

House Engrossed

general appropriations act; 2024-2025

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

HOUSE BILL 2897

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, 77, 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; intent

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 DISTRICT 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 D. THE LEGISLATURE INTENDS THAT THE STATE GENERAL FUND
 4 APPROPRIATION TO THE DEPARTMENT OF EDUCATION FOR BASIC STATE AID BE
 5 INCREASED BY \$29,000,000 IN FISCAL YEAR 2027-2028 TO CONTINUE THE FUNDING
 6 ALLOCATED IN SUBSECTION A, PARAGRAPH 2 AND SUBSECTION B, PARAGRAPH 2 OF
 7 THIS SECTION ON AN ONGOING BASIS. THE LEGISLATURE INTENDS THAT THE STATE
 8 GENERAL FUND APPROPRIATION TO THE DEPARTMENT OF EDUCATION FOR BASIC STATE
 9 AID BE INCREASED BY \$37,000,000 IN FISCAL YEAR 2027-2028 TO CONTINUE THE
 10 FUNDING ALLOCATED IN SUBSECTION C, PARAGRAPH 2 OF THIS SECTION ON AN
 11 ONGOING BASIS.

12 Sec. 5. Repeal
 13 Laws 2022, chapter 366, section 33 is repealed.

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

15 Sec. 9. ARIZONA DEPARTMENT OF AGRICULTURE

		2023-24
16		
17	FTE positions	209.9
18	Operating lump sum appropriation	\$ 17,504,200
19	Agricultural employment relations	
20	board	23,300
21	Animal damage control	65,000
22	Red imported fire ant control	23,200
23	Agricultural consulting and	
24	training	136,300

25 Total appropriation – Arizona department
 26 of agriculture \$ 17,752,000

27 Fund sources:

28	State general fund	\$ 16,154,200
29	Air quality fund	1,597,800

30 OF THE MONIES IN THE DEPARTMENT'S OPERATING LUMP SUM APPROPRIATION,
 31 \$1,199,600 IS EXEMPT FROM THE PROVISIONS OF SECTION 35-190, ARIZONA
 32 REVISED STATUTES, RELATING TO LAPSING OF APPROPRIATIONS, UNTIL JUNE 30,
 33 2026.

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

35 Sec. 17. DEPARTMENT OF CHILD SAFETY

36		<u>2023-24</u>	
37	FTE positions	3,283.1	
38	Operating lump sum appropriation	\$147,938,100	\$148,764,300
39	<u>Additional operating resources</u>		
40	Attorney general legal services	25,522,800	
41	Caseworkers	124,293,500	157,293,500
42	Office of child welfare		
43	investigations	11,245,700	
44	Training resources	9,150,000	

1	<u>Out-of-home placements</u>		
2	Congregate group care	114,918,700	132,608,300
3	Extended foster care	26,553,900	19,887,200
4	Extended foster care service model		
5	fund deposit	19,243,300*	
6	Foster home placement	51,929,500	40,706,500
7	Foster home recruitment,		
8	study and supervision	32,753,600	
9	Kinship care	24,811,200	16,214,200
10	<u>Permanent placements</u>		
11	Adoption services	294,923,500	282,574,300
12	Permanent guardianship subsidy	12,516,900	15,622,000
13	Positive parenting program for post		
14	permanency placements pilot	4,000,000*	
15	<u>Support services</u>		
16	DCS child care subsidy	61,675,400	
17	In-home mitigation	28,988,100	41,529,300
18	Out-of-home support services	122,710,800	113,284,600
19	Preventive services	29,648,300	
20	<u>Comprehensive health plan</u>		
21	Comprehensive health plan		
22	services	161,546,700	
23	Comprehensive health plan		
24	administration	27,461,200	
25	Comprehensive health plan		
26	premium tax	<u>3,857,300</u>	
27	Total appropriation and expenditure		
28	authority – department of		
29	child safety	\$1,335,688,500	\$1,350,588,500
30	Fund sources:		
31	State general fund	\$496,179,600	\$500,879,600
32	Federal child care and		
33	development fund block grant	40,516,000	
34	Federal temporary assistance		
35	for needy families block		
36	grant	161,082,200	
37	Child abuse prevention fund	1,459,300	
38	Children and family services		
39	training program fund	208,000	
40	Child safety expenditure authority	442,357,400	452,557,400
41	Child welfare licensing fee fund	1,020,800	
42	Comprehensive health plan		
43	expenditure authority fund –		
44	expenditure authority	192,865,200	

1 Additional operating resources

2 The department of child safety shall provide training to any new
3 child safety FTE positions before assigning any client caseload duties to
4 any of these employees.

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

7 All expenditures made by the department of child safety for attorney
8 general legal services shall be funded only from the attorney general
9 legal services line item. Monies in department of child safety line items
10 intended for this purpose shall be transferred to the attorney general
11 legal services line item before expenditure.

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

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

22 Out-of-home placements

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

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

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

5 Departmentwide

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

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

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

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

27 2. Assisting congregate care providers in attaining status as
28 qualified residential treatment programs.

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

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

33 Benchmarks

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

35 1. Means any nonactive case for which documentation has not been
36 entered in the child welfare automated system for at least sixty days and
37 for which services have not been authorized for at least sixty days and
38 any case that has had an investigation, has been referred to another unit
39 and has had no contact for at least sixty days.

40 2. Includes any case for which the investigation has been open
41 without any documentation or contact for at least sixty days, any case
42 involving in-home services for which there has been no contact or services
43 authorized for at least sixty days and any case involving foster care in
44 which there has been no contact or any documentation entered in the child
45 welfare automated system for at least sixty days.

1 For the purposes of this section:

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

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

6 On or before February 28, 2024 and August 31, 2024, the department
7 of child safety shall present a report to the joint legislative budget
8 committee on the progress made during July 2023 through December 2023 and
9 January 2024 through June 2024, respectively, in meeting the caseload
10 standard and reducing the number of backlog and long-term cases. Each
11 report shall include the number of backlog cases, the number of open
12 reports, the number of long-term cases and the caseworker workload in
13 comparison to the previous six months. Each report shall provide the
14 number of backlog cases by disposition, including the number of backlog
15 cases in the investigation phase, the number of backlog cases associated
16 with out-of-home placements and the number of backlog cases associated
17 with in-home cases.

