

House Engrossed

lottery; on-farm irrigation efficiency fund

State of Arizona
House of Representatives
Fifty-sixth Legislature
Second Regular Session
2024

HOUSE BILL 2024

AN ACT

AMENDING SECTION 5-572, ARIZONA REVISED STATUTES; RELATING TO THE STATE
LOTTERY FUND.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

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

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

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

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

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

44 D. If the state lottery director determines that monies available
45 to the state general fund may not ~~equal eighty-four million one hundred~~

1 ~~fifty thousand dollars~~ \$84,150,000 in a fiscal year, the director shall
2 not authorize deposits to the Arizona game and fish commission heritage
3 fund pursuant to subsection B of this section until the deposits to the
4 state general fund equal ~~eighty-four million one hundred fifty thousand~~
5 ~~dollars~~ \$84,150,000 in a fiscal year.

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

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

30 G. OF THE MONIES REMAINING IN THE STATE LOTTERY FUND IN FISCAL
31 YEARS 2024-2025 AND 2025-2026 AFTER APPROPRIATIONS AND DEPOSITS AUTHORIZED
32 IN SUBSECTIONS A THROUGH F OF THIS SECTION, \$50,000,000 SHALL BE DEPOSITED
33 IN THE ON-FARM IRRIGATION EFFICIENCY FUND ESTABLISHED BY LAWS 2022,
34 CHAPTER 332.

35 ~~G.~~ H. All monies remaining in the state lottery fund after the
36 appropriations and deposits authorized in this section shall be deposited
37 in the state general fund.

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

41 ~~I.~~ J. The commission shall transfer monies prescribed in this
42 section on a quarterly basis.