTMENT OF GAMING	
2		<u>2024-25</u>
3	FTE positions	155.8
4	Operating lump sum appropriation	\$ 13,740,100
5	Arizona breeders' award	250,000
6	Casino operations certification	2,299,400
7	County fairs livestock and	
8	agriculture promotion	6,029,500
9	Division of racing	2,435,900
10	Contract veterinarian	175,000
11	Horseracing integrity and safety	
12	act assessment	1,355,100
13	Problem gambling	<u>3,320,000</u>
14	Total appropriation – department of gaming	\$ 29,605,000
15	Fund sources:	
16	State general fund	\$ 6,204,500
17	Fantasy sports contest fund	150,100
18	Tribal-state compact fund	2,299,400
19	Arizona benefits fund	16,610,000
20	State lottery fund	300,000
21	Racing regulation fund	3,935,800
22	Racing regulation fund – unarmed	
23	combat subaccount	105,200

24 The amount appropriated to the county fairs livestock and
 25 agriculture promotion line item is for deposit in the county fairs
 26 livestock and agriculture promotion fund established by section 5-113,
 27 Arizona Revised Statutes, and to be administered by the office of the
 28 governor.

29 On or before August 1, 2024, the department of gaming shall report
 30 to the directors of the joint legislative budget committee and the
 31 governor's office of strategic planning and budgeting on the expected
 32 amount and purpose of expenditures from the event wagering fund
 33 established by section 5-1318, Arizona Revised Statutes, for fiscal year
 34 2024-2025. The report shall include the projected line item detail and
 35 the number of filled full-time equivalent positions.

36 On or before the final day of each quarter of fiscal year 2024-2025,
 37 the department of gaming shall report to the members of the joint
 38 legislative budget committee on the number of equine deaths and injuries
 39 that occurred as a result of a horse race and the commercial live racing
 40 facility where each incident occurred. The report shall include the number
 41 of pre-race inspections performed by a veterinarian employed by or
 42 contracted with this state.

1 The amount appropriated to the horseracing integrity and safety act
 2 assessment line item shall be used by the department during fiscal year
 3 2024-2025 to pay the calendar year 2024 assessment levied by the
 4 horseracing integrity and safety authority.

5 Sec. 48. OFFICE OF THE GOVERNOR

		<u>2024-25</u>
6		
7	Operating lump sum appropriation	\$ 7,839,800*
8	Foster youth education success	
9	fund deposit	<u>1,500,000</u>
10	Total appropriation – office of the governor	\$ 9,339,800

11 Fund sources:

12	State general fund	\$ 9,339,800
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13 Included in the operating lump sum appropriation of \$7,839,800 for
 14 fiscal year 2024-2025 is \$10,000 for the purchase of mementos and items
 15 for visiting officials.

16 The amount appropriated for the missing and murdered indigenous
 17 people task force line item in fiscal year 2023-2024 pursuant to Laws
 18 2023, chapter 133, section 42 is exempt from the provisions of section
 19 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

20 Sec. 49. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING

		<u>2024-25</u>
21		
22	FTE positions	22.0
23	Lump sum appropriation	\$ 2,938,100*
24	Fund sources:	
25	State general fund	\$ 2,938,100

26 Sec. 50. DEPARTMENT OF HEALTH SERVICES

		<u>2024-25</u>
27		
28	FTE positions	1,168.0
29	Operating lump sum appropriation	\$ 64,357,300
30	<u>Public health/family health</u>	
31	Adult cystic fibrosis care	105,200
32	AIDS reporting and surveillance	1,000,000
33	Alzheimer's disease research	4,125,000
34	Behavioral health care provider	1,000,000
35	loan repayment program	
36	Biomedical research support	2,000,000
37	Breast and cervical cancer and	
38	bone density screening	1,369,400
39	County tuberculosis provider	
40	care and control	590,700
41	Fentanyl overdose medication	
42	distribution	1,000,000
43	Folic acid program	400,000
44	Funeral services regulation	459,400
45	High-risk perinatal services	2,343,400

1	Newborn screening program	12,369,800
2	Nonrenal disease management	198,000
3	Nursing care special projects	200,000
4	Poison control centers funding	990,000
5	Preceptor grant program for graduate	
6	students	500,000
7	Renal dental care and nutrition	
8	supplements	300,000
9	Renal transplant drugs	183,000
10	<u>Arizona state hospital</u>	
11	Arizona state hospital –	
12	operating	77,146,700
13	Arizona state hospital –	
14	restoration to competency	900,000
15	Arizona state hospital –	
16	sexually violent persons	<u>11,131,900</u>
17	Total appropriation – department of	
18	health services	\$182,669,800
19	Fund sources:	
20	State general fund	\$118,979,200
21	Arizona state hospital fund	3,395,800
22	Arizona state hospital land fund	650,000
23	Child fatality review fund	196,500
24	Consumer restitution and remediation	
25	revolving fund - consumer	
26	remediation subaccount	1,000,000
27	Disease control research fund	1,000,000
28	DHS indirect cost fund	13,220,400
29	Emergency medical services	
30	operating fund	4,209,500
31	Environmental laboratory licensure	
32	revolving fund	995,500
33	Federal child care and development	
34	fund block grant	992,500
35	Health services licensing fund	17,416,400
36	Newborn screening program fund	12,802,900
37	Nursing care institution resident	
38	protection revolving fund	238,200
39	Tobacco tax and health care	
40	fund - health research account	3,000,000
41	Tobacco tax and health care	
42	fund – medically needy account	700,000
43	Vital records electronic systems	
44	fund	3,872,900

1 Public health/family health

2 Of the amount appropriated for the operating lump sum, \$100,000
3 shall be used for a suicide prevention coordinator to assist school
4 districts and charter schools in suicide prevention efforts. On or before
5 September 1, 2025, the department of health services, in consultation with
6 the department of education, shall report to the governor, the president
7 of the senate, the speaker of the house of representatives, the director
8 of the joint legislative budget committee and the director of the
9 governor's office of strategic planning and budgeting on the suicide
10 prevention coordinator's accomplishments in fiscal year 2024-2025.

11 The amount appropriated to the operating lump sum in fiscal year
12 2024-2025 includes \$1,202,400 from the state general fund to support
13 additional licensing compliance staff. This amount is exempt from the
14 provisions of section 35-190, Arizona Revised Statutes, relating to
15 lapsing of appropriations, until June 30, 2026.

16 The department of health services may use up to four percent of the
17 amount appropriated for nonrenal disease management for the administrative
18 costs to implement the program.

19 The department of health services shall distribute monies
20 appropriated for the biomedical research support line item to a nonprofit
21 medical research institute headquartered in this state that specializes in
22 biomedical research focusing on applying genomic technologies and
23 sequencing to clinical care, that has served as a resource to this state
24 to conduct molecular epidemiologic analyses to assist with disease
25 outbreak investigations and that collaborates with universities, hospitals
26 and health science research centers and other public and private
27 bioscience and related industries in this state. The recipient of these
28 monies shall commission an audit of the expenditure of these monies and
29 shall submit a copy of the audit to the department of health services on
30 or before February 1, 2026.

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

- 35 1. Is headquartered in this state.
- 36 2. Has been operating in this state for at least the last ten
37 years.
- 38 3. Has participating member institutions that work together to end
39 Alzheimer's disease within a statewide collaborative model by using their
40 complementary strengths in brain imaging, computer science, genomics,
41 basic and cognitive neurosciences and clinical and neuropathology
42 research.
- 43 4. Has participating member institutions that educate residents of
44 this state about Alzheimer's disease, research progress and resources to
45 help patients, families and professionals manage the disease.

1 The terms of the grant made to the charitable organization may not
2 impose any requirements that were not imposed in prior grant agreements
3 entered into between the department of health services and the charitable
4 organization.

5 Monies in the fentanyl overdose medication distribution line item
6 are from the consumer remediation subaccount of the consumer restitution
7 and remediation revolving fund established by section 44-1531.02, Arizona
8 Revised Statutes, and consist of monies deposited in the subaccount
9 pursuant to opioid claims-related litigation or settlements. These monies
10 are exempt from the provisions of section 35-190, Arizona Revised
11 Statutes, relating to lapsing of appropriations, until June 30, 2026.

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

17 Of the amount appropriated to the department of health services for
18 the behavioral health care provider loan repayment program line item in
19 fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section 44,
20 \$1,000,000 from the state general fund is exempt from the provisions of
21 section 35-190, Arizona Revised Statutes, relating to lapsing of
22 appropriations, until June 30, 2025.

23 The amount appropriated for the accelerated nursing programs line
24 item in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section
25 44 is exempt from the provisions of section 35-190, Arizona Revised
26 Statutes, relating to lapsing of appropriations, until June 30, 2025.

27 The amount appropriated for the nurse-family partnership programs
28 line item in fiscal year 2023-2024 pursuant to Laws 2023, chapter 133,
29 section 44 is exempt from the provisions of section 35-190, Arizona
30 Revised Statutes, relating to lapsing of appropriations, until June 30,
31 2027.

32 Arizona state hospital

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

37 Departmentwide

38 The department of health services shall electronically forward 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 a
42 monthly report comparing total expenditures for the month and year-to-date
43 as compared to prior-year totals on or before the thirtieth of the
44 following month. Each report shall include an estimate of potential
45 shortfalls in programs, potential federal and other monies, such as the

1 statewide assessment for indirect costs, that may be available to offset
 2 these shortfalls, and a plan, if necessary, for eliminating any shortfall
 3 without a supplemental appropriation.

4 Sec. 51. ARIZONA HISTORICAL SOCIETY

5		<u>2024-25</u>
6	FTE positions	50.9
7	Operating lump sum appropriation	\$ 2,420,900
8	Field services and grants	65,400
9	Papago park museum	<u>559,500</u>
10	Total appropriation – Arizona historical	
11	society	\$ 3,045,800
12	Fund sources:	
13	State general fund	\$ 3,045,800

14 Sec. 52. PRESCOTT HISTORICAL SOCIETY

15		<u>2024-25</u>
16	FTE positions	13.0
17	Lump sum appropriation	\$ 1,012,900
18	Fund sources:	
19	State general fund	\$ 1,012,900

20 Sec. 53. ARIZONA DEPARTMENT OF HOMELAND SECURITY

21		<u>2024-25</u>
22	FTE positions	20.0
23	Statewide information security	
24	and privacy operations and	
25	controls	\$ 11,094,400
26	Statewide cybersecurity grants	<u>10,000,000</u>
27	Total appropriation – Arizona department of	
28	homeland security	\$ 21,094,400
29	Fund sources:	
30	State general fund	\$ 10,000,000
31	Information technology fund	11,094,400

32 Of the amount appropriated for statewide cybersecurity grants, the
 33 Arizona department of homeland security may spend up to \$500,000 for grant
 34 administration.

35 Sec. 54. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS

36		<u>2024-25</u>
37	FTE positions	1.0
38	Lump sum appropriation	\$ 61,400
39	Fund sources:	
40	Board of homeopathic and	
41	integrated medicine	
42	examiners' fund	\$ 61,400

1	Sec. 55. ARIZONA DEPARTMENT OF HOUSING	
2		<u>2024-25</u>
3	FTE positions	3.0
4	Lump sum appropriation	\$ 371,100
5	Fund sources:	
6	Housing trust fund	\$ 371,100
7	Sec. 56. INDUSTRIAL COMMISSION OF ARIZONA	
8		<u>2024-25</u>
9	FTE positions	236.6
10	Operating lump sum appropriation	\$ 21,985,500
11	Municipal firefighter reimbursement	
12	administration	<u>84,700</u>
13	Total appropriation – industrial commission	
14	of Arizona	\$ 22,070,200
15	Fund sources:	
16	State general fund	\$ 84,700
17	Administrative fund	21,985,500

18 The legislature intends that the state general fund appropriation be
 19 used only for administrative costs of title 23, chapter 11, Arizona
 20 Revised Statutes, and that this appropriation does not convey any
 21 responsibility for firefighter cancer compensation and benefits claims to
 22 this state.

23	Sec. 57. DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS	
24		<u>2024-25</u>
25	FTE positions	156.4
26	Operating lump sum appropriation	\$ 12,644,600
27	Arizona vehicle theft task force	4,452,600
28	Automobile theft authority	
29	operating budget	698,700
30	Insurance fraud unit	1,849,800
31	Local grants	1,388,900
32	Reimbursable programs	<u>50,000</u>
33	Total appropriation – department of insurance	
34	and financial institutions	\$ 21,084,600
35	Fund sources:	
36	State general fund	\$ 8,298,500
37	Automobile theft authority fund	6,740,900
38	Financial services fund	5,994,900
39	Department revolving fund	50,300

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

1 Local grants shall be awarded with consideration given to areas with
 2 greater automobile theft problems and shall be used to combat economic
 3 automobile theft operations.

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

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

13 Sec. 58. ARIZONA JUDICIARY

	<u>2024-25</u>
14	
15	<u>Supreme court</u>
16	FTE positions 203.0
17	Operating lump sum appropriation \$ 18,167,200
18	Arizona trial and digital
19	evidence fund deposit 1,620,000
20	Automation 24,533,000
21	County reimbursements 187,900
22	Court appointed special advocate
23	and vulnerable persons 6,576,700
24	Courthouse security 750,000
25	Digital evidence software 280,000
26	Domestic relations 685,900
27	State foster care review board 3,504,900
28	Commission on judicial conduct 603,700
29	Judicial nominations and
30	performance review 608,500
31	Juvenile monetary sanctions
32	funding backfill 250,000
33	Model court 658,800
34	State aid <u>5,931,900</u>
35	Total appropriation – supreme court \$ 64,358,500
36	Fund sources:
37	State general fund \$ 29,683,400
38	Confidential intermediary and
39	fiduciary fund 682,800
40	Court appointed special advocate
41	fund 6,776,000
42	Criminal justice enhancement fund 4,691,900
43	Defensive driving school fund 4,464,000

1	Judicial collection enhancement	
2	fund	15,114,200
3	State aid to the courts fund	2,946,200

4 On or before September 1, 2024, the supreme court shall report to
5 the joint legislative budget committee and the governor's office of
6 strategic planning and budgeting on current and future automation projects
7 coordinated by the administrative office of the courts. The report shall
8 include a list of court automation projects that receive or are
9 anticipated to receive state monies in the current or next two fiscal
10 years as well as a description of each project, the number of FTE
11 positions, the entities involved and the goals and anticipated results for
12 each automation project. The report shall be submitted in one summary
13 document. The report shall indicate each project's total multiyear cost
14 by fund source and budget line item, including any prior-year, current
15 year and future year expenditures.