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

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

23 For open reports, the department's benchmark is fewer than 8,000
24 open reports.

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

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

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

34 Sec. 23. STATE DEPARTMENT OF CORRECTIONS

	<u>2023-24</u>	
FTE positions	9,569.0	
Operating lump sum appropriation	\$ 898,184,300	\$ 801,476,900
Private prison per diem	289,858,400	289,069,200
Community corrections	27,681,200	25,681,200
Inmate health care contracted services	321,620,200	317,881,700
Substance abuse treatment	5,445,400	
Transitional and reentry housing	5,000,000*	
Transitional housing grants	2,000,000	
Inmate dog training	650,000	

1	NONCONTRACT MEDICATION	40,746,500	
2	INJUNCTION-RELATED IT UPGRADES	4,770,300	
3	Total appropriation – state department		
4	of corrections	\$1,550,439,500	\$1,492,721,900
5	Fund sources:		
6	State general fund	\$1,492,541,000	\$1,429,675,200
7	State education fund for		
8	correctional education	738,900	
9	Alcohol abuse treatment fund	555,800	
10	Penitentiary land fund	2,777,600	5,243,200
11	State charitable, penal and		
12	reformatory institutions		
13	land fund	2,665,100	5,347,000
14	Corrections fund	31,312,500	
15	Transition program fund	4,400,300	
16	Prison construction and		
17	operations fund	14,106,800	
18	Inmate store proceeds fund	1,341,500	

19 Of the amount appropriated in the operating lump sum, ~~\$495,853,200~~
 20 \$480,658,000 is designated for personal services, ~~\$234,006,200~~
 21 \$227,494,000 is designated for employee-related expenditures and
 22 \$15,540,500 is designated for overtime expenditures. The department shall
 23 submit an expenditure plan for review by the joint legislative budget
 24 committee before spending these monies other than for personal services or
 25 employee-related expenditures.

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

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

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

41 The state department of corrections shall forward to the president
 42 of the senate, the speaker of the house of representatives, the
 43 chairpersons of the senate and house of representatives appropriations
 44 committees and the director of the joint legislative budget committee a
 45 monthly report comparing department expenditures for the month and

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

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

22 If the department develops a plan after the department's November 1,
23 2023 report to open or close 100 or more state-operated or private prison
24 rated beds, the department shall submit a plan detailing the proposed bed
25 changes for review by the joint legislative budget committee before
26 implementing these changes.

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

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

39 Twenty-five percent of land earnings and interest from the state
40 charitable, penal and reformatory institutions land fund shall be
41 distributed to the state department of corrections in compliance with the
42 enabling act and the Constitution of Arizona to be used to support state
43 penal institutions.

44 Before spending any state education fund for correctional education
45 monies in excess of \$738,900, the state department of corrections shall

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

3 Before implementing any changes in contracted rates for inmate
4 health care contracted services, the state department of corrections shall
5 submit its expenditure plan for review by the joint legislative budget
6 committee.

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

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

14 2. An explanation for each instance of noncompliance.

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

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

20 The department shall report actual fiscal year 2022-2023, estimated
21 fiscal year 2023-2024 and requested fiscal year 2024-2025 expenditures as
22 delineated in the prior year when the department submits its fiscal year
23 2024-2025 budget request pursuant to section 35-113, Arizona Revised
24 Statutes.

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

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

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

39 (a) Involvement with the justice system.

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

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

43 (d) Experienced homelessness or are at a high risk of becoming
44 homeless.

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

4 3. Delivers forensic peer and family support services to enhance
5 and strengthen successful reentry into the community that include
6 workforce development, securing permanent housing, navigating systems of
7 care, educational and professional development opportunities, family
8 connection and reintegration services, supporting multiple pathways to
9 recovery and providing sober social activities.

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

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

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

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

22 2. Use the grant monies for individuals that have been previously
23 mentored by the nonprofit organization. To receive resources from the
24 grant, individuals being released from prison must have been mentored for
25 at least three months by the nonprofit organization while the individual
26 was in prison.

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

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

32 (b) Behavioral health services, including peer support and case
33 management.

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

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

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

41 1. The names of the nonprofit organizations that were awarded
42 grants.

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

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

4 The amount appropriated in the inmate dog training line item shall
5 be used to contract with a nonprofit organization that trains inmates to
6 rehabilitate and resocialize at-risk shelter dogs. The amount
7 appropriated in the inmate dog training line item is exempt from the
8 provisions of section 35-190, Arizona Revised Statutes, relating to
9 lapsing of appropriations, until June 30, 2025.

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

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

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

28 Sec. 9. Laws 2023, chapter 133, section 77 is amended to read:

29 Sec. 77. DEPARTMENT OF PUBLIC SAFETY

	<u>2023-24</u>
30	
31	2,105.7
32	\$282,733,100
33	1,450,000
34	6,576,000
35	17,145,900
36	12,232,900
37	10,000,000*
38	
39	150,000
40	
41	400,000

1	Fentanyl prosecution, diversion	
2	and testing fund deposit	3,000,000
3	GIITEM	25,329,700
4	GIITEM subaccount	2,396,400
5	Land mobile radio expansion	
6	and upgrades	44,100,000*
7	Law enforcement retention	
8	initiatives	2,000,000
9	Major incident division	17,000,000*
10	Motor vehicle fuel	9,125,800
11	Onetime vehicle replacement	11,709,300
12	Pharmaceutical diversion and	
13	drug theft task force	769,100
14	Public safety equipment	2,890,000
15	Real-time crime centers	<u>4,100,000</u>
16	Total appropriation – department of public	
17	safety	\$453,108,200
18	Fund sources:	
19	State general fund	\$363,993,000
20	State highway fund	8,166,700
21	Arizona highway patrol fund	38,214,500
22	Criminal justice enhancement fund	2,989,100
23	Department of public safety	
24	forensics fund	22,985,300
25	Gang and immigration intelligence	
26	team enforcement mission border	
27	security and law enforcement	
28	subaccount	2,396,400
29	Motorcycle safety fund	198,900
30	Motor vehicle liability insurance	
31	enforcement fund	1,032,000
32	Risk management revolving fund	1,396,900
33	Parity compensation fund	4,088,100
34	Public safety equipment fund	2,894,000
35	Concealed weapons permit fund	3,172,200
36	Fingerprint clearance card fund	1,581,100

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

- 43 1. Strictly enforcing all federal laws relating to illegal aliens
- 44 and arresting illegal aliens.