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

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

23 Of the \$187,900 appropriated for county reimbursements, state grand
24 jury is limited to \$97,900 and capital postconviction relief is limited to
25 \$90,000.

26 Court of appeals

27	FTE positions	162.8
28	Division one	\$ 16,212,600
29	Division two	<u>8,498,200</u>
30	Total appropriation – court of appeals	\$ 24,710,800

31 Fund sources:

32	State general fund	\$ 24,710,800
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33 Of the 162.8 FTE positions for fiscal year 2024-2025, 111.3 FTE
34 positions are for division one and 51.5 FTE positions are for division
35 two.

36 Superior court

37	FTE positions	240.5
38	Operating lump sum appropriation	\$ 5,609,600
39	Judges' compensation	29,913,900
40	Centralized service payments	4,696,900
41	Adult standard probation	22,297,500
42	Adult intensive probation	13,150,200
43	Community punishment	2,310,300
44	Court-ordered removals	315,000

1	Interstate compact	513,700
2	Drug court	1,096,400
3	General adjudication personnel	
4	and support fund deposit	2,000,000
5	Juvenile standard probation	3,781,800
6	Juvenile intensive probation	6,087,200
7	Juvenile treatment services	20,803,000
8	Juvenile family counseling	500,000
9	Juvenile crime reduction	3,313,100
10	Juvenile diversion consequences	9,088,500
11	Probation incentive payments	1,000,000
12	Special water master	<u>511,100</u>
13	Total appropriation – superior court	\$126,988,800
14	Fund sources:	
15	State general fund	\$114,973,100
16	Criminal justice enhancement fund	5,496,100
17	Drug treatment and education fund	504,200
18	Judicial collection enhancement	
19	fund	6,015,400

20 Operating budget

21 All expenditures made by the administrative office of the courts to
 22 administer superior court line items shall be funded only from the
 23 superior court operating budget. Monies in superior court line items
 24 intended for this purpose shall be transferred to the superior court
 25 operating budget before expenditure.

26 Judges

27 Of the 240.5 FTE positions, 182 FTE positions represent superior
 28 court judges. This FTE position clarification does not limit the
 29 counties' ability to add judges pursuant to section 12-121, Arizona
 30 Revised Statutes.

31 All monies in the judges' compensation line item shall be used to
 32 pay for fifty percent of superior court judges' salaries, elected
 33 officials' retirement plan costs and related state benefit costs for
 34 judges pursuant to section 12-128, Arizona Revised Statutes. Monies in
 35 the operating lump sum appropriation or other line items intended for this
 36 purpose shall be transferred to the judges' compensation line item before
 37 expenditure.

38 Probation

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

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

1 On or before November 1, 2024, the administrative office of the
2 courts shall report to the joint legislative budget committee and the
3 governor's office of strategic planning and budgeting the fiscal year
4 2023-2024 actual, fiscal year 2024-2025 estimated and fiscal year
5 2025-2026 requested amounts for each of the following:

6 1. On a county-by-county basis, the number of authorized and filled
7 case carrying probation positions and non-case carrying probation
8 positions, distinguishing between adult standard, adult intensive,
9 juvenile standard and juvenile intensive. The report shall indicate the
10 level of state probation funding, other state funding, county funding and
11 probation surcharge funding for those positions.

12 2. Total receipts and expenditures by county and fund source for
13 the adult standard, adult intensive, juvenile standard and juvenile
14 intensive probation line items, including the amount of personal services
15 spent from each revenue source of each account.

16 All centralized service payments made by the administrative office
17 of the courts on behalf of counties shall be funded only from the
18 centralized service payments line item. Centralized service payments
19 include only training, motor vehicle payments, CORP review board funding,
20 LEARN funding, research, operational reviews and GPS vendor payments.
21 This footnote does not apply to treatment or counseling services payments
22 made from the juvenile treatment services and juvenile diversion
23 consequences line items. Monies in the operating lump sum appropriation
24 or other line items intended for centralized service payments shall be
25 transferred to the centralized service payments line item before
26 expenditure.

27 All monies in the adult standard probation, adult intensive
28 probation, community punishment, interstate compact, juvenile standard
29 probation, juvenile intensive probation, juvenile treatment services,
30 juvenile diversion consequences, juvenile crime reduction and probation
31 incentive payments line items shall be used only as pass-through monies to
32 county probation departments. Monies in the operating lump sum
33 appropriation or other line items intended as pass-through for the purpose
34 of administering a county probation program shall be transferred to the
35 appropriate probation line item before expenditure.

36 On or before November 1, 2024, the administrative office of the
37 courts shall submit a report to the joint legislative budget committee on
38 the county-approved salary adjustments provided to probation officers
39 since the last report on November 1, 2023. The administrative office
40 shall also submit a copy of the report to the governor's office of
41 strategic planning and budgeting. The report shall include, for each
42 county, the:

- 1 1. Approved percentage salary increase by year.
- 2 2. Net increase in the amount allocated to each probation
- 3 department by the administrative office of the courts for each applicable
- 4 year.
- 5 3. Average number of probation officers by applicable year.
- 6 4. Average salary of probation officers for each applicable year.

7 Sec. 59. DEPARTMENT OF JUVENILE CORRECTIONS

	<u>2024-25</u>
8 FTE positions	738.5
9 Lump sum appropriation	\$ 44,496,700
10 Fund sources:	
11 State general fund	\$ 30,920,800
12 State charitable, penal and	
13 reformatory institutions	
14 land fund	4,875,100
15 Criminal justice enhancement fund	529,000
16 State education fund for committed	
17 youth	1,447,800
18 Department of juvenile corrections	
19 local cost sharing fund	6,724,000

20
21 Twenty-five percent of land earnings and interest from the state
22 charitable, penal and reformatory institutions land fund shall be
23 distributed to the department of juvenile corrections, in compliance with
24 section 25 of the enabling act and the Constitution of Arizona, to be used
25 to support state juvenile institutions and reformatories.

26 Sec. 60. STATE LAND DEPARTMENT

	<u>2024-25</u>
27 FTE positions	136.7
28 Operating lump sum appropriation	\$ 17,787,000
29 CAP user fees	1,521,500
30 Due diligence program	5,000,000
31 Natural resource conservation	
32 districts	<u>650,000</u>
33 Total appropriation – state land department	\$ 24,958,500
34 Fund sources:	
35 State general fund	\$ 12,404,000
36 Environmental special plate fund	260,600
37 Off-highway vehicle recreation	
38 fund	177,600
39 Due diligence fund	5,000,000
40 Trust land management fund	7,116,300

41
42 The appropriation includes \$1,521,500 for CAP user fees in fiscal
43 year 2024-2025. For fiscal year 2024-2025, from municipalities that
44 assume their allocation of central Arizona project water for every dollar
45 received as reimbursement to this state for past central Arizona water

1 conservation district payments, \$1 reverts to the state general fund in
 2 the year that the reimbursement is collected.

3 Of the amount appropriated for natural resource conservation
 4 districts in fiscal year 2024-2025, \$30,000 shall be used to provide
 5 grants to natural resource conservation districts environmental education
 6 centers.

7 Sec. 61. LEGISLATURE

8 2024-25

9 Senate

10 Lump sum appropriation \$ 18,374,500*

11 Fund sources:

12 State general fund \$ 18,374,500

13 Included in the lump sum appropriation of \$18,374,500 for fiscal
 14 year 2024-2025 is \$5,000 for the purchase of mementos and items for
 15 visiting officials.

16 House of representatives

17 Lump sum appropriation \$ 21,951,500*

18 Fund sources:

19 State general fund \$ 21,951,500

20 Included in the lump sum appropriation of \$21,951,500 for fiscal
 21 year 2024-2025 is \$5,000 for the purchase of mementos and items for
 22 visiting officials.

23 Legislative council

24 FTE positions 56.0

25 Lump sum appropriation \$ 9,507,700*

26 Fund sources:

27 State general fund \$ 9,507,700

28 Ombudsman-citizens aide office

29 FTE positions 12.0

30 Lump sum appropriation \$ 1,561,200*

31 Fund sources:

32 State general fund \$ 1,561,200

33 The legislature intends that the ombudsman-citizens aide prioritize
 34 investigating and processing complaints relating to the department of
 35 child safety.

36 The operating budget includes \$137,500 and 1 FTE position to address
 37 complaints relating to the administration of the Arizona empowerment
 38 scholarship account program established by section 15-2402, Arizona
 39 Revised Statutes.

40 Joint legislative budget committee

41 FTE positions 29.0

42 Lump sum appropriation \$ 3,122,700*

1 Fund sources:
 2 State general fund \$ 3,122,700
 3 Auditor general
 4 FTE positions 224.8
 5 Lump sum appropriation \$26,316,600*
 6 Fund sources:
 7 State general fund \$ 26,316,600
 8 Of the amount appropriated for the lump sum appropriation, the
 9 auditor general shall use \$3,300,000 for additional agency performance
 10 audits and school district audits.
 11 Sec. 62. DEPARTMENT OF LIQUOR LICENSES AND CONTROL
 12 2024-25
 13 FTE positions 58.2
 14 Lump sum appropriation \$ 6,150,900
 15 Fund sources:
 16 Liquor licenses fund \$ 6,150,900
 17 Sec. 63. ARIZONA STATE LOTTERY COMMISSION
 18 2024-25
 19 FTE positions 98.8
 20 Operating lump sum appropriation \$ 10,195,400
 21 Advertising 15,500,000
 22 Total appropriation – Arizona state
 23 lottery commission \$ 25,695,400
 24 Fund sources:
 25 State lottery fund \$ 25,695,400
 26 An amount equal to twenty percent of tab ticket sales is
 27 appropriated to pay sales commissions to charitable organizations. This
 28 amount is currently estimated to be \$1,994,900 in fiscal year 2024-2025.
 29 An amount equal to 3.6 percent of actual instant ticket sales is
 30 appropriated to print instant tickets or to pay contractual obligations
 31 concerning instant ticket distribution. This amount is currently
 32 estimated to be \$42,399,600 in fiscal year 2024-2025.
 33 An amount equal to a percentage of actual online game sales as
 34 determined by contract is appropriated to pay online vendor fees. This
 35 amount is currently estimated to be \$20,729,900, or 4.256 percent of
 36 actual online ticket sales, in fiscal year 2024-2025.
 37 An amount equal to 6.5 percent of gross lottery game sales, minus
 38 charitable tab tickets, is appropriated to pay sales commissions to ticket
 39 retailers. An additional amount not to exceed 0.5 percent of gross
 40 lottery game sales is appropriated to pay sales commissions to ticket
 41 retailers. The combined amount is currently estimated to be \$110,876,200,
 42 or 6.7 percent of total ticket sales, in fiscal year 2024-2025.

1	Sec. 64.	BOARD OF MASSAGE THERAPY	
2			<u>2024-25</u>
3		FTE positions	5.0
4		Lump sum appropriation	\$ 599,000
5		Fund sources:	
6		Board of massage therapy fund	\$ 599,000
7	Sec. 65.	ARIZONA MEDICAL BOARD	
8			<u>2024-25</u>
9		FTE positions	63.5
10		Operating lump sum appropriation	\$ 8,195,400
11		Employee performance incentive	
12		program	<u>165,600</u>
13	Total appropriation – Arizona medical		
14	board		\$ 8,361,000
15		Fund sources:	
16		Arizona medical board fund	\$ 8,361,000
17	Sec. 66.	STATE MINE INSPECTOR	
18			<u>2024-25</u>
19		FTE positions	22.0
20		Operating lump sum appropriation	\$ 1,484,500
21		Abandoned mines	825,400
22		Aggregate mining land reclamation	<u>112,900</u>
23	Total appropriation – state mine inspector		\$ 2,422,800
24		Fund sources:	
25		State general fund	\$ 2,309,900
26		Aggregate mining reclamation fund	112,900
27	All aggregate mining reclamation fund monies received by the state		
28	mine inspector in excess of \$112,900 in fiscal year 2024-2025 are		
29	appropriated to the aggregate mining land reclamation line item. Before		
30	spending any aggregate mining reclamation fund monies in excess of		
31	\$112,900 in fiscal year 2024-2025, the state mine inspector shall report		
32	the intended use of the monies to the joint legislative budget committee		
33	and the governor's office of strategic planning and budgeting.		
34	Sec. 67.	NATUROPATHIC PHYSICIANS MEDICAL BOARD	
35			<u>2024-25</u>
36		FTE positions	2.0
37		Lump sum appropriation	\$ 217,700
38		Fund sources:	
39		Naturopathic physicians medical	
40		board fund	\$ 217,700