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

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

8 4. Taking strict enforcement action.

9 Any change in the GIITEM mission or allocation of monies shall be
10 approved by the joint legislative budget committee. The department shall
11 submit an expenditure plan to the joint legislative budget committee for
12 review before expending any monies not identified in the department's
13 previous expenditure plans.

14 Of the \$25,329,700 appropriated to the GIITEM line item, only
15 \$1,403,400 is deposited in the GIITEM fund established by section 41-1724,
16 Arizona Revised Statutes, and is appropriated for the purposes of that
17 section. The \$1,403,400 is exempt from the provisions of section 35-190,
18 Arizona Revised Statutes, relating to lapsing of appropriations. This
19 state recognizes that states have inherent authority to arrest a person
20 for any immigration violation.

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

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

29 The \$12,232,900 appropriated for the local border support line item
30 shall be used to fund local law enforcement officer positions for border
31 drug interdiction to deter and apprehend any individuals who are charged
32 with drug trafficking, human smuggling, illegal immigration and other
33 border-related crimes. The monies shall also be used for grants to
34 cities, towns and counties for costs associated with prosecuting and
35 detaining individuals who are charged with drug trafficking, human
36 smuggling, illegal immigration and other border-related crimes. The
37 department may fund all capital-related equipment.

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

43 Of the amount appropriated for the department of public safety
44 onetime vehicle replacement line item in fiscal year 2022-2023 pursuant to
45 Laws 2022, chapter 313, section 77, \$11,709,300 from the state general

1 fund is exempt from the provisions of section 35-190, Arizona Revised
2 Statutes, relating to the lapsing of appropriations, until June 30, 2025
3 for the purpose of vehicle replacement.

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

8 Of the amount appropriated in the real-time crime centers line item,
9 \$2,600,000 shall be distributed to the city of Peoria and \$1,500,000 to
10 the city of Tucson to operate real-time crime centers that:

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

13 2. Integrate crime investigation technology to provide real-time
14 information to responding law enforcement agencies and fire departments
15 and districts.

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

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

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

29 Of the amount appropriated in the operating lump sum, \$798,600 is
30 for a onetime increase from the state general fund in fiscal year
31 2023-2024 for onetime operating expenses. The \$798,600 is exempt from the
32 provisions of section 35-190, Arizona Revised Statutes, relating to
33 lapsing of appropriations.

34 ~~Of the amount appropriated in the law enforcement retention~~
35 ~~initiatives line item, \$1,000,000 shall be used to acquire coaching~~
36 ~~resources with a special emphasis on improved retention and development of~~
37 ~~law enforcement professionals at the department of public safety.~~
38 ~~Resource providers must have coaches with backgrounds in law enforcement~~
39 ~~who have been trained in coaching with the best practices for law~~
40 ~~enforcement coaching from current or former federal bureau of~~
41 ~~investigation national academy instructors and must provide coaching~~
42 ~~services on an online platform that allows law enforcement professionals~~
43 ~~to choose a coach that fits their desired area of improvement. The~~
44 ~~provider must offer a wide array of subject areas and must have analytics~~
45 ~~to measure impacts specific to improvement, including officer retention.~~

1 ~~Of the amount appropriated in the law enforcement retention~~
2 ~~initiatives line item, \$1,000,000 shall be used for a law enforcement~~
3 ~~recruitment and retention grant program to provide matching grants to~~
4 ~~county, city and town law enforcement agencies for the purposes of~~
5 ~~acquiring coaching resources with a special emphasis on improved retention~~
6 ~~and development of law enforcement professionals at the county, city and~~
7 ~~town law enforcement agencies. Resource providers must have coaches with~~
8 ~~backgrounds in law enforcement who have been trained in coaching with the~~
9 ~~best practices for law enforcement coaching from current or former federal~~
10 ~~bureau of investigation national academy instructors and must provide~~
11 ~~coaching services on an online platform that allows law enforcement~~
12 ~~professionals to choose a coach that fits their desired area of~~
13 ~~improvement. The provider must offer a wide array of subject areas and~~
14 ~~must have analytics to measure impacts specific to improvement, including~~
15 ~~officer retention. The county law enforcement agencies in Maricopa and~~
16 ~~Pima counties must provide a fifty percent match to receive a grant and~~
17 ~~county law enforcement agencies in all other counties must provide a~~
18 ~~twenty-five percent match to receive a grant. The city law enforcement~~
19 ~~agencies in Phoenix and Tucson must provide a fifty percent match to~~
20 ~~receive a grant and city and town law enforcement agencies in all other~~
21 ~~cities and towns must provide a twenty-five percent match to receive a~~
22 ~~grant. The department of public safety shall establish procedures for~~
23 ~~applying for grants, and county, city and town law enforcement agencies~~
24 ~~that receive grant monies must use the monies to obtain recruitment and~~
25 ~~retention resources and services.~~

26 THE DEPARTMENT OF PUBLIC SAFETY SHALL DISTRIBUTE THE AMOUNT
27 APPROPRIATED IN THE LAW ENFORCEMENT RETENTION INITIATIVES LINE ITEM TO THE
28 FOLLOWING LAW ENFORCEMENT AGENCIES FOR RECRUITMENT AND RETENTION SERVICES
29 AND SOFTWARE:

30	1. ARIZONA DEPARTMENT OF PUBLIC SAFETY	\$500,000
31	2. YAVAPAI COUNTY SHERIFF'S OFFICE	\$200,000
32	3. PEORIA POLICE DEPARTMENT	\$225,000
33	4. TEMPE POLICE DEPARTMENT	\$350,000
34	5. ORO VALLEY POLICE DEPARTMENT	\$125,000
35	6. QUEEN CREEK POLICE DEPARTMENT	\$175,000
36	7. FLAGSTAFF POLICE DEPARTMENT	\$150,000
37	8. BUCKEYE POLICE DEPARTMENT	\$150,000
38	9. SURPRISE POLICE DEPARTMENT	\$125,000