1	Sec. 68.	ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION	
2			<u>2024-25</u>
3		FTE positions	2.0
4		Lump sum appropriation	\$ 344,000
5		Fund sources:	
6		State general fund	\$ 144,000
7		Arizona water banking fund	200,000
8	Sec. 69.	ARIZONA STATE BOARD OF NURSING	
9			<u>2024-25</u>
10		FTE positions	63.0
11		Operating lump sum appropriation	\$ 6,411,500
12		Certified nursing assistant	
13		credentiaing program	<u>538,400</u>
14	Total appropriation – Arizona state		
15	board of nursing		\$ 6,949,900
16	Fund sources:		
17	Board of nursing fund		6,949,900
18	The amount appropriated for the student registered nurse anesthetist		
19	clinical rotation line item in fiscal year 2023-2024 pursuant to Laws		
20	2023, chapter 133, section 63 is exempt from the provisions of section		
21	35-190, Arizona Revised Statutes, relating to lapsing of appropriations,		
22	until June 30, 2025.		
23	Sec. 70.	BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS	
24		AND ASSISTED LIVING FACILITY MANAGERS	
25			<u>2024-25</u>
26		FTE positions	7.0
27		Lump sum appropriation	\$ 604,900
28		Fund sources:	
29		Nursing care institution	
30		administrators' licensing and	
31		assisted living facility	
32		managers' certification fund	\$ 604,900
33	Sec. 71.	BOARD OF OCCUPATIONAL THERAPY EXAMINERS	
34			<u>2024-25</u>
35		FTE positions	2.0
36		Lump sum appropriation	\$ 303,000
37		Fund sources:	
38		Occupational therapy fund	\$ 303,000
39	Sec. 72.	STATE BOARD OF DISPENSING OPTICIANS	
40			<u>2024-25</u>
41		FTE positions	1.0
42		Lump sum appropriation	\$ 198,200
43		Fund sources:	
44		Board of dispensing opticians fund	\$ 198,200

1	Sec. 73. STATE BOARD OF OPTOMETRY		
2			<u>2024-25</u>
3	FTE positions		2.0
4	Lump sum appropriation	\$	289,200
5	Fund sources:		
6	Board of optometry fund	\$	289,200
7	Sec. 74. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY		
8			<u>2024-25</u>
9	FTE positions		10.0
10	Lump sum appropriation	\$	1,394,300
11	Fund sources:		
12	Arizona board of osteopathic		
13	examiners in medicine		
14	and surgery fund	\$	1,394,300
15	Sec. 75. ARIZONA STATE PARKS BOARD		
16			<u>2024-25</u>
17	FTE positions		167.0
18	Operating lump sum appropriation	\$	18,140,100
19	State parks store		1,513,100
20	Kartchner caverns state park		2,458,400
21	Veterans memorial park feasibility		
22	study		<u>500,000</u>
23	Total appropriation – Arizona state parks		
24	board	\$	22,611,600
25	Fund sources:		
26	State parks revenue fund	\$	21,081,800
27	State parks store fund		1,513,100
28	Off-highway vehicle recreation fund		16,700
29			
30	In addition to the operating lump sum appropriation, an amount equal		
31	to the revenue share agreement with the United States forest service for		
32	Fool Hollow Lake recreation area and Catalina state park is appropriated		
33	to the Arizona state parks board from the state parks revenue fund		
34	established by section 41-511.21, Arizona Revised Statutes.		
35	Sec. 76. STATE PERSONNEL BOARD		
36			<u>2024-25</u>
37	FTE positions		2.0
38	Lump sum appropriation	\$	361,100
39	Fund sources:		
40	Personnel division fund –		
41	personnel board subaccount	\$	361,100

1	Sec. 77. ARIZONA STATE BOARD OF PHARMACY	
2		<u>2024-25</u>
3	FTE positions	25.4
4	Operating lump sum appropriation	\$ 3,476,700
5	Prescriber report card	50,000
6	Annual leave payout	<u>64,600*</u>
7	Total appropriation – Arizona state	
8	board of pharmacy	\$ 3,591,300
9	Fund sources:	
10	Arizona state board of pharmacy	
11	fund	\$ 3,591,300
12	Of the amount appropriated in the operating lump sum appropriation	
13	in fiscal year 2022-2023 to the Arizona state board of pharmacy pursuant	
14	to Laws 2022, chapter 313, section 71, \$190,500 is exempt from the	
15	provisions of section 35-190, Arizona Revised Statutes, relating to the	
16	lapsing of appropriations, until June 30, 2025, for the purposes of e-	
17	licensing system upgrades.	
18	Sec. 78. BOARD OF PHYSICAL THERAPY	
19		<u>2024-25</u>
20	FTE positions	4.0
21	Lump sum appropriation	\$ 591,500
22	Fund sources:	
23	Board of physical therapy fund	\$ 591,500
24	Sec. 79. ARIZONA PIONEERS' HOME	
25		<u>2024-25</u>
26	FTE positions	107.3
27	Lump sum appropriation	\$ 8,380,200
28	Fund sources:	
29	Miners' hospital for miners with	
30	disabilities land fund	\$ 2,301,300
31	State charitable fund	6,078,900
32	Earnings on state lands and interest on the investment of the	
33	permanent land funds are appropriated for the Arizona pioneers' home and	
34	the state hospital for miners with disabilities in compliance with the	
35	enabling act and the Constitution of Arizona.	
36	Sec. 80. STATE BOARD OF PODIATRY EXAMINERS	
37		<u>2024-25</u>
38	FTE positions	1.0
39	Lump sum appropriation	\$ 202,500
40	Fund sources:	
41	Podiatry fund	\$ 202,500

1	Sec. 81.	STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION	
2			<u>2024-25</u>
3		FTE positions	4.0
4		Lump sum appropriation	\$ 448,100
5		Fund sources:	
6		Board for private postsecondary	
7		education fund	\$ 448,100
8	Sec. 82.	STATE BOARD OF PSYCHOLOGIST EXAMINERS	
9			<u>2024-25</u>
10		FTE positions	4.5
11		Lump sum appropriation	\$ 640,000
12		Fund sources:	
13		Board of psychologist examiners	
14		fund	\$ 640,000
15	Sec. 83.	DEPARTMENT OF PUBLIC SAFETY	
16			<u>2024-25</u>
17		FTE positions	2,167.7
18		Operating lump sum appropriation	\$271,399,700
19		ACTIC	2,132,700
20		AZPOST	6,100,000
21		Border drug interdiction	1,850,900
22		Local border support	5,000,000
23		Civil air patrol maintenance and	
24		operations	144,000
25		Department of public safety	
26		crime lab assistance	200,000
27		GIITEM	24,514,300
28		GIITEM subaccount	2,396,400
29		Major incident division	15,500,000*
30		Motor vehicle fuel	5,454,600
31		Pharmaceutical diversion and	
32		drug theft task force	635,300
33		Public safety equipment	<u>3,660,000</u>
34	Total appropriation – department of public		
35	safety		\$338,987,900
36		Fund sources:	
37		State general fund	\$262,246,500
38		State highway fund	10,000,000
39		Arizona highway patrol fund	24,096,500
40		Criminal justice enhancement fund	3,009,000
41		Department of public safety	
42		forensics fund	22,888,300

1	Gang and immigration intelligence	
2	team enforcement mission border	
3	security and law enforcement	
4	subaccount	2,396,400
5	Motorcycle safety fund	198,900
6	Motor vehicle liability insurance	
7	enforcement fund	979,400
8	Risk management revolving fund	1,102,500
9	Parity compensation fund	3,022,200
10	Public safety equipment fund	3,664,000
11	Concealed weapons permit fund	3,348,100
12	Fingerprint clearance card fund	2,036,100

13 Of the \$24,514,300 appropriated to the GIITEM line item, \$12,660,400
14 shall be used for one hundred department of public safety GIITEM
15 personnel. The additional staff shall include at least fifty sworn
16 department of public safety positions to be used for immigration
17 enforcement and border security and fifty department of public safety
18 positions to assist GIITEM in various efforts, including:

- 19 1. Strictly enforcing all federal laws relating to illegal aliens
20 and arresting illegal aliens.
- 21 2. Responding to or assisting any county sheriff or attorney in
22 investigating complaints of employment of illegal aliens.
- 23 3. Enforcing Arizona's law known as the Legal Arizona Workers Act,
24 strictly enforcing Arizona's SB 1070, Arizona's "Support Our Law
25 Enforcement and Safe Neighborhoods Act" and investigating crimes of
26 identity theft in the context of hiring illegal aliens and the unlawful
27 entry into this country.
- 28 4. Taking strict enforcement action.

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

34 Of the \$24,514,300 appropriated to the GIITEM line item, only
35 \$1,203,400 is deposited in the GIITEM fund established by section 41-1724,
36 Arizona Revised Statutes, and is appropriated for the purposes of that
37 section. The \$1,203,400 is exempt from the provisions of section 35-190,
38 Arizona Revised Statutes, relating to lapsing of appropriations. This
39 state recognizes that states have inherent authority to arrest a person
40 for any immigration violation.

41 Any monies remaining in the department of public safety joint
42 account on June 30, 2025 revert to the funds from which they were
43 appropriated. The reverted monies shall be returned in direct proportion
44 to the amounts appropriated.

1 On or before September 1, 2024, the department of public safety
 2 shall submit an expenditure plan for the local border support line item to
 3 the joint legislative budget committee and the governor's office of
 4 strategic planning and budgeting.

5 The \$5,000,000 appropriated for the local border support line item
 6 shall be used to fund local law enforcement officer positions for border
 7 drug interdiction to deter and apprehend any individuals who are charged
 8 with drug trafficking, human smuggling, illegal immigration and other
 9 border-related crimes. The monies shall also be used for grants to
 10 cities, towns and counties for costs associated with prosecuting and
 11 detaining individuals who are charged with drug trafficking, human
 12 smuggling, illegal immigration and other border-related crimes. The
 13 department may fund all capital-related equipment.

14 Of the amount appropriated in the total appropriation for the
 15 department of public safety, \$180,608,800 is designated for personal
 16 services and \$72,235,200 is designated for employee-related expenditures.
 17 The department shall submit an expenditure plan to the joint legislative
 18 budget committee for review before spending these monies for other than
 19 personal services or employee-related expenditures.

20 Sec. 84. STATE REAL ESTATE DEPARTMENT

	<u>2024-25</u>
FTE positions	37.0
Lump sum appropriation	\$ 3,198,000
Fund sources:	
State general fund	\$ 3,198,000
The lump sum appropriation for the state real estate department 27 includes \$400,000 for information technology improvements.	

28 Sec. 85. RESIDENTIAL UTILITY CONSUMER OFFICE

	<u>2024-25</u>
FTE positions	12.0
Operating lump sum appropriation	\$ 1,447,200
Professional witnesses	<u>145,000*</u>
Total appropriation – residential utility 34 consumer office	\$ 1,592,200
Fund sources:	
Residential utility consumer 37 office revolving fund	\$ 1,592,200

38 Sec. 86. BOARD OF RESPIRATORY CARE EXAMINERS

	<u>2024-25</u>
FTE positions	4.0
Lump sum appropriation	\$ 421,400
Fund sources:	
Board of respiratory care 44 examiners fund	\$ 421,400

1	Sec. 87. ARIZONA STATE RETIREMENT SYSTEM	
2		<u>2024-25</u>
3	FTE positions	240.9
4	Lump sum appropriation	\$ 28,513,000
5	Fund sources:	
6	Arizona state retirement system	
7	administration account	26,713,000
8	Long-term disability trust fund	
9	administration account	1,800,000
10	Sec. 88. DEPARTMENT OF REVENUE	
11		<u>2024-25</u>
12	FTE positions	892.8
13	Operating lump sum appropriation	\$ 76,294,800
14	BRITS operational support	7,897,200
15	E-commerce compliance and outreach	936,400
16	Unclaimed property administration	
17	and audit	1,473,900
18	TPT simplification	1,033,400
19	Tax fraud prevention	<u>3,155,300</u>
20	Total appropriation – department of revenue	\$ 90,791,000
21	Fund sources:	
22	State general fund	\$ 60,587,600
23	Department of revenue	
24	administrative fund	27,390,900
25	Liability setoff program	
26	revolving fund	2,087,900
27	Tobacco tax and health care fund	724,600

28 If the total value of properties retained by unclaimed property
 29 contract auditors exceeds \$1,473,900, the excess amount is transferred
 30 from the state general fund to the department of revenue administrative
 31 fund established by section 42-1116.01, Arizona Revised Statutes, and is
 32 appropriated to the department for contract auditor fees.

33 The department shall report the department's general fund revenue
 34 enforcement goals for fiscal year 2024-2025 to the joint legislative
 35 budget committee on or before September 30, 2024. On or before September
 36 30, 2025, the department shall provide an annual progress report to the
 37 joint legislative budget committee as to the effectiveness of the
 38 department's overall enforcement and collections program for fiscal year
 39 2024-2025. The reports shall compare projected and actual state general
 40 fund, total state tax, total county tax and total municipal tax revenue
 41 enforcement collections for fiscal year 2023-2024 and fiscal year
 42 2024-2025, including the amount of projected and actual enforcement
 43 collections for all tax types. The reports shall also include the total
 44 number of transaction privilege tax delinquent accounts, the total dollar
 45 value of those accounts classified by age of account and the total dollar

1 amount of delinquent account write-offs determined to be uncollectible for
 2 fiscal year 2023-2024.

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

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

8 On or before November 1, 2024, the department shall report the
 9 results of private fraud prevention investigation services during fiscal
 10 year 2023-2024 to the joint legislative budget committee. The report
 11 shall include the total number of fraudulent returns prevented and the
 12 total dollar amount of fraudulent returns prevented during fiscal year
 13 2023-2024.

14 Sec. 89. DEPARTMENT OF STATE – SECRETARY OF STATE

	<u>2024-25</u>
15 FTE positions	146.1
16 Operating lump sum appropriation	\$ 15,000,400
17 Access voter information database	483,500
18 Election services	7,900,000
19 Electronic records repository	520,000
20 Library grants-in-aid	651,400*
21 Statewide radio reading service	
22 for the blind	97,000
23 Uniform state laws commission	<u>99,000</u>
24 Total appropriation – department of	
25 state – secretary of state	\$ 24,751,300
26 Fund sources:	
27 State general fund	\$ 22,325,700
28 Election systems improvement fund	483,500
29 Records services fund	1,942,100

31 Included in the operating lump sum appropriation of \$15,000,400 for
 32 fiscal year 2024-2025 is \$5,000 for the purchase of mementos and items for
 33 visiting officials.