39 EACH LAW ENFORCEMENT AGENCY THAT RECEIVES MONIES DISTRIBUTED FROM
40 THE LAW ENFORCEMENT RETENTION INITIATIVES LINE ITEM MAY ONLY SPEND THE
41 MONIES TO OBTAIN GOODS AND SERVICES FROM A VENDOR THAT DOES ALL OF THE
42 FOLLOWING:

43 1. OFFERS PERFORMANCE COACHING SERVICES FACILITATED BY QUALIFIED
44 COACHES WHO HAVE BEEN TRAINED OR VETTED BY CURRENT OR FORMER INSTRUCTORS
45 OF THE FEDERAL BUREAU OF INVESTIGATION NATIONAL ACADEMY.

1 2. PROVIDES ACCESSIBLE COACHING SERVICES THROUGH AN ONLINE
 2 PLATFORM, WHICH OFFERS A WIDE ARRAY OF COACHING OPTIONS AND SUBJECT AREAS
 3 FOR LAW ENFORCEMENT PROFESSIONALS.

4 3. INCLUDES ANALYTICS TO MEASURE THE IMPACTS OF RECRUITMENT AND
 5 RETENTION SERVICES, INCLUDING ASSESSMENTS OF INDIVIDUAL OFFICER OR
 6 EMPLOYEE PERFORMANCE.

7 4. OFFERS A COMPREHENSIVE RECRUITMENT AUDIT AND TRAINING PROGRAM
 8 DESIGNED SPECIFICALLY FOR AGENCY RECRUITERS.

9 5. PROVIDES SOFTWARE OR TECHNOLOGY SOLUTIONS TO SUPPORT A VARIETY
 10 OF RECRUITMENT AND RETENTION ACTIVITIES WITHIN LAW ENFORCEMENT AGENCIES.

11 THE AMOUNT APPROPRIATED IN THE LAW ENFORCEMENT RETENTION INITIATIVES
 12 LINE ITEM IS EXEMPT FROM THE PROVISIONS OF SECTION 35-190, ARIZONA REVISED
 13 STATUTES, RELATING TO LAPSING OF APPROPRIATIONS.

14 Of the amount appropriated to the department of public safety for
 15 onetime K-9 support in fiscal year 2022-2023 pursuant to Laws 2022,
 16 chapter 313, section 77, \$1,900,000 from the state general fund is exempt
 17 from the provisions of section 35-190, Arizona Revised Statutes, relating
 18 to lapsing of appropriations.

19 Of the amount appropriated in the operating lump sum, \$1,500,000 is
 20 for a onetime increase from the state general fund in fiscal year
 21 2023-2024 for rapid DNA testing and analysis.

22 Sec. 10. Laws 2023, chapter 133, section 97 is amended to read:

23 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	
Conservation and drought program	430,300	
Automated groundwater monitoring	418,600	
Colorado River legal expenses	500,000*	
Water supply and demand assessment	3,500,000	
Santa Rosa canal groundwater delivery	25,000,000*	
Statewide water resources planning	<u>5,000,000</u>	
Total appropriation - department of water resources	\$ 68,132,200	\$ 57,132,200

1 Fund sources:

2 State general fund	\$ 66,114,500	\$ 55,114,500
3 Water resources fund	1,726,500	
4 Assured and adequate water		
5 supply administration fund	291,200	

6 Monies in the assured and adequate water supply administration line
7 item may be used only for the exclusive purposes prescribed in sections
8 45-108, 45-576, 45-577, 45-578 and 45-579, Arizona Revised Statutes. The
9 department of water resources may not transfer any monies into or out of
10 the assured and adequate water supply administration line item.

11 The department of water resources shall use the monies in the
12 brackish groundwater study line item to review and update information
13 contained in studies on the availability of brackish groundwater in this
14 state.

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

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

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

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

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

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

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

13 Sec. 11. Laws 2023, chapter 133, section 113 is amended to read:

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

16 A. The sum of \$20,647,800 is appropriated from the human resources
17 information system subaccount in the automation projects fund established
18 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
19 2023-2024 to the department of administration to replace the human
20 resources information system.

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

27 1. \$6,700,000 FOR A NEW INFORMATION TECHNOLOGY PLATFORM TO
28 AUTHENTICATE INDIVIDUALS APPLYING FOR HEALTH AND HUMAN SERVICE PROGRAMS TO
29 PREVENT FRAUD, WASTE AND ABUSE. THIS PROJECT IS SUBJECT TO REVIEW BY THE
30 JOINT LEGISLATIVE BUDGET COMMITTEE.

31 2. \$2,814,600 FOR THE DEVELOPMENT OF SEVERAL MODULES ASSOCIATED
32 WITH THE MEDICAID ENTERPRISE SYSTEM MAINFRAME REPLACEMENT. THIS PROJECT
33 IS DEEMED TO HAVE BEEN FAVORABLY REVIEWED BY THE JOINT LEGISLATIVE BUDGET
34 COMMITTEE.

35 3. \$1,685,400 FOR MEDICAID ENTERPRISE SYSTEM FRAUD AND WASTE ABUSE
36 PREVENTION ENHANCEMENTS. THIS PROJECT IS DEEMED TO HAVE BEEN FAVORABLY
37 REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE.

38 4. \$2,000,000 FOR THE MEDICAID ENTERPRISE SYSTEM SYSTEMS
39 INTEGRATOR, WHICH ESTABLISHES A PLATFORM INFRASTRUCTURE IN THE CLOUD TO
40 SERVE AS THE FOUNDATION FOR THE MODULAR REPLACEMENT OF THE PRIOR PREPAID
41 MEDICAID MANAGEMENT INFORMATION SYSTEM, AND SERVICENOW PROJECTS. THIS
42 AMOUNT WAS FAVORABLY REVIEWED BY THE JOINT LEGISLATIVE BUDGET COMMITTEE IN
43 OCTOBER 2023.