34 Included in the operating lump sum appropriation of \$15,000,400 for
 35 fiscal year 2024-2025 is \$1,492,100 from the records services fund. This
 36 appropriation may be used for the payment of obligations incurred in
 37 fiscal year 2023-2024.

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

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

42 The operating lump sum appropriation includes \$100,000 for
 43 additional support for secretary of state legal expenses. The secretary
 44 of state may spend these monies for legal services from the attorney
 45 general, to hire one FTE position to serve as legal advisor to the

1 secretary of state or for legal expenses for conflict counsel. The
 2 secretary of state may make expenditures or incur indebtedness to employ
 3 outside or private attorneys if all of the following are true:

- 4 1. The secretary of state is named as a defendant.
- 5 2. The secretary of state believes a conflict exists that prevents
 6 the attorney general from representing the secretary of state.
- 7 3. The secretary of state either remains a nominal party or is
 8 defending the constitutionality of a law or referendum enacted by the
 9 legislature.

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

13 The secretary of state may use up to \$250,000 of the monies
 14 appropriated in the election services line item for the direct costs of
 15 the secretary of state related to the 2024 primary and general elections.

16 On or before January 31, 2025, the secretary of state shall submit a
 17 report to the joint legislative budget committee and the governor's office
 18 of strategic planning and budgeting detailing the actual expenditures from
 19 the election services line item for the 2024 primary election and 2024
 20 general election. The report shall include, at a minimum, the actual
 21 expenditures by purpose including costs associated with logic and accuracy
 22 testing, the statewide election publicity pamphlet, initiative and
 23 referendum processing, petition signature reimbursements and sample ballot
 24 requirements.

25 Monies in the access voter information database line item may be
 26 used only for the exclusive purpose of developing and administering the
 27 statewide database of voter registration information required by section
 28 16-168, Arizona Revised Statutes. The secretary of state may not transfer
 29 any monies in or out of the access voter information database line item.

30 The appropriation of \$5,352,200 to the secretary of state for the
 31 county allocation of help America vote act election security grant monies
 32 made by Laws 2020, chapter 58, section 104 is exempt from the provisions
 33 of section 35-190, Arizona Revised Statutes, relating to lapsing of
 34 appropriations, until June 30, 2025. The monies that remain unexpended
 35 and unencumbered on June 30, 2025 revert to the fund from which the monies
 36 were appropriated.

37 Sec. 90. STATE BOARD OF TAX APPEALS

	<u>2024-25</u>
38	
39	4.0
40	\$ 327,400
41	Fund sources:
42	\$ 327,400
	State general fund

1	Sec. 91. STATE BOARD OF TECHNICAL REGISTRATION	
2		<u>2024-25</u>
3	FTE positions	25.0
4	Lump sum appropriation	\$ 2,605,000
5	Fund sources:	
6	Technical registration fund	\$ 2,605,000
7	Of the amount appropriated in the agency lump sum appropriation in	
8	fiscal year 2022-2023 to the state board of technical registration	
9	pursuant to Laws 2022, chapter 313, section 85, \$167,700 is exempt from	
10	the provisions of section 35-190, Arizona Revised Statutes, relating to	
11	the lapsing of appropriations, until June 30, 2025, for the purposes of	
12	e-licensing system upgrades.	
13	Sec. 92. OFFICE OF TOURISM	
14		<u>2024-25</u>
15	FTE positions	31.0
16	Tourism fund deposit	\$ 7,426,200
17	Arizona promotion	819,000
18	Wine promotion	<u>100,000</u>
19	Total appropriation – office of tourism	\$ 8,345,200
20	Fund sources:	
21	State general fund	\$ 8,345,200
22	Sec. 93. DEPARTMENT OF TRANSPORTATION	
23		<u>2024-25</u>
24	FTE positions	4,571.0
25	Operating lump sum appropriation	\$251,853,100
26	Attorney general legal services	3,623,700
27	Highway maintenance	163,242,200
28	ADOT fleet vehicles and heavy	
29	equipment maintenance	26,219,300
30	ADOT fleet vehicles and heavy	
31	equipment maintenance contingency	1,000,000
32	State fleet operations	29,149,000
33	State fleet vehicle replacement	11,370,000
34	Driver safety and livestock control	800,000
35	ADOT fleet vehicle and heavy	
36	equipment replacement	22,400,000
37	Highway damage recovery account	8,000,800
38	Statewide litter removal	3,106,800
39	Construction management system	
40	replacement	1,885,000
41	Onetime fleet fuel inflation	
42	funding	3,297,900

1	Radio lifecycle replacement	1,656,100
2	Preventive surface treatments	36,142,000
3	Authorized third parties	<u>2,194,000</u>
4	Total appropriation – department of	
5	transportation	\$565,939,900
6	Fund sources:	
7	Air quality fund	\$ 1,077,700
8	Arizona highway user revenue fund	898,600
9	Highway damage recovery account	8,000,800
10	Ignition interlock device fund	360,700
11	Motor vehicle liability	
12	insurance enforcement fund	1,582,300
13	State fleet operations fund	29,149,000
14	State vehicle replacement fund	11,370,000
15	State aviation fund	2,267,700
16	State highway fund	482,367,200
17	Department fleet operations fund	27,219,300
18	Vehicle inspection and certificate	
19	of title enforcement fund	1,646,600

20 Motor vehicle division

21 The department of transportation shall submit an annual report to
 22 the joint legislative budget committee on progress in improving motor
 23 vehicle division wait times and vehicle registration renewal by mail
 24 turnaround times in a format similar to prior years. The report is due on
 25 or before July 31, 2025 for fiscal year 2024-2025.

26 On or before February 1, 2025, the Arizona strategic enterprise
 27 technology office shall submit, on behalf of the department of
 28 transportation, an annual progress report to the joint legislative budget
 29 committee staff. The annual report shall provide updated plans for
 30 spending the department-dedicated portion of the authorized third-party
 31 electronic service partner's fee retention on the motor vehicle
 32 modernization project in fiscal year 2024-2025, including any amounts for
 33 stabilization, maintenance, ongoing operations, support and enhancements
 34 for the motor vehicle modernization solution, maintenance of legacy
 35 mainframe processing and support capability, and other system projects
 36 outside the scope of the motor vehicle modernization project.

37 On or before August 1, 2024, the department of transportation shall
 38 report to the director of the joint legislative budget committee the
 39 state's share of fees retained by the service Arizona vendor in the prior
 40 fiscal year. The report shall include the amount spent by the service
 41 Arizona vendor on behalf of this state in the prior fiscal year and a list
 42 of the projects funded with those monies.

43 Other

44 Of the total amount appropriated, \$163,242,200 in fiscal year
 45 2024-2025 for highway maintenance is exempt from the provisions of section

1 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
 2 except that all unexpended and unencumbered monies of the appropriation
 3 revert to the state highway fund established by section 28-6991, Arizona
 4 Revised Statutes, on August 31, 2025.

5 The amount appropriated to the preventive surface treatments line
 6 item is exempt from the provisions of section 35-190, Arizona Revised
 7 Statutes, relating to lapsing of appropriations, except that all
 8 unexpended and unencumbered monies of the appropriation revert to the
 9 state highway fund established by section 28-6991, Arizona Revised
 10 Statutes, on August 31, 2025.

11 Of the total amount appropriated, the department of transportation
 12 shall pay \$15,981,300 in fiscal year 2024-2025 from all funds to the
 13 department of administration for its risk management payment.

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

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

26 Expenditures made by the department of transportation for ADOT fleet
 27 vehicle and heavy equipment replacement shall be funded only from the ADOT
 28 fleet vehicle and heavy equipment replacement line item. Monies in the
 29 operating lump sum appropriation or other line items intended for this
 30 purpose shall be transferred to the ADOT fleet vehicle and heavy equipment
 31 replacement line item before expenditure.

32 The amount appropriated in the operating lump sum includes a
 33 \$3,000,000 reduction below the fiscal year 2023-2024 level from the state
 34 highway fund established by section 28-6991, Arizona Revised Statutes, in
 35 fiscal year 2024-2025 from the department's enforcement and compliance
 36 division.

37 Sec. 94. STATE TREASURER

	<u>2024-25</u>
38	
39	38.4
40	FTE positions
41	Operating lump sum appropriation \$ 4,644,800
42	Justice of the peace salaries 2,318,200
43	Law enforcement/boating safety
44	fund grants <u>2,183,800</u>
	Total appropriation – state treasurer \$ 9,146,800

1 Fund sources:
 2 State general fund \$ 2,660,800
 3 Law enforcement and boating
 4 safety fund 2,183,800
 5 State treasurer's operating fund 4,302,200
 6 On or before June 30, 2025, the state treasurer shall report to the
 7 joint legislative budget committee staff on the state treasurer's current
 8 fiscal year and estimated next fiscal year expenditures of interest
 9 earnings spent pursuant to sections 35-315 and 35-318, Arizona Revised
 10 Statutes, for the state treasurer's banking service contract, external
 11 investment management agreement, administrative and information technology
 12 costs and any other costs.
 13 Sec. 95. GOVERNOR'S OFFICE ON TRIBAL RELATIONS
 14 2024-25
 15 FTE positions 3.0
 16 Lump sum appropriation \$ 68,800
 17 Fund sources:
 18 State general fund \$ 68,800
 19 Sec. 96. ARIZONA BOARD OF REGENTS
 20 2024-25
 21 FTE positions 30.9
 22 Operating lump sum appropriation \$ 3,165,600
 23 Adaptive athletics 160,000
 24 Arizona promise program 20,000,000
 25 Spouses of military veterans
 26 tuition scholarships 10,000,000
 27 Arizona teachers academy 15,000,000
 28 Arizona teachers incentive program 90,000
 29 Arizona teacher student loan program 426,000
 30 Arizona transfer articulation
 31 support system 213,700
 32 Leveraging educational assistance
 33 partnership program 1,220,800
 34 Washington, D.C. internships 300,000*
 35 Western interstate commission
 36 office 153,000
 37 WICHE student subsidies 4,078,000
 38 Total appropriation – Arizona board of
 39 regents \$ 54,807,100
 40 Fund sources:
 41 State general fund \$ 54,807,100
 42 The Arizona board of regents shall distribute monies appropriated
 43 for the adaptive athletics line item to each university under the
 44 jurisdiction of the board to maintain and operate an intercollegiate
 45 adaptive athletics program that provides opportunities for competitive

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

10 On or before October 1, 2025, the Arizona board of regents shall
11 submit a report to the director of the joint legislative budget committee
12 and the director of the governor's office of strategic planning and
13 budgeting on the Arizona promise program that includes all of the
14 following for fiscal year 2024-2025:

15 1. The total number of students receiving promise scholarships by
16 each eligible postsecondary institution.

17 2. The total number of students enrolled at each eligible
18 postsecondary institution that are eligible to receive federal pell
19 grants.

20 3. A list of the programs of study in which promise scholarship
21 recipients are enrolled, including the number of recipients enrolled in
22 each program.

23 4. The average promise scholarship award amount for each eligible
24 postsecondary institution.

25 5. A geographic representation of promise scholarship recipients
26 based on the high school attended.

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

29 On or before October 1, 2025, the Arizona board of regents shall
30 submit a report to the director of the joint legislative budget committee
31 and the director of the governor's office of strategic planning and
32 budgeting on spouses of military veterans tuition scholarships that
33 includes all of the following for fiscal year 2024-2025:

34 1. The amount distributed to each eligible postsecondary
35 institution.

36 2. The total number of award recipients by each eligible
37 postsecondary institution.

38 3. The average award amount for each eligible postsecondary
39 institution.

40 In order to be eligible to receive state matching monies under the
41 leveraging educational assistance partnership program for grants to
42 students, each participating institution, public or private, shall provide
43 an amount of institutional matching monies that equals the amount of
44 monies provided by this state to the institution for the leveraging
45 educational assistance partnership program. Administrative expenses

1 incurred by the Arizona board of regents shall be paid from institutional
 2 matching monies and may not exceed twelve percent of the monies
 3 appropriated in fiscal year 2024-2025.

4 The Arizona board of regents shall distribute monies appropriated
 5 for Washington, D.C. internships for program fees and housing costs in
 6 equal amounts to each of the three universities under the jurisdiction of
 7 the board for the purpose of providing student internships and short-term
 8 programs in Washington, D.C. in partnership with a third-party
 9 organization. Short-term programs include one-week seminars and learning
 10 opportunities shorter than one academic semester. The third-party
 11 organization must meet the following requirements:

12 1. Have partnerships with Washington, D.C.-based organizations to
 13 provide full-time, semester-long student internships and short-term
 14 programs.

15 2. Have the ability to place as many students in internships and
 16 short-term programs as needed by the universities.

17 3. Have experience placing students in internships for at least ten
 18 consecutive years.

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

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

33 Sec. 97. ARIZONA STATE UNIVERSITY

	<u>2024-25</u>
FTE positions	8,285.7
Operating lump sum appropriation	\$1,088,402,400
Biomedical informatics	3,746,100
Eastern Europe cultural collaborative	250,000
Arizona financial aid trust	5,985,800
Downtown Phoenix campus	<u>133,816,600</u>
Total appropriation – Arizona state	
university	\$1,232,200,900
Fund sources:	
State general fund	\$ 377,793,800
University collections fund	854,407,100

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

12 Of the amount appropriated to the Arizona state university operating
13 budget, \$21,200,000 is onetime funding. On or before September 1, 2024,
14 Arizona state university shall provide a detailed expenditure plan to the
15 joint legislative budget committee that includes a description of the
16 intended purposes and the estimated costs of each expenditure.

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

21 Any appropriated monies allocated by the university for the school
22 of civic and economic thought and leadership shall be used to operate a
23 single stand-alone academic entity within Arizona state university. The
24 appropriated monies may not supplant any existing state funding or private
25 or external donations to the existing centers or to the school. The
26 appropriated monies and all private and external donations for the school,
27 including any remaining balances from prior fiscal years, shall be
28 deposited in a separate account, shall be used only for the direct
29 operation of the school and may not be used for indirect costs of the
30 university. On or before October 1, 2024, the school shall submit a
31 report to the president of the senate, the speaker of the house of
32 representatives, the chairpersons of the senate education committee and
33 the house of representatives education committee and the director of the
34 joint legislative budget committee that includes at least the following
35 information for the school:

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

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

44 The legislature intends that appropriated monies allocated by the
45 university for the school of civic and economic thought and leadership in

1 fiscal year 2024-2025 be consistent with the amount appropriated in fiscal
 2 year 2022-2023, except that the university may allocate to the school the
 3 lump sum reduction of not more than 3.45 percent prescribed by this act.

4 Any unencumbered balances remaining in the university collections
 5 fund on June 30, 2024 and all collections received by the university
 6 during the fiscal year are appropriated for operating expenditures,
 7 capital outlay and fixed charges. Earnings on state lands and interest on
 8 the investment of the permanent land funds are appropriated in compliance
 9 with the enabling act and the Constitution of Arizona. No part of this
 10 appropriation may be spent for supplemental life insurance or supplemental
 11 retirement.

12 Sec. 98. NORTHERN ARIZONA UNIVERSITY

	<u>2024-25</u>
13 FTE positions	2,480.4
14 Operating lump sum appropriation	\$253,296,400
15 Arizona financial aid trust	1,326,000
16 Biomedical research funding	3,000,000
17 NAU – Yuma	3,084,600
18 Teacher training	<u>2,292,700</u>
19 Total appropriation – Northern Arizona	
20 university	\$262,999,700
21 Fund sources:	
22 State general fund	\$127,680,100
23 University collections fund	135,319,600

24 The state general fund appropriation may not be used for alumni
 25 association funding.

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

28 Other than scholarships awarded through the Arizona financial aid
 29 trust, the appropriated monies may not be used for scholarships or any
 30 student newspaper.

31 Of the amount appropriated to the northern Arizona university
 32 operating budget, \$10,100,000 is onetime funding. On or before September
 33 1, 2024, northern Arizona university shall provide a detailed expenditure
 34 plan to the joint legislative budget committee that includes a description
 35 of the intended purposes and the estimated costs of each expenditure.

36 The appropriated amount for the teacher training line item shall be
 37 distributed to the Arizona K-12 center for program implementation and
 38 mentor training for the Arizona mentor teacher program prescribed by the
 39 state board of education.

40 Any unencumbered balances remaining in the university collections
 41 fund on June 30, 2024 and all collections received by the university
 42 during the fiscal year are appropriated for operating expenditures,
 43 capital outlay and fixed charges. Earnings on state lands and interest on
 44 the investment of the permanent land funds are appropriated in compliance
 45

1 with the enabling act and the Constitution of Arizona. No part of this
2 appropriation may be spent for supplemental life insurance or supplemental
3 retirement.

4 The biomedical research funding shall be distributed to a nonprofit
5 medical research foundation in this state that collaborates with
6 universities, hospitals and biotechnology and health research centers. A
7 nonprofit foundation that receives monies shall submit an expenditure and
8 performance report to northern Arizona university. The university shall
9 transmit the report to the joint legislative budget committee and the
10 director of the governor's office of strategic planning and budgeting on
11 or before February 1, 2025. The report must include at least the
12 following:

13 1. The type and amount of expenditures from all state sources of
14 monies, including the amount leveraged for local, state, federal and
15 private grants.

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

19 3. Performance measures, including:

20 (a) Outcomes that are specifically related to the use of state
21 monies.

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

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

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

28 Any appropriated monies allocated by the university for the economic
29 policy institute may not supplant any existing state funding or private or
30 external donations to the institute or to the university. The
31 appropriated monies and all private and external donations for the
32 institute, including any remaining balances from prior fiscal years, shall
33 be deposited in a separate account, shall be used only for the direct
34 operation of the institute and may not be used for indirect costs of the
35 university. On or before October 1, 2024, the institute shall submit to
36 the president of the senate, the speaker of the house of representatives,
37 the chairpersons of the senate education committee and the house of
38 representatives education committee and the director of the joint
39 legislative budget committee a report that includes at least the following
40 information for the institute:

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

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

43 3. The total undergraduate and graduate student participation.

44 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
 3 institute to appear before the committees to report on the institute's
 4 annual achievements.

5 The legislature intends that appropriated monies allocated by the
 6 university for the economic policy institute in fiscal year 2024-2025 be
 7 consistent with the amount appropriated in fiscal year 2022-2023, except
 8 that the university may allocate to the institute the lump sum reduction
 9 of not more than 3.45 percent prescribed by this act.

10 Sec. 99. UNIVERSITY OF ARIZONA

	<u>2024-25</u>
11 <u>Main campus</u>	
12 FTE positions	6,089.0
13 Operating lump sum appropriation	\$511,507,700
14 Agriculture	38,255,700
15 Arizona cooperative extension	14,890,900
16 Arizona financial aid trust	2,729,400
17 Arizona geological survey	1,148,500
18 College of veterinary medicine	23,528,400
19 Kazakhstan studies program	250,000
20 Mining, mineral and natural	
21 resources educational museum	430,300
22 Natural resource users law and	
23 policy center	1,522,400
24 School of mining	4,084,000
25 Sierra Vista campus	4,191,400
26 Veterinary diagnostic laboratory	<u>2,500,000</u>
27 Total – main campus	\$605,038,700
28 Fund sources:	
29 State general fund	\$257,806,000
30 University collections fund	347,232,700
31 <u>Health sciences center</u>	
32 FTE positions	1,154.9
33 Operating lump sum appropriation	\$100,595,000
34 Clinical rural rotation	353,600
35 Clinical teaching support	8,587,000
36 Liver research institute	440,400
37 Phoenix medical campus	34,798,200
38 Telemedicine network	<u>1,670,000</u>
39 Total – health sciences center	\$146,444,200
40 Fund sources:	
41 State general fund	\$ 76,897,700
42 University collections fund	<u>69,546,500</u>
43 Total appropriation - university of	
44 Arizona	\$751,482,900

1 Fund sources:

2 State general fund \$334,703,700
3 University collections fund 416,779,200

4 The state general fund appropriation may not be used for alumni
5 association funding.

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

8 Other than scholarships awarded through the Arizona financial aid
9 trust, the appropriated monies may not be used for scholarships or any
10 student newspaper.

11 Of the amount appropriated to the university of Arizona operating
12 budget, \$14,700,000 is onetime funding. On or before September 1, 2024,
13 the university of Arizona shall provide a detailed expenditure plan to the
14 joint legislative budget committee that includes a description of the
15 intended purposes and the estimated costs of each expenditure.

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 Any appropriated monies allocated by the university for the center
27 for the philosophy of freedom may not supplant any existing state funding
28 or private or external donations to the center or the philosophy
29 department of the university of Arizona. The appropriated monies and all
30 private and external donations for the center, including any remaining
31 balances from prior fiscal years, shall be deposited in a separate
32 account, shall be used only for the direct operation of the center and may
33 not be used for indirect costs of the university. On or before October 1,
34 2024, the center shall submit a report to the president of the senate, the
35 speaker of the house of representatives, the chairpersons of the senate
36 education committee and the house of representatives education committee
37 and the director of the joint legislative budget committee that includes
38 at least the following information for the center:

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

43 The chairpersons of the senate education committee and the house of
44 representatives education committee may request the director of the center

1 to appear before the committees to report on the center's annual
2 achievements.

3 The legislature intends that appropriated monies allocated by the
4 university for the center for the philosophy of freedom in fiscal year
5 2024-2025 be consistent with the amount appropriated in fiscal year
6 2022-2023, except that the university may allocate to the center the lump
7 sum reduction of not more than 3.45 percent prescribed by this act.

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

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

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

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

26 One hundred percent of the land earnings and interest from the
27 school of mines land fund shall be distributed to the university of
28 Arizona school of mining and mineral resources in compliance with the
29 enabling act and the Constitution of Arizona.

30 Any unencumbered balances remaining in the university collections
31 fund on June 30, 2024 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 Sec. 100. DEPARTMENT OF VETERANS' SERVICES

	<u>2024-25</u>
39 FTE positions	792.3
40 Operating lump sum appropriation	\$ 3,136,600
41 Arizona state veterans' homes	60,519,600
42 Arizona state veterans' cemeteries	960,000
43 Rural tribal nations veteran	
44 benefit counseling	2,194,400
45	

1	Veterans' benefit counseling	3,676,600
2	Veterans' support services	1,226,100
3	Veterans' trauma treatment	
4	services	<u>450,000</u>
5	Total appropriation – department of	
6	veterans' services	\$ 72,163,300
7	Fund sources:	
8	State general fund	\$ 11,643,700
9	State home for veterans' trust	
10	fund	60,519,600

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

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

25 Monies appropriated for the veterans' trauma treatment services line
 26 item shall be used to provide grants to contractors as defined in section
 27 36-2901, Arizona Revised Statutes, that provide trauma treatment services
 28 training to any of the following health professionals licensed pursuant to
 29 title 32, Arizona Revised Statutes:

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

38 Sec. 101. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

39		<u>2024-25</u>
40	FTE positions	7.0
41	Lump sum appropriation	\$ 785,100
42	Fund sources:	
43	Veterinary medical examining	
44	board fund	\$ 785,100

1	Sec. 102. DEPARTMENT OF WATER RESOURCES	
2		<u>2024-25</u>
3	FTE positions	204.0
4	Operating lump sum appropriation	\$ 15,209,300
5	Adjudication support	1,889,400
6	Arizona water protection fund	
7	deposit	750,000
8	Assured and adequate water supply	
9	administration	2,501,500
10	Rural water studies	1,283,900
11	Conservation and drought program	427,700
12	Automated groundwater monitoring	416,600
13	Colorado River legal expenses	500,000*
14	Water supply and demand assessment	<u>3,500,000</u>
15	Total appropriation – department of water	
16	resources	\$ 26,478,400
17	Fund sources:	
18	State general fund	\$ 24,459,400
19	Water resources fund	1,726,500
20	Assured and adequate water	
21	supply administration fund	292,500

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

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

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

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

40 The amount appropriated for the statewide water resources planning
 41 line item in fiscal year 2023-2024 pursuant to Laws 2023, chapter 133,
 42 section 97 is exempt from the provisions of section 35-190, Arizona
 43 Revised Statutes, relating to the lapsing of appropriations.

1 Fiscal Year 2023-2024 Appropriation Adjustments

2 Sec. 103. Supplemental appropriation; department of
3 administration; risk management revolving fund;
4 intent; review; fiscal year 2023-2024

5 A. In addition to any other appropriations made in fiscal year
6 2023-2024, the sum of \$9,493,000 is appropriated from the risk management
7 revolving fund established by section 41-622, Arizona Revised Statutes, in
8 fiscal year 2023-2024 to the department of administration for the
9 following purposes:

- 10 1. To pay disallowed costs relating to excess retained earnings.
11 2. To pay disallowed costs relating to the statewide information
12 technology charges.
13 3. For fund transfers in fiscal year 2022-2023.
14 4. To pay interest owed from prior-year disallowed costs.

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

21 Sec. 104. Supplemental appropriation; Arizona health care
22 cost containment system administration; fiscal
23 year 2023-2024

24 In addition to any other appropriations made in fiscal year
25 2023-2024, the sum of \$7,527,500 is appropriated from the children's
26 health insurance program fund established by section 36-2995, Arizona
27 Revised Statutes, in fiscal year 2023-2024 to the Arizona health care cost
28 containment system administration for adjustments in formula requirements.

29 Sec. 105. Appropriation reduction; Arizona health care cost
30 containment system administration; fiscal year
31 2023-2024

32 In addition to any other appropriations made in fiscal year
33 2023-2024, the sum of \$(39,944,900) is reduced from appropriations made
34 from the state general fund in fiscal year 2023-2024 to the Arizona health
35 care cost containment system administration for adjustments in formula
36 requirements.

37 Sec. 106. Department of economic security; developmental
38 disabilities; savings; prohibition; fiscal year
39 2023-2024

40 The department of economic security may not transfer any excess
41 appropriation from the DDD premium tax payment, case management –
42 medicaid, home and community based services – medicaid, institutional
43 services – medicaid, physical and behavioral health services – medicaid,
44 medicare clawback payments or targeted case management - medicaid line

1 items to any line item outside of the developmental disabilities section
2 in fiscal year 2023-2024.

3 Sec. 107. Supplemental appropriation; governor's office of
4 strategic planning and budgeting; fiscal year
5 2023-2024

6 In addition to any other appropriations made in fiscal year
7 2023-2024, the sum of \$204,600 is appropriated from the state general fund
8 in fiscal year 2023-2024 to the governor's office of strategic planning
9 and budgeting for a retirement cost technical adjustment.

10 Sec. 108. Supplemental appropriation; joint legislative
11 budget committee; fiscal year 2023-2024

12 In addition to any other appropriations made in fiscal year
13 2023-2024, the sum of \$204,600 is appropriated from the state general fund
14 in fiscal year 2023-2024 to the joint legislative budget committee for a
15 retirement cost technical adjustment.

16 Sec. 109. Supplemental appropriation; superior court; fiscal
17 year 2023-2024

18 In addition to any other appropriations made in fiscal year
19 2023-2024, the sum of \$813,700 is appropriated from the criminal justice
20 enhancement fund established by section 41-2401, Arizona Revised Statutes,
21 in fiscal year 2023-2024 to the superior court for judges' compensation.