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

5 ~~C.~~ D. The sum of \$2,000,000 is appropriated from the department of
6 administration subaccount in the automation projects fund established
7 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
8 2023-2024 to the department of administration for the K-12 school
9 financial transparency reporting portal.

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

20 ~~E.~~ F. The sum of \$494,500 is appropriated from the department of
21 public safety subaccount in the automation projects fund established
22 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
23 2023-2024 to the department of public safety to replace the concealed
24 weapons tracking system.

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

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

40 2. For electronic corporate income tax returns, captures
41 information regarding the principal business activity of the corporation.
42 This requirement may be satisfied through North American industry
43 classification system data listed on federal tax forms. The tax system
44 shall allow for querying and reporting based on principal business
45 activity.

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

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

17 Before awarding any procurement contract for the tax system, the
18 department of revenue shall submit a report addressing the project
19 specifications contained in this subsection for review by the joint
20 legislative budget committee.

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

27 ~~H.~~ I. The following amounts are appropriated from the
28 judiciary-supreme court subaccount in the automation projects fund
29 established pursuant to section 41-714, Arizona Revised Statutes, in
30 fiscal year 2023-2024 to the Arizona supreme court for the following
31 automation and information projects:

- 32 1. \$3,270,000 to replace the probation case management system.
- 33 2. \$2,500,000 for a statewide community supervision electronic
34 monitoring system.

35 Quarterly Reports

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

1 Nonlapsing

2 ~~J.~~ K. The amount appropriated pursuant to this section from the
3 automation projects fund established by section 41-714, Arizona Revised
4 Statutes, in fiscal year 2023-2024 is exempt from the provisions of
5 section 35-190, Arizona Revised Statutes, relating to lapsing of
6 appropriations, until June 30, 2025.

7 ~~K.~~ L. Notwithstanding Laws 2021, chapter 408, section 117, the
8 following amounts appropriated from the automation projects fund
9 established pursuant to section 41-714, Arizona Revised Statutes, in
10 fiscal year 2021-2022 to the department of administration by Laws 2021,
11 chapter 408, section 117 are exempt from the provisions of section 35-190,
12 Arizona Revised Statutes, relating to lapsing of appropriations, until
13 June 30, 2024:

14 1. \$7,758,900 from the department of administration subaccount in
15 the automation projects fund established pursuant to section 41-714,
16 Arizona Revised Statutes, to develop a business one-stop web portal.

17 2. \$9,000,000 appropriated from the department of economic security
18 subaccount in the automation projects fund established pursuant to section
19 41-714, Arizona Revised Statutes, to update the childcare management
20 system at the department of economic security.

21 3. \$550,000 appropriated from the department of public safety
22 subaccount in the automation projects fund established pursuant to section
23 41-714, Arizona Revised Statutes, to the department of administration to
24 update the concealed weapons tracking system at the department of public
25 safety.

26 Sec. 12. Subject to applicable laws, the sums or sources of revenue
27 set forth in this act are appropriated for the fiscal years indicated and
28 only from the funding sources listed for the purposes and objects
29 specified. If monies from funding sources in this act are unavailable, no
30 other funding source may be used.

31 Sec. 13. 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

37 Sec. 14. ACUPUNCTURE BOARD OF EXAMINERS

		<u>2024-25</u>
	FTE positions	1.0
	Lump sum appropriation	\$ 200,600
	Fund sources:	
	Acupuncture board of examiners fund	\$ 200,600

1	Sec. 15. DEPARTMENT OF ADMINISTRATION	
2		<u>2024-25</u>
3	FTE positions	548.1
4	Operating lump sum appropriation	\$ 93,677,400
5	Utilities	7,649,900
6	Arizona financial information	
7	system	11,480,000
8	Risk management administrative	
9	expenses	10,870,700
10	Risk management losses and	
11	premiums	54,414,800
12	Workers' compensation losses	
13	and premiums	28,395,000
14	Cyber risk insurance	23,037,200
15	Information technology project	
16	management and oversight	1,656,700
17	State surplus property sales	
18	agency proceeds	1,810,000
19	Digital solutions office	1,345,700
20	Critical applications catalogue	900,000
21	Cybersecurity systems	
22	administration	446,500
23	School district health insurance	
24	actuarial study	250,000
25	Government transformation office	<u>2,055,500</u>
26	Total appropriation – department of	
27	administration	\$237,989,400
28	Fund sources:	
29	State general fund	\$ 9,295,100
30	Air quality fund	928,200
31	Arizona financial information	
32	system collections fund	11,480,000
33	Automation operations fund	29,726,400
34	Capital outlay stabilization fund	20,997,700
35	Corrections fund	628,900
36	Cyber risk insurance fund	23,037,200
37	Federal surplus materials revolving	
38	fund	468,200
39	Information technology fund	3,951,500
40	Personnel division fund	13,922,500
41	Risk management revolving fund	101,874,600
42	Special employee health insurance	
43	trust fund	5,684,700

1	Special services revolving fund	1,243,000
2	State surplus materials revolving	
3	fund	3,048,900
4	State web portal fund	9,329,300
5	Telecommunications fund	2,373,200

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

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

24 All state surplus materials revolving fund monies received by the
25 department of administration in excess of \$3,048,900 in fiscal year
26 2024-2025 are appropriated to the department. Before spending state
27 surplus materials revolving fund monies in excess of \$3,048,900 in fiscal
28 year 2024-2025, the department shall report the intended use of the monies
29 to the joint legislative budget committee.

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

34 The amount appropriated for a school district health insurance
35 actuarial study shall be used to conduct an actuarial study of the cost
36 and benefits for school district optional participation in the state
37 health insurance program. On or before December 31, 2024, the department
38 shall submit a report to the governor, the president of the senate, the
39 speaker of the house of representatives and the director of the joint
40 legislative budget committee on the findings of the school district health
41 insurance actuarial study.