22 Sec. 110. Appropriation reduction; state land department;
23 fiscal year 2023-2024

24 In addition to any other appropriations made in fiscal year
25 2023-2024, the sum of \$(206,700) is reduced from appropriations made from
26 the state general fund in fiscal year 2023-2024 to the state land
27 department for central Arizona project user fees.

28 Sec. 111. Supplemental appropriation; board of respiratory
29 care examiners; fiscal year 2023-2024

30 In addition to any other appropriations made in fiscal year
31 2023-2024, the sum of \$15,100 is appropriated from the board of
32 respiratory care examiners fund established by section 32-3505, Arizona
33 Revised Statutes, in fiscal year 2023-2024 to the board of respiratory
34 care examiners to pay outstanding costs of services provided by the
35 department of administration-central services bureau.

36 Sec. 112. Supplemental appropriation; department of
37 state - secretary of state; fiscal year 2023-2024

38 In addition to any other appropriations made in fiscal year
39 2023-2024, the sum of \$100,000 is appropriated from the state general fund
40 in fiscal year 2023-2024 to the department of state - secretary of state
41 for the costs of conducting logic and accuracy testing for the 2024
42 primary election.

1 (e) Method of brackish groundwater recovery, treatment and
2 desalination.

3 (f) Method of inland desalination brine disposal.

4 (g) Total volume of brackish groundwater expected to be
5 desalinated.

6 (h) Total project capacity and expected output.

7 (i) Proximity to likely off-takers and proposed method of
8 transportation or delivery of treated brackish groundwater to such
9 off-takers.

10 (j) Total estimated capital cost for the project.

11 3. Minimum criteria that the water infrastructure finance authority
12 of Arizona will use to evaluate the feasibility and viability of
13 qualifying projects submitted in response to a request for proposals
14 issued pursuant to this section and to select a winning project,
15 including:

16 (a) The cost-effectiveness of the project.

17 (b) The reliability and long-term security of the water supply to
18 be developed through the project.

19 (c) The impact to the regional aquifer and local water users from
20 the project's brackish groundwater withdrawals.

21 (d) The impacts to the regional aquifer and local water users from
22 the project's brine disposal.

23 (e) Comments from water users, local residents and affected
24 jurisdictions.

25 E. Within ninety days after the effective date of this section, the
26 water infrastructure finance authority of Arizona shall develop and
27 establish:

28 1. Minimum criteria that bidders must satisfy to qualify for
29 participation in and to submit proposals in response to requests for
30 proposals issued pursuant to this section.

31 2. Minimum criteria that the water infrastructure finance authority
32 of Arizona will use to evaluate the technical, financial and managerial
33 capabilities of qualifying bidders that submit proposals in response to a
34 request for proposals issued pursuant to this section.

35 F. Of the monies appropriated pursuant to subsection A of this
36 section to the brackish groundwater recovery pilot program, not more than
37 ten percent of the monies may be used for staffing and administrative
38 costs.

39 Sec. 114. Supplemental appropriation; fund balance transfer;
40 department of water resources; fiscal year
41 2023-2024

42 A. The sum of \$2,500,000 is transferred from the water resources
43 fund established by section 45-117, Arizona Revised Statutes, in fiscal
44 year 2023-2024 for deposit in the department of water resources subaccount
45 in the automation projects fund established pursuant to section 41-714,

1 Arizona Revised Statutes, to develop, modernize and consolidate the
2 department's applications.

3 B. The sum of \$2,500,000 is appropriated from the department of
4 water resources subaccount in the automation projects fund established
5 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
6 2023-2024 to the department of administration to develop, modernize and
7 consolidate the department of water resources' applications.

8 Sec. 115. Supplemental appropriation; fund balance transfer;
9 department of administration; fiscal year
10 2023-2024

11 The sum of \$3,100,000 is transferred from the personnel division
12 fund established pursuant to section 41-750, Arizona Revised Statutes, in
13 fiscal year 2023-2024 for deposit in the human resources information
14 system subaccount in the automation projects fund established pursuant to
15 section 41-714, Arizona Revised Statutes, to replace the human resources
16 information system.

17 Sec. 116. Appropriation reductions; state general fund;
18 fiscal year 2023-2024

19 Notwithstanding any other law, the following amounts are reduced
20 from monies appropriated from the state general fund in fiscal year
21 2023-2024 to the following state agencies for operating lump sum
22 appropriations and line items:

- 23 1. Department of administration
- 24 Employee compensation study \$ (2,200,000)
- 25 2. Arizona department of agriculture
- 26 Operating lump sum - for expanded
- 27 information technology support \$ (300,000)
- 28 3. Arizona commerce authority
- 29 Rural broadband accelerated match fund deposit \$ (23,600,000)
- 30 4. Superintendent of public instruction
- 31 Art consumables \$ (2,500,000)
- 32 Dual enrollment student development
- 33 fund deposit \$ (15,000,000)
- 34 Dual enrollment student development
- 35 fund deposit \$ (500,000)
- 36 Broadband expansion fund deposit \$ (2,500,000)
- 37 5. Office of tourism
- 38 Operating lump sum - for culinary tourism
- 39 workforce development \$ (250,000)

40 Sec. 117. Independent redistricting commission; reversion;
41 fiscal year 2023-2024

42 All monies remaining unexpended and unencumbered on June 30, 2024
43 from the appropriation made by Laws 2021, chapter 408, section 48 revert
44 to the state general fund.

1 Fiscal Year 2024-2025 Appropriations

2 Sec. 120. Appropriations; department of administration;
3 counties; allocations; report; fiscal year
4 2024-2025

5 A. The sum of \$7,150,650 is appropriated from the state general
6 fund in fiscal year 2024-2025 to the department of administration for
7 distribution to counties to maintain essential county services. The
8 department shall allocate the appropriation equally among all counties
9 with a population of less than nine hundred thousand persons according to
10 the 2020 United States decennial census.

11 B. The sum of \$500,000 is appropriated from the state general fund
12 in fiscal year 2024-2025 to the department of administration for
13 distribution to Graham county to maintain essential county services.

14 C. The sum of \$3,000,000 is appropriated from the state general
15 fund in fiscal year 2024-2025 to the department of administration for
16 distribution to counties to supplement the normal cost plus an amount to
17 amortize the unfunded accrued liability pursuant to section 38-810,
18 subsection C, Arizona Revised Statutes. The department shall allocate the
19 appropriation equally among all counties with a population of less than
20 three hundred thousand persons according to the 2020 United States
21 decennial census. The counties may use these monies only for required
22 employer contributions to the elected officials' retirement plan.

23 Sec. 121. Automation projects fund; appropriations; quarterly
24 reports; exemption; fiscal year 2024-2025

25 A. The sum of \$3,396,000 is appropriated from the medicaid
26 enterprise system modernization subaccount in the automation projects fund
27 established pursuant to section 41-714, Arizona Revised Statutes, in
28 fiscal year 2024-2025 to the department of administration to replace the
29 medicaid enterprise system mainframe.

30 B. The sum of \$5,521,200 is appropriated from the human resources
31 information system subaccount in the automation projects fund established
32 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
33 2024-2025 to the department of administration for the replacement of the
34 human resources information system.

35 C. The sum of \$1,320,000 is appropriated from the automation
36 projects fund established pursuant to section 41-714, Arizona Revised
37 Statutes, in fiscal year 2024-2025 to the department of administration for
38 the replacement of the human resources information system.

39 D. The sum of \$19,456,800 is appropriated from the department of
40 revenue subaccount in the automation projects fund established pursuant to
41 section 41-714, Arizona Revised Statutes, in fiscal year 2024-2025 to the
42 department of administration to implement the department of revenue's
43 integrated tax system modernization project. The monies appropriated in
44 this subsection shall be spent for an integrated tax system modernization
45 project that meets the following 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 Quarterly Reports

32 E. Within thirty days after the last day of each calendar quarter,
33 the department of administration shall submit to the joint legislative
34 budget committee a quarterly report on implementing projects approved by
35 the information technology authorization committee established by section
36 18-121, Arizona Revised Statutes, including the projects' expenditures to
37 date, deliverables, timeline for completion and current status.

38 Nonlapsing

39 F. The amounts appropriated pursuant to this section from the
40 automation projects fund established by section 41-714, Arizona Revised
41 Statutes, in fiscal year 2024-2025 are exempt from the provisions of
42 section 35-190, Arizona Revised Statutes, relating to lapsing of
43 appropriations, until June 30, 2026.

44 G. Notwithstanding Laws 2022, chapter 313, section 107, \$2,114,300
45 of the amount appropriated from the automation projects fund established

1 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
2 2022-2023 to the department of administration by Laws 2022, chapter 313,
3 section 107 to further develop the business one stop portal is exempt from
4 the provisions of section 35-190, Arizona Revised Statutes, relating to
5 lapsing of appropriations, until June 30, 2025. This amount may be used
6 only for maintenance and operations of the business one stop portal.

7 H. Notwithstanding Laws 2022, chapter 313, section 107, the sum of
8 \$2,000,000 appropriated from the automation projects fund established
9 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
10 2022-2023 to the Arizona department of agriculture by Laws 2022, chapter
11 313, section 107 for cloud migration is exempt from the provisions of
12 section 35-190, Arizona Revised Statutes, relating to lapsing of
13 appropriations, until June 30, 2026.

14 I. Notwithstanding Laws 2023, chapter 133, section 113, the sum of
15 \$2,500,000 appropriated from the judiciary-supreme court subaccount in the
16 automation projects fund established pursuant to section 41-714, Arizona
17 Revised Statutes, in fiscal year 2023-2024 to the Arizona supreme court by
18 Laws 2023, chapter 133, section 113 for a statewide community supervision
19 electronic monitoring system is exempt from the provisions of section
20 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
21 until June 30, 2027.

22 Sec. 122. Department of economic security; loans;
23 reimbursement; prohibition; fiscal year 2024-2025

24 On or after April 1, 2025, the department of economic security may
25 use up to \$25,000,000 from the budget stabilization fund established by
26 section 35-144, Arizona Revised Statutes, for the purpose of providing
27 funding for reimbursement grants. Before using the monies from the budget
28 stabilization fund, the department shall notify the director of the joint
29 legislative budget committee and the director of the governor's office of
30 strategic planning and budgeting. This appropriation must be fully
31 reimbursed on or before September 1, 2025 and must be reimbursed in full
32 as part of the closing process for fiscal year 2024-2025. The department
33 shall notify the joint legislative budget committee of the reimbursement
34 on or before September 1, 2025. The appropriation may not be used for
35 additional programmatic expenditures.

36 Sec. 123. Lump sum reductions; fiscal year 2024-2025

37 A. In addition to any other appropriations made in fiscal year
38 2024-2025, the following state general fund amounts are reduced from lump
39 sum appropriations for the following budget units in fiscal year
40 2024-2025:

- | | | |
|----|--|--------------|
| 41 | 1. Department of administration | \$ (300,000) |
| 42 | 2. Department of administration, division of | |
| 43 | school facilities | \$ (57,100) |
| 44 | 3. Office of administrative hearings | \$ (34,200) |

1	4. Arizona department of agriculture	\$ (671,500)
2	5. Arizona health care cost containment system	\$ (1,242,000)
3	6. Attorney general - department of law	\$ (839,100)
4	7. State board for charter schools	\$ (97,800)
5	8. Corporation commission	\$ (27,600)
6	9. Arizona state schools for the deaf and the blind	\$ (897,000)
7	10. Office of economic opportunity	\$ (21,000)
8	11. Department of economic security	\$ (3,026,200)
9	12. State board of education	\$ (111,200)
10	13. Superintendent of public instruction	\$ (469,700)
11	14. State board of equalization	\$ (30,000)
12	15. Arizona department of forestry and fire	
13	management	\$ (248,600)
14	16. Office of the governor	\$ (368,100)
15	17. Governor's office of strategic planning and	
16	budgeting	\$ (101,400)
17	18. Department of health services	\$ (719,200)
18	19. Arizona historical society	\$ (83,500)
19	20. Prescott historical society	\$ (35,000)
20	21. Department of insurance and financial	
21	institutions	\$ (222,500)
22	22. Arizona judiciary - supreme court	\$ (386,300)
23	23. Arizona judiciary - court of appeals	\$ (508,200)
24	24. Arizona judiciary - superior court	\$ (180,100)
25	25. Department of juvenile corrections	\$ (1,098,100)
26	26. State land department	\$ (148,000)
27	27. Legislature - house of representatives	\$ (664,100)
28	28. Legislature - joint legislative budget	
29	committee	\$ (107,800)
30	29. Legislature - legislative council	\$ (328,100)
31	30. Legislature - ombudsman-citizens aide office	\$ (53,900)
32	31. Legislature - senate	\$ (587,300)
33	32. Arizona navigable stream adjudication	
34	commission	\$ (6,000)
35	33. State real estate department	\$ (110,400)
36	34. Department of revenue	\$ (1,748,200)
37	35. Department of state - secretary of state	\$ (463,600)
38	36. State board of tax appeals	\$ (13,000)
39	37. Office of tourism	\$ (75,800)
40	38. Governor's office on tribal relations	\$ (2,400)
41	39. Arizona board of regents	\$ (109,200)
42	40. Arizona state university	\$(10,995,800)

1	41. Northern Arizona university	\$ (4,070,200)
2	42. University of Arizona - main campus	\$ (6,562,200)
3	43. University of Arizona - health sciences center	\$ (1,469,300)
4	44. Department of veterans' services	\$ (108,200)
5	45. Department of water resources	\$ (21,500)

6 B. The universities under the jurisdiction of the Arizona board of
 7 regents may not reduce monies allocated from operating lump sum
 8 appropriations to the Arizona state university school of civic and
 9 economic thought and leadership, the northern Arizona university economic
 10 policy institute and the university of Arizona center for the philosophy
 11 of freedom by more than 3.45 percent of the total amount allocated to the
 12 school, institute or center.

13 Sec. 124. Phoenix convention center; allocation; fiscal year
 14 2024-2025

15 Pursuant to section 9-602, Arizona Revised Statutes, \$25,998,700 of
 16 state general fund revenue is allocated in fiscal year 2024-2025 to the
 17 Arizona convention center development fund established by section 9-601,
 18 Arizona Revised Statutes.

19 Sec. 125. Rio Nuevo multipurpose facility district; estimated
 20 distribution; fiscal year 2024-2025

21 Pursuant to section 42-5031, Arizona Revised Statutes, a portion of
 22 the state transaction privilege tax revenues will be distributed to a
 23 multipurpose facility district. The Rio Nuevo multipurpose facility
 24 district is estimated to receive \$17,000,000 in fiscal year 2024-2025.
 25 The actual amount of the distribution will be made pursuant to section
 26 42-5031, Arizona Revised Statutes.

27 Fund Balance Transfers

28 Sec. 126. Fund balance transfers; fiscal year 2023-2024

29 Notwithstanding any other law, on or before June 30, 2024, the
 30 following amounts from the following fund sources are transferred to the
 31 state general fund for the purposes of providing adequate support and
 32 maintenance for agencies of this state:

33	1. Department of administration	
34	Certificate of participation fund	\$ 2,550,000
35	State employee travel reduction fund	\$ 900,000
36	State web portal fund	\$ 4,000,000
37	Capitol mall consolidation fund	\$ 700,000
38	Fire incident management fund	\$ 6,100,000
39	Construction insurance fund	\$ 8,100,000
40	Cyber risk insurance fund	\$ 11,200,000
41	Risk management revolving fund	\$ 70,000,000
42	Automation projects fund - department	
43	of administration subaccount	\$ 7,000,000

1 The amount transferred from the automation project fund - department
 2 of administration subaccount to the state general fund in fiscal year
 3 2023-2024 reflects unspent monies for business one stop portal
 4 development.

5	Automation projects fund - department	
6	of revenue subaccount	\$ 1,300,000
7	2. Arizona health care cost containment system	
8	Prescription drug rebate fund - state	\$ 40,000,000
9	3. Board of athletic training	
10	Athletic training fund	\$ 250,000
11	4. Attorney general-department of law	
12	Anti-racketeering revolving fund-operations	\$ 2,600,000
13	Anti-racketeering revolving fund-	
14	pass-through	\$ 10,000,000
15	Collection enforcement revolving fund-	
16	operating	\$ 212,500
17	5. Barbering and cosmetology board	
18	Barbering and cosmetology fund	\$ 12,100,000
19	6. Board of behavioral health examiners	
20	Board of behavioral health examiners fund	\$ 4,200,000
21	7. State board of chiropractic examiners	
22	Board of chiropractic examiners fund	\$ 500,000
23	8. Arizona commerce authority	
24	Arizona competes fund	\$ 55,700,000
25	9. Corporation commission	
26	Utility regulation revolving fund	\$ 2,125,000
27	Securities regulatory and enforcement	
28	fund	\$ 25,000,000
29	10. State department of corrections	
30	Corrections fund	\$ 8,000,000
31	Alcohol abuse treatment fund	\$ 2,000,000
32	Transition program fund	\$ 4,200,000
33	Community corrections enhancement fund	\$ 117,500
34	11. Arizona criminal justice commission	
35	Criminal justice enhancement fund	\$ 800,000
36	Fingerprint clearance card fund	\$ 700,000
37	12. State board of dental examiners	
38	Dental board fund	\$ 2,000,000
39	13. Office of economic opportunity	
40	Office of economic opportunity	
41	operations fund	\$ 1,000,000

1	14.	Department of economic security	
2		Family caregiver grant program fund	\$ 700,000
3		Special administration fund	\$ 4,000,000
4		Economic security capital investments fund	\$ 500,000
5		Long-term care system fund	\$ 9,314,000
6	15.	Department of education	
7		Adult workforce diploma program fund	\$ 3,000,000
8		Community college adult education	
9		workforce development program fund	\$ 8,900,000
10	16.	Department of environmental quality	
11		Air quality fund	\$ 2,300,000
12		Underground storage tank revolving fund	\$ 20,000,000
13		Emissions inspection fund	\$ 5,000,000
14		Hazardous waste management fund	\$ 900,000
15		Emergency response fund	\$ 500,000
16	17.	Arizona exposition and state fair board	
17		Arizona exposition and state fair fund	\$ 5,000,000
18	18.	Board of fingerprinting	
19		Board of fingerprinting fund	\$ 1,200,000
20	19.	Department of health services	
21		Disease control research fund	\$ 1,300,000
22		Prescription drug rebate fund	\$ 1,000,000
23		Health services lottery monies fund	\$ 3,700,000
24	20.	Industrial commission of Arizona	
25		Administrative fund	\$ 2,400,000
26		Special fund	\$ 900,000
27	21.	Department of insurance and financial	
28		institutions	
29		Financial services fund	\$ 18,400,000
30		Insurance examiners' revolving fund	\$ 500,000
31		Automobile theft authority fund	\$ 8,800,000
32		Captive insurance regulatory and	
33		supervision fund	\$ 300,000
34		Financial surveillance fund	\$ 400,000
35		Department receivership revolving fund	\$ 800,000
36	22.	Department of juvenile corrections	
37		Criminal justice enhancement fund	\$ 900,000
38		Indirect cost recovery fund	\$ 200,000
39	23.	State land department	
40		Risk management fund	\$ 343,000
41		IGA and ISA fund	\$ 24,000
42		Trust land management fund	\$ 34,000,000

1	24.	Department of liquor licenses and control	
2		Liquor licenses fund	\$ 400,000
3		License fees - audit - enforcement	
4		surcharges fund - multiple complaints	\$ 170,000
5	25.	Board of massage therapy	
6		Board of massage therapy fund	\$ 600,000
7	26.	Arizona medical board	
8		Arizona medical board fund	\$ 9,300,000
9	27.	State mine inspector	
10		Aggregate mining reclamation fund	\$ 38,500
11	28.	Naturopathic physicians medical board	
12		Naturopathic physicians medical board fund	\$ 1,700,000
13	29.	Arizona state board of nursing	
14		Board of nursing fund	\$ 9,400,000
15	30.	Board of occupational therapy examiners	
16		Occupational therapy fund	\$ 900,000
17	31.	State board of optometry	
18		Board of optometry fund	\$ 387,100
19	32.	Arizona board of osteopathic examiners in	
20		medicine and surgery	
21		Arizona board of osteopathic examiners	
22		in medicine and surgery fund	\$ 2,800,000
23	33.	Arizona state board of pharmacy	
24		Arizona state board of pharmacy fund	\$ 6,300,000
25	34.	Board of physical therapy	
26		Board of physical therapy fund	\$ 680,000
27	35.	State board of psychologist examiners	
28		Board of psychologist examiners fund	\$ 1,800,000
29	36.	Department of public safety	
30		Fingerprint clearance card fund	\$ 3,900,000
31		Department of public safety licensing	
32		fund	\$ 85,000
33		Gang and immigration team enforcement	
34		Mission border security and law	
35		Enforcement subaccount	\$ 1,000,000
36		Records processing fund	\$ 200,000
37		Public safety equipment fund	\$ 500,000
38	37.	Residential utility consumer office	
39		Residential utility consumer office	
40		revolving fund	\$ 425,000
41	38.	State board of technical registration	
42		Technical registration fund	\$ 5,600,000

1	39. Department of transportation	
2	Economic strength project fund	\$ 600,000
3	Highway damage recovery account	\$ 1,000,000
4	State aviation fund	\$ 15,000,000
5	State highway fund	\$ 26,000,000

6 The amount transferred from the state highway fund established by
7 section 28-6991, Arizona Revised Statutes, to the state general fund in
8 fiscal year 2023-2024 reflects interest income earned from investment of
9 monies in the state highway fund from a portion of revenues derived from
10 the tax levied by title 42, chapter 5, articles 1 and 5, Arizona Revised
11 Statutes, that were transferred to the state highway fund by Laws 2022,
12 chapter 321, section 20, subsection A, paragraph 2.

13	Abandoned vehicle administration fund	\$ 400,000
14	Shared location and advertising agreements	
15	expense fund	\$ 75,100
16	Motor vehicle dealer enforcement fund	\$ 300,000
17	Highway expansion and extension loan	
18	program fund	\$ 3,900
19	Arizona highways magazine fund	\$ 500,000

20	39. State treasurer	
21	State treasurer's operating fund	\$ 900,000
22	Arizona public school credit	
23	enhancement fund	\$ 3,000,000

24	40. Arizona state veterinary medical examining board	
25	Veterinary medical examining board fund	\$ 1,700,000

26	41. Water infrastructure finance authority of Arizona	
27	Water supply development revolving fund	\$ 59,700,000

28 Of the amount transferred from the water supply development
29 revolving fund established by section 49-1271, Arizona Revised Statutes,
30 to the state general fund in fiscal year 2023-2024, \$8,100,000 reflects
31 interest income earned from investment of monies in the water supply
32 development revolving fund.

33	Long-term water augmentation fund	\$ 97,300,000
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34 Of the amount transferred from the long-term water augmentation fund
35 established by section 49-1302, Arizona Revised Statutes, to the state
36 general fund in fiscal year 2023-2024, \$19,300,000 reflects interest
37 income earned from investment of monies in the long-term water
38 augmentation fund.

39	42. Department of water resources	
40	Temporary groundwater and irrigation	
41	efficiency projects fund	\$ 600,000
42	Assured and adequate water supply	
43	administration fund	\$ 200,000
44	Arizona water protection fund	\$ 1,000,000

1 Sec. 127. Fund balance transfer; state highway fund; fiscal
 2 year 2024-2025

3 A. Notwithstanding any other law, on or before June 30, 2025,
 4 \$18,700,000 is transferred from state highway fund established by section
 5 28-6991, Arizona Revised Statutes, to the state general fund in fiscal
 6 year 2024-2025 for the purpose of providing adequate support and
 7 maintenance for agencies of this state.

8 B. The amount transferred from the state highway fund in subsection
 9 A of this section reflects interest income earned from investment of
 10 monies in the state highway fund from a portion of revenues derived from
 11 the tax levied by title 42, chapter 5, articles 1 and 5, Arizona Revised
 12 Statutes, that were transferred to the state highway fund by Laws 2022,
 13 chapter 321, section 20, subsection A, paragraph 2.

14 Sec. 128. Fund balance transfer; state highway fund; vehicle
 15 license tax; fiscal year 2024-2025

16 Notwithstanding any other law, \$3,000,000 received in fiscal year
 17 2024-2025 pursuant to title 28, chapter 16, article 3, Arizona Revised
 18 Statutes, relating to vehicle license tax, for distribution to the state
 19 highway fund pursuant to section 28-6538, subsection A, paragraph 1,
 20 Arizona Revised Statutes, shall be deposited in the state general fund.
 21 The deposit may be made in even monthly installments.

22 Sec. 129. Fund balance transfer; air quality fund; fiscal
 23 year 2024-2025

24 Notwithstanding any other law, on or before June 30, 2025,
 25 \$7,200,000 is transferred from the air quality fund established by section
 26 49-551, Arizona Revised Statutes, to the water quality fee fund
 27 established by section 49-210 in fiscal year 2024-2025.

28 Sec. 130. Fund balance transfer; Arizona correctional
 29 industries revolving fund; fiscal year 2024-2025

30 Notwithstanding any other law, on or before June 30, 2025,
 31 \$11,491,800 is transferred from the Arizona correctional industries
 32 revolving fund established pursuant to section 41-1624, Arizona Revised
 33 Statutes, to the state general fund in fiscal year 2024-2025.

34 Sec. 131. Fund balance transfers; automation projects fund;
 35 fiscal year 2024-2025

36 A. The sum of \$3,396,000 is transferred from the state general fund
 37 in fiscal year 2024-2025 for deposit in the medicaid enterprise system
 38 modernization subaccount in the automation projects fund established
 39 pursuant to section 41-714, Arizona Revised Statutes, to replace the
 40 medicaid enterprise system mainframe.

41 B. The sum of \$2,421,200 is transferred from the personnel division
 42 fund established pursuant to section 41-750, Arizona Revised Statutes, in
 43 fiscal year 2024-2025 for deposit in the human resources information
 44 system subaccount in the automation projects fund established pursuant to

1 section 41-714, Arizona Revised Statutes, for the replacement of the human
2 resources information system.

3 C. The following amounts are transferred from the following funds
4 in fiscal year 2024-2025 for deposit in the department of revenue
5 subaccount in the automation projects fund established pursuant to section
6 41-714, Arizona Revised Statutes, to implement the integrated tax system
7 modernization project:

8 1. \$11,847,300 from the state general fund.

9 2. \$7,609,500 from the department of revenue integrated tax system
10 project fund established by section 42-5041, Arizona Revised Statutes.

11 D. The transfers into the automation projects fund established by
12 section 41-714, Arizona Revised Statutes, as outlined in this section are
13 not appropriations out of the automation project fund. Only direct
14 appropriations out of the automation projects fund are appropriations.

15 Payment Deferrals

16 Sec. 132. Reduction in school district state aid
17 apportionment in fiscal year 2024-2025;
18 appropriation in fiscal year 2025-2026

19 A. In addition to any other appropriation reductions made in fiscal
20 year 2024-2025, the department of education shall defer until after June
21 30, 2025 but not later than July 12, 2025 \$800,727,700 of the basic state
22 aid and additional state aid entitlement that otherwise would be
23 apportioned to school districts during fiscal year 2024-2025 pursuant to
24 section 15-973, Arizona Revised Statutes. The funding deferral required
25 by this subsection does not apply to charter schools or to school
26 districts with a student count of less than four thousand pupils. The
27 department of education shall make the deferral by reducing the
28 apportionment of state aid for each month in the fiscal year by the same
29 amount.