1 Sec. 16. DEPARTMENT OF ADMINISTRATION, DIVISION OF SCHOOL FACILITIES

2 2024-25

3 FTE positions	17.0
4 Operating lump sum appropriation	\$ 1,653,400
5 New school facilities debt service	9,938,100
6 Building renewal grants deposit	199,967,900
7 New school facilities	<u>31,489,500</u>

8 Total appropriation – department of
9 administration, division
10 of school facilities \$243,048,900

11 Fund sources:
12 State general fund \$243,048,900

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

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

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

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

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

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

1	Sec. 17. OFFICE OF ADMINISTRATIVE HEARINGS	
2		<u>2024-25</u>
3	FTE positions	12.0
4	Lump sum appropriation	<u>\$ 1,190,000</u>
5	Fund sources:	
6	State general fund	\$ 1,190,000
7	Of the monies appropriated to the office of administrative hearings	
8	in the lump sum appropriation, \$200,000 shall be used to administer the	
9	provisions of a bill addressing insurance provider claims against insurers	
10	if the bill becomes law in the fifty-sixth legislature, second regular	
11	session. These monies revert to the state general fund if a bill	
12	addressing provider claims against insurers does not become law in the	
13	fifty-sixth legislature, second regular session.	
14	Sec. 18. ARIZONA DEPARTMENT OF AGRICULTURE	
15		<u>2024-25</u>
16	FTE positions	209.4
17	Operating lump sum appropriation	\$ 16,941,200
18	Agricultural employment relations	
19	board	23,300
20	Animal damage control	65,000
21	Red imported fire ant control	23,200
22	Agricultural consulting and	
23	training	<u>135,700</u>
24	Total appropriation – Arizona department	
25	of agriculture	\$ 17,188,400
26	Fund sources:	
27	State general fund	\$ 15,605,100
28	Air quality fund	1,583,300
29	Sec. 19. ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM	
30		<u>2024-25</u>
31	FTE positions	2,459.3
32	Operating lump sum appropriation	\$ 155,687,100
33	Administration	
34	AHCCCS data storage	19,325,800
35	DES eligibility	97,074,500
36	Proposition 204 – AHCCCS	
37	administration	15,222,200
38	Proposition 204 – DES eligibility	44,358,700
39	<u>Medicaid services</u>	
40	Traditional medicaid services	8,544,224,600
41	Proposition 204 services	7,769,810,300
42	Adult expansion services	740,010,600
43	Comprehensive medical and	
44	dental program	177,233,200
45	KidsCare services	229,689,800

1	ALTCS services	2,472,720,900
2	Behavioral health services	
3	in schools	8,630,600
4	<u>Nonmedicaid behavioral health services</u>	
5	Crisis services	16,391,300
6	Nonmedicaid seriously mentally	
7	ill services	77,646,900
8	Supported housing	65,324,800
9	<u>Hospital payments</u>	
10	Disproportionate share payments	5,087,100
11	Disproportionate share payments –	
12	voluntary match	65,330,500
13	Critical access hospitals	28,416,700
14	Graduate medical education	469,246,600
15	Targeted investments program	<u>56,000,000</u>
16	Total appropriation and expenditure	
17	authority – Arizona health	
18	care cost containment system	\$21,057,432,200
19	Fund sources:	
20	State general fund	\$ 2,669,367,000
21	Budget neutrality compliance fund	4,914,300
22	Children's health insurance	
23	program fund	174,025,900
24	Prescription drug rebate	
25	fund – state	189,831,600
26	Seriously mentally ill	
27	housing trust fund	217,700
28	Substance abuse services fund	2,250,200
29	Tobacco products tax fund –	
30	emergency health services	
31	account	17,458,500
32	Tobacco tax and health care	
33	fund – medically needy account	66,586,300
34	Expenditure authority	17,932,780,700

Operating budget

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

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

1 Before spending the monies for the replacement of the prepaid
2 medicaid management information system, the Arizona strategic enterprise
3 technology office shall submit, on behalf of the Arizona health care cost
4 containment system, an expenditure plan for review by the joint
5 legislative budget committee. The report shall include the project cost,
6 deliverables, the timeline for completion and the method of procurement
7 that are consistent with the department's prior reports for its
8 appropriations from the automation projects fund.

9 Medical services and behavioral health services

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

14 The Arizona health care cost containment system administration shall
15 report to the joint legislative budget committee on or before March 1,
16 2025 on preliminary actuarial estimates of the capitation rate changes for
17 the following fiscal year along with the reasons for the estimated
18 changes. For any actuarial estimates that include a range, the total
19 range from minimum to maximum may not be more than two percent. Before
20 implementing any changes in capitation rates, the administration shall
21 report its expenditure plan for review by the joint legislative budget
22 committee. Before the administration implements any change in policy
23 affecting the amount, sufficiency, duration and scope of health care
24 services and who may provide services, the administration shall prepare a
25 fiscal impact analysis on the potential effects of this change on the
26 following year's capitation rates. If the fiscal impact analysis
27 demonstrates that this change will result in additional state costs of
28 \$1,000,000 or more for any fiscal year, the administration shall submit
29 the policy change for review by the joint legislative budget committee.

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

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

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

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

1 Of the amount appropriated for the proposition 204 services line
2 item, \$100,000,000 shall be used from the hospital assessment fund
3 established by section 36-2901.09, Arizona Revised Statutes, to cover a
4 portion of the nonfederal share of the costs of services described in
5 section 36-2907, subsection F, Arizona Revised Statutes. This amount is
6 included in the expenditure authority fund source.

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

19 Long-term care

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

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

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

39 Payments to hospitals

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

1 Any monies received for disproportionate share hospital payments
2 from political subdivisions of this state, tribal governments and any
3 university under the jurisdiction of the Arizona board of regents, and any
4 federal monies used to match those payments, in fiscal year 2024-2025 by
5 the Arizona health care cost containment system administration in excess
6 of \$65,330,500 are appropriated to the administration in fiscal year
7 2024-2025. Before spending these increased monies, the administration
8 shall notify the joint legislative budget committee and the governor's
9 office of strategic planning and budgeting of the amount of monies that
10 will be spent under this provision.

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

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

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

34 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
35 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
36 graduate medical education includes \$5,000,000 from the state general fund
37 and \$10,678,900 from expenditure authority for the direct and indirect
38 costs of graduate medical education programs located in counties with a
39 population of less than five hundred thousand persons. The state general
40 fund amount may supplement, but not supplant, voluntary payments made from
41 political subdivisions for payments to hospitals that operate a graduate
42 medical education program. The administration shall prioritize
43 distribution to programs at hospitals in counties with a higher percentage
44 of persons residing in a health professional shortage area as defined in
45 42 Code of Federal Regulations part 5.