30 B. In addition to any other appropriations made in fiscal year
31 2025-2026, the sum of \$800,727,700 is appropriated from the state general
32 fund in fiscal year 2025-2026 to the department of education and the
33 superintendent of public instruction for basic state aid and additional
34 state aid entitlement for fiscal year 2025-2026. This appropriation shall
35 be disbursed after June 30, 2025 but not later than July 12, 2025 to the
36 several counties for the school districts in each county in amounts equal
37 to the reductions in apportionment of basic state aid and additional state
38 aid that are required pursuant to subsection A of this section for fiscal
39 year 2024-2025.

40 C. School districts shall include in the revenue estimates they use
41 for computing their tax rates for fiscal year 2024-2025 the monies they
42 will receive pursuant to subsection B of this section.

1	<u>Statewide Adjustments</u>	
2	Sec. 133. <u>Appropriations; operating adjustments</u>	
3		<u>2024-25</u>
4	1. Employer health insurance	
5	contribution reduction	\$ (94,363,000)
6	Fund sources:	
7	State general fund	\$ (72,766,200)
8	Other funds	(21,596,800)
9	2. Employer health insurance	
10	contribution increase	\$ 200,000,000
11	Fund sources:	
12	State general fund	\$ 140,000,000
13	Other funds	60,000,000
14	3. State fleet rate reduction	\$ (13,648,900)
15	Fund sources:	
16	State general fund	\$ (8,195,100)
17	Other funds	(5,453,800)
18	4. State fleet rate increase	\$ 4,924,000
19	Fund sources:	
20	State general fund	\$ 3,299,000
21	Other funds	1,625,000
22	5. Human resources information	
23	system charge reduction	\$ (12,654,000)
24	Fund sources:	
25	State general fund	\$ (8,009,300)
26	Other funds	(4,644,700)
27	6. Arizona financial information	
28	system adjustment	\$ (1,673,700)
29	Fund sources:	
30	State general fund	\$ (834,000)
31	Other funds	(839,700)
32	7. Agency retirement adjustment	\$ 7,680,000
33	Fund sources:	
34	State general fund	\$ 7,180,000
35	Other funds	500,000
36	8. Agency rent adjustment	\$ 160,000
37	Fund sources:	
38	Other funds	\$ 160,000

39 Employer health insurance contribution reduction

40 The amount appropriated is for a onetime employer contribution rate
 41 reduction for employee health insurance in fiscal year 2024-2025. The
 42 joint legislative budget committee staff, in consultation with the
 43 governor's office of strategic planning and budgeting staff, shall
 44 determine and the department of administration shall allocate to each
 45 agency or department an amount for the health insurance contribution

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

8 Employer health insurance contribution increase

9 The amount appropriated is for a onetime employer contribution rate
10 increase for employee health insurance in fiscal year 2024-2025. The
11 joint legislative budget committee staff, in consultation with the
12 governor's office of strategic planning and budgeting staff, shall
13 determine and the department of administration shall allocate to each
14 agency or department an amount for the health insurance contribution
15 adjustment. The joint legislative budget committee staff shall also
16 determine and the department of administration shall allocate adjustments,
17 as necessary, in expenditure authority to implement the increase in
18 employer health insurance contribution rates. The joint legislative
19 budget committee staff shall use the overall allocation of state general
20 fund and appropriated tuition monies for each university in determining
21 that university's specific adjustment.

22 State fleet rate reduction

23 The amount appropriated is for a onetime state fleet rate reduction
24 in fiscal year 2024-2025. The joint legislative budget committee staff,
25 in consultation with the governor's office of strategic planning and
26 budgeting staff, shall determine and the department of administration
27 shall allocate to each agency or department an amount for the state fleet
28 rate reduction. The joint legislative budget committee staff shall also
29 determine and the department of administration shall allocate adjustments,
30 as necessary, in expenditure authority for the state fleet rate reduction.

31 State fleet rate increase

32 The amount appropriated is for a onetime state fleet rate increase
33 in fiscal year 2024-2025. The joint legislative budget committee staff,
34 in consultation with the governor's office of strategic planning and
35 budgeting staff, shall determine and the department of administration
36 shall allocate to each agency or department an amount for the state fleet
37 rate increase. The joint legislative budget committee staff shall also
38 determine and the department of administration shall allocate adjustments,
39 as necessary, in expenditure authority for the state fleet rate increase.

40 Human resources information system replacement charge reduction

41 The amount appropriated is for a reduction of the human resources
42 information system replacement charge in fiscal year 2024-2025. The joint
43 legislative budget committee staff, in consultation with the governor's
44 office of strategic planning and budgeting staff, shall determine and the
45 department of administration shall allocate to each agency or department

1 an amount for the human resources information system replacement charge
2 reduction. The joint legislative budget committee staff shall also
3 determine and the department of administration shall allocate adjustments,
4 as necessary, in expenditure authority to implement the reduction in the
5 human resources information system replacement charge. The reduction in
6 the human resources information system replacement charge shall be based
7 on each state fund's proportional share of payments to the personnel
8 division fund established pursuant to section 41-750, Arizona Revised
9 Statutes.

10 Arizona financial information system adjustments

11 The amount appropriated is for a reduction of the Arizona financial
12 information system upgrade charge in fiscal year 2024-2025. The joint
13 legislative budget committee staff, in consultation with the governor's
14 office of strategic planning and budgeting staff, shall determine and the
15 department of administration shall allocate to each agency or department
16 an amount for the Arizona financial information system upgrade charge
17 reduction. The joint legislative budget committee staff shall also
18 determine and the department of administration shall allocate adjustments,
19 as necessary, in expenditure authority to implement the reduction in the
20 Arizona financial information system upgrade charge.

21 Agency retirement adjustment

22 The amount appropriated is for retirement adjustments in fiscal year
23 2024-2025. The joint legislative budget committee staff, in consultation
24 with the governor's office of strategic planning and budgeting staff,
25 shall determine and the department of administration shall allocate to
26 each agency or department an amount for the agency retirement adjustments.
27 The joint legislative budget committee staff shall also determine, and the
28 department of administration shall allocate adjustments, as necessary, in
29 expenditure authority to implement the agency retirement adjustments.

30 Agency rent adjustment

31 The amount appropriated is for agency rent adjustments for agencies
32 relocating to and within state-owned and lease-purchase buildings in
33 fiscal year 2024-2025. The joint legislative budget committee staff, in
34 consultation with the governor's office of strategic planning and
35 budgeting staff, shall determine and the department of administration
36 shall allocate to each agency or department an amount for the agency rent
37 adjustment. The joint legislative budget committee staff shall also
38 determine, and the department of administration shall allocate
39 adjustments, as necessary, in expenditure authority to allow
40 implementation of the agency rent adjustments.

1 Sec. 134. Department of law: general agency counsel charges:
 2 fiscal year 2024-2025

3 Pursuant to section 41-191.09, Arizona Revised Statutes, the
 4 following state agencies and departments are charged the following amounts
 5 in fiscal year 2024-2025 for general agency counsel provided by the
 6 department of law:

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

1 Fiscal Year 2025-2026 Appropriations

2 Sec. 135. Appropriation; new school facilities fund; use;
3 fiscal year 2025-2026

4 The sum of \$45,077,100 is appropriated from the state general fund
5 in fiscal year 2025-2026 for a onetime deposit in the new school
6 facilities fund established by section 41-5741, Arizona Revised Statutes.
7 The division of school facilities within the department of administration
8 shall use the monies only for facilities that will be constructed for
9 school districts that received final approval from the division of school
10 facilities within the department of administration on or before
11 December 15, 2023.

12 Reporting Requirements and Definitions

13 Sec. 136. Agency spending and encumbrances; quarterly report;
14 fiscal year 2024-2025

15 Within fifteen days of the last day of each quarter in fiscal year
16 2024-2025, the department of administration shall report to the director
17 of the joint legislative budget committee and the director of the
18 governor's office of strategic planning and budgeting the year-to-date
19 expenditures and year-to-date encumbrances for operating and capital
20 spending from the state general fund and other agency funds in fiscal year
21 2024-2025. The information shall be separately delineated by agency,
22 budget fiscal year and fund source, and shall classify each appropriation
23 by agency lump sum, special line item, or project.

24 Sec. 137. COVID-related expenditures; reporting requirements;
25 intent

26 A. Within forty-five days after the last day of each calendar
27 quarter through June 30, 2027, the office of the governor shall report to
28 the president of the senate, the speaker of the house of representatives,
29 the chairpersons of the senate and house of representatives appropriations
30 committees and the director of the joint legislative budget committee the
31 total planned allocations and actual expenditures from the coronavirus
32 state fiscal recovery fund and the coronavirus capital projects fund as
33 appropriated by section 9901 of the American rescue plan act of 2021
34 (P.L. 117-2).

35 B. Within forty-five days after the last day of each calendar
36 quarter through June 30, 2027, the superintendent of public instruction
37 shall report to the president of the senate, the speaker of the house of
38 representatives, the chairpersons of the senate and house of
39 representatives appropriations committees and the director of the joint
40 legislative budget committee the total planned allocations and actual
41 expenditures of monies allocated to the superintendent of public
42 instruction from the elementary and secondary school emergency relief fund
43 as appropriated by section 2001 of the American rescue plan act of 2021
44 (P.L. 117-2).

1 C. Reports required pursuant to this section shall delineate
2 expenditures by agency and program and include descriptions of the purpose
3 of the expenditures.

4 D. The legislature intends that the executive branch of state
5 government report on its planned and actual use of any major additional
6 federal aid to this state through federal legislation enacted by the end
7 of fiscal year 2024-2025. The timing and frequency of these reports
8 should be the same as required by subsections A and B of this section. The
9 chairperson and vice chairperson of the joint legislative budget committee
10 may provide recommendations to the executive branch concerning federal
11 legislation that would qualify under this subsection.

12 Sec. 138. Legislative intent; expenditure reporting

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

23 Sec. 139. FTE positions; reporting; definition

24 Full-time equivalent (FTE) positions contained in this act are
25 subject to appropriation. The director of the department of
26 administration shall account for the use of all appropriated and
27 nonappropriated FTE positions, excluding those in the universities. The
28 director of the department of administration shall submit the fiscal year
29 2024-2025 report on or before October 1, 2025 to the director of the joint
30 legislative budget committee. The report shall compare the level of
31 appropriated FTE usage in each fiscal year to the appropriated level. For
32 the purposes of this section, "FTE positions" means the total number of
33 hours worked, including both regular and overtime hours as well as hours
34 taken as leave, divided by the number of hours in a work year. The
35 director of the department of administration shall notify the director of
36 a budget unit if the budget unit's appropriated FTE usage has exceeded its
37 number of appropriated FTE positions. Each university shall report to the
38 director of the joint legislative budget committee in a manner comparable
39 to the department of administration reporting.

40 Sec. 140. Privately funded FTE positions; reporting;
41 definition

42 A. On or before October 31 in 2024 and 2025, each budget unit of
43 this state shall submit a report to the staff of the joint legislative
44 budget committee and the governor's office of strategic planning and
45 budgeting if the budget unit had any privately funded employees in fiscal

1 year 2023-2024 or 2024-2025. The report shall include the title, duties
2 and salary compensation of each privately funded employee.

3 B. For the purposes of this section, "privately funded" means paid
4 for in whole or in part with monies from sources other than this state, a
5 political subdivision of this state or the federal government.

6 Sec. 141. Filled FTE positions; reporting

7 On or before October 1, 2024, each agency, including the judiciary
8 and universities, shall submit a report to the director of the joint
9 legislative budget committee on the number of filled appropriated and
10 nonappropriated FTE positions, by fund source, as of September 1, 2024.

11 Sec. 142. Transfer of spending authority

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

16 Sec. 143. Interim reporting requirements

17 A. State general fund revenue for fiscal year 2023-2024, including
18 a beginning balance of \$2,527,200,000 and other onetime revenues, is
19 forecasted to be \$17,775,100,000.

20 B. State general fund revenue for fiscal year 2024-2025, including
21 onetime revenues, is forecasted to be \$16,210,000,000.

22 C. State general fund revenue for fiscal year 2025-2026, including
23 onetime revenues, is forecasted to be \$16,446,200,000. State general fund
24 expenditures for fiscal year 2025-2026 are forecasted to be
25 \$16,436,000,000.

26 D. State general fund revenue for fiscal year 2026-2027, including
27 onetime revenues, is forecasted to be \$17,130,200,000. State general fund
28 expenditures for fiscal year 2026-2027 are forecasted to be
29 \$17,096,900,000.

30 E. On or before September 15, 2024, the executive branch shall
31 provide to the joint legislative budget committee a preliminary estimate
32 of the fiscal year 2023-2024 state general fund ending balance. The
33 estimate shall include projections of total revenues, total expenditures
34 and an ending balance. The department of administration shall continue to
35 provide the final report for the fiscal year in its annual financial
36 report pursuant to section 35-131, Arizona Revised Statutes.

37 F. Based on the information provided by the executive branch, the
38 staff of the joint legislative budget committee shall report to the joint
39 legislative budget committee on or before October 15, 2024 whether the
40 fiscal year 2024-2025 revenues and ending balance are expected to change
41 by more than \$50,000,000 from the budgeted projections. The joint
42 legislative budget committee staff may make technical adjustments to the
43 revenue and expenditure estimates in this section to reflect other bills
44 enacted into law. The executive branch may also provide its own estimates
45 to the joint legislative budget committee on or before October 15, 2024.

1 Sec. 144. Definition

2 For the purposes of this act, "*" means this appropriation is a
3 continuing appropriation and is exempt from the provisions of section
4 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

5 Sec. 145. Definition

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

9 Sec. 146. Definition

10 For the purposes of this act, "review by the joint legislative
11 budget committee" means a review by a vote of a majority of a quorum of
12 the members of the joint legislative budget committee.