1 Notwithstanding section 36-2903.01, subsection G, paragraph 9,
 2 subdivisions (a), (b) and (c), Arizona Revised Statutes, the amount for
 3 graduate medical education includes \$4,000,000 from the state general fund
 4 and \$8,543,100 from expenditure authority for the direct and indirect
 5 costs of graduate medical education programs located in counties with a
 6 population of more than five hundred thousand persons. The state general
 7 fund amount may supplement, but not supplant, voluntary payments made from
 8 political subdivisions for payments to hospitals that operate a graduate
 9 medical education program.

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

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

17 Of the amount appropriated from the expenditure authority fund
 18 source, \$3,606,700,000 is for hospital enhanced access leading to health
 19 improvements initiative payments in fiscal year 2024-2025. This amount
 20 includes monies from hospital assessments collected pursuant to section
 21 36-2999.72, Arizona Revised Statutes, and any federal monies used to match
 22 those payments.

23 Other

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

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

31 Sec. 20. BOARD OF ATHLETIC TRAINING

		<u>2024-25</u>
	FTE positions	1.5
	Lump sum appropriation	\$ 165,300
	Fund sources:	
	Athletic training fund	\$ 165,300

37 Sec. 21. ATTORNEY GENERAL – DEPARTMENT OF LAW

		<u>2024-25</u>
	FTE positions	671.7
	Operating lump sum appropriation	\$ 64,477,900
	Capital postconviction prosecution	876,400
	Child and family advocacy centers	100,000
	Criminal division major fraud unit	1,187,300
	Internet crimes against children enforcement	1,271,500

1	Government accountability and	
2	special litigation	1,287,500
3	Organized retail theft	
4	task force	1,570,700
5	Risk management interagency	
6	service agreement	10,655,300
7	State grand jury	193,000
8	Southern Arizona law enforcement	1,656,600
9	Tobacco enforcement	875,900
10	Veterans substance abuse	
11	treatment grants	5,000,000
12	Victims' rights	<u>4,023,500</u>
13	Total appropriation – attorney general –	
14	department of law	\$ 93,175,600
15	Fund sources:	
16	State general fund	\$ 27,664,200
17	Antitrust enforcement revolving	
18	fund	160,900
19	Attorney general legal services	
20	cost allocation fund	2,314,900
21	Collection enforcement revolving	
22	fund	7,232,100
23	Consumer protection-consumer	
24	fraud revolving fund	14,864,900
25	Consumer restitution and remediation	
26	revolving fund - consumer	
27	remediation subaccount	5,000,000
28	Interagency service agreements fund	18,078,100
29	Internet crimes against children	
30	enforcement fund	900,000
31	Risk management revolving fund	13,147,700
32	Victims' rights fund	3,812,800

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

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

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

44 The \$900,000 appropriation from the internet crimes against children
45 enforcement fund established by section 41-199, Arizona Revised Statutes,

1 and the \$371,500 appropriation from the state general fund for the
2 internet crimes against children enforcement line item are continuing
3 appropriations and are exempt from the provisions of section 35-190,
4 Arizona Revised Statutes, relating to lapsing of appropriations, until
5 June 30, 2026.

6 The amount appropriated for the veterans substance abuse treatment
7 grants line item shall be used for grants to veterans services
8 organizations that treat opioid use disorder in conjunction with judicial
9 programs that address substance abuse treatment and rehabilitation for
10 veterans. To be eligible for a grant, a veterans services organization
11 program must follow best practices, be evidence-based, adhere to the
12 individualized plan ordered by veterans treatment courts for each veteran
13 and incorporate tracking of key metrics.

14 Before spending any monies appropriated for the veterans substance
15 abuse treatments grants line item, the attorney general shall submit an
16 expenditure plan to the joint legislative budget committee for review. The
17 veterans substance abuse treatments grants line item includes \$5,000,000
18 from opioid claims-related monies deposited in the consumer remediation
19 subaccount of the consumer restitution and remediation revolving fund
20 pursuant to section 44-1531.02, subsection C, Arizona Revised Statutes.
21 This amount shall be used only for approved purposes as defined in a court
22 order, a settlement agreement or the one Arizona distribution of opioid
23 settlement funds agreement that is entered into by this state and other
24 parties to the opioid litigation.

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

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

39 Sec. 22. BARBERING AND COSMETOLOGY BOARD

		<u>2024-25</u>
40		
41	FTE positions	29.5
42	Lump sum appropriation	\$ 2,686,900
43	Fund sources:	
44	Barbering and cosmetology fund	\$ 2,686,900

1	Sec. 23.	BOARD OF BEHAVIORAL HEALTH EXAMINERS	
2			<u>2024-25</u>
3		FTE positions	27.0
4		Lump sum appropriation	\$ 2,740,500
5		Fund sources:	
6		Board of behavioral health	
7		examiners fund	\$ 2,740,500
8	Sec. 24.	STATE BOARD FOR CHARTER SCHOOLS	
9			<u>2024-25</u>
10		FTE positions	25.0
11		Lump sum appropriation	\$ 2,835,100
12		Fund sources:	
13		State general fund	\$ 2,835,100
14	Sec. 25.	DEPARTMENT OF CHILD SAFETY	
15			<u>2024-25</u>
16		FTE positions	3,283.1
17		Operating lump sum appropriation	\$147,799,100
18		<u>Additional operating resources</u>	
19		Attorney general legal services	27,894,900
20		Caseworkers	131,939,000
21		Office of child welfare	
22		investigations	11,235,900
23		Training resources	9,150,000
24		<u>Out-of-home placements</u>	
25		Congregate group care	103,682,000
26		Extended foster care	19,887,200
27		Foster home placement	42,547,300
28		Foster home recruitment,	
29		study and supervision	32,753,600
30		Kinship care	20,584,600
31		Permanent placements	
32		Adoption services	287,221,600
33		Permanent guardianship subsidy	16,805,600
34		Support services	
35		DCS child care subsidy	61,675,400
36		In-home mitigation	34,488,100
37		Out-of-home support services	122,710,800
38		Preventive services	32,412,700
39		<u>Comprehensive health plan</u>	
40		Comprehensive health plan	
41		services	127,989,800
42		Comprehensive health plan	
43		administration	28,642,700

1	Comprehensive health plan	
2	premium tax	<u>3,196,600</u>
3	Total appropriation and expenditure	
4	authority – department of	
5	child safety	\$1,262,616,900
6	Fund sources:	
7	State general fund	\$ 458,314,500
8	Federal child care and	
9	development fund block grant	40,516,000
10	Federal temporary assistance	
11	for needy families block	
12	grant	161,082,200
13	Child abuse prevention fund	1,459,300
14	Children and family services	
15	training program fund	208,000
16	Child safety expenditure authority	440,186,100
17	Child welfare licensing fee fund	1,021,700
18	Comprehensive health plan	
19	expenditure authority fund –	
20	expenditure authority	159,829,100

21 Additional operating resources

22 The department of child safety shall provide training to any new
 23 child safety FTE positions before assigning any client caseload duties to
 24 any of these employees.

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

27 All expenditures made by the department of child safety for attorney
 28 general legal services shall be funded only from the attorney general
 29 legal services line item. Monies in department of child safety line items
 30 intended for this purpose shall be transferred to the attorney general
 31 legal services line item before expenditure.

32 Out-of-home placements

33 The department of child safety may transfer up to ten percent of the
 34 total amount of federal temporary assistance for needy families block
 35 grant monies appropriated to the department of economic security and the
 36 department of child safety to the social services block grant. Before
 37 transferring federal temporary assistance for needy families block grant
 38 monies to the social services block grant, the department of child safety
 39 shall report the proposed amount of the transfer to the director of the
 40 joint legislative budget committee. This report may be in the form of an
 41 expenditure plan that is submitted at the beginning of the fiscal year and
 42 updated, if necessary, throughout the fiscal year.

43 The amount appropriated for kinship care shall be used for a stipend
 44 of \$300 per month for a relative caretaker, including a grandparent, any
 45 level of great-grandparent or any nongrandparent relative, or a caretaker

1 of fictive kinship, if a dependent child is placed in the care of a
2 relative caretaker or caretaker of fictive kinship pursuant to department
3 guidelines. The department shall provide the stipend on behalf of all
4 children placed with an unlicensed kinship foster care parent. The
5 unlicensed kinship foster care parent is not required to file an
6 application to receive the stipend. Before changing the eligibility for
7 the program or the amount of the stipend, the department shall submit a
8 report for review by the joint legislative budget committee detailing the
9 proposed changes.

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

14 Support services

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

21 Departmentwide

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

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

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

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

43 2. Assisting congregate care providers in attaining status as
44 qualified residential treatment programs.

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

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

5 Benchmarks

6 For the purposes of this section:

7 1. "Backlog case":

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

13 (b) Includes any case for which the investigation has been open
14 without any documentation or contact for at least sixty days, any case
15 involving in-home services for which there has been no contact or services
16 authorized for at least sixty days and any case involving foster care in
17 which there has been no contact or any documentation entered in the child
18 welfare automated system for at least sixty days.

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

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

23 On or before February 28, 2025 and August 31, 2025, the department
24 of child safety shall present a report to the joint legislative budget
25 committee on the progress made during July 2024 through December 2024 and
26 January 2025 through June 2025, respectively, in meeting the caseload
27 standard and reducing the number of backlog and long-term cases. Each
28 report shall include the number of backlog cases, the number of open
29 reports, the number of long-term cases and the caseworker workload in
30 comparison to the previous six months. Each report shall provide the
31 number of backlog cases by disposition, including the number of backlog
32 cases in the investigation phase, the number of backlog cases associated
33 with out-of-home placements and the number of backlog cases associated
34 with in-home cases.

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

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

40 For open reports, the department's benchmark is fewer than 8,000
41 open reports.

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

43 If the department of child safety has not submitted a required
44 report within thirty days after the report is due, the director of the
45 joint legislative budget committee shall inform the general accounting

1 office of the department of administration, which shall withhold two
 2 percent of the department of child safety's operating lump sum semiannual
 3 budget allocation until the department of child safety submits the
 4 required report.

5 Sec. 26. STATE BOARD OF CHIROPRACTIC EXAMINERS

6		<u>2024-25</u>
7	FTE positions	6.0
8	Lump sum appropriation	\$ 638,700
9	Fund sources:	
10	Board of chiropractic examiners	
11	fund	\$ 638,700

12 Sec. 27. ARIZONA COMMERCE AUTHORITY

13		<u>2024-25</u>
14	Operating lump sum appropriation	\$ 10,000,000
15	Arizona competes fund deposit	500,000
16	Asia trade offices	750,000
17	Economic development marketing	
18	and attraction	500,000
19	Frankfurt, Germany trade office	500,000
20	Israel trade office	300,000
21	Mexico trade offices	<u>500,000</u>
22	Total appropriation – Arizona commerce	
23	authority	\$ 13,050,000
24	Fund sources:	
25	State general fund	\$ 13,050,000

26 Pursuant to section 43-409, Arizona Revised Statutes, of the amounts
 27 listed above, \$10,500,000 of the state general fund withholding tax
 28 revenues is allocated in fiscal year 2024-2025 to the Arizona commerce
 29 authority, of which \$10,000,000 is credited to the Arizona commerce
 30 authority fund established by section 41-1506, Arizona Revised Statutes,
 31 and \$500,000 is credited to the Arizona competes fund established by
 32 section 41-1545.01, Arizona Revised Statutes.

33 Sec. 28. ARIZONA COMMUNITY COLLEGES

34		<u>2024-25</u>
35	<u>Equalization aid</u>	
36	Cochise	\$ 10,575,800
37	Graham	21,132,400
38	Navajo	12,016,200
39	Yuma/La Paz	<u>896,400</u>
40	Total – equalization aid	\$ 44,620,800
41	<u>Operating state aid</u>	
42	Cochise	\$ 4,000,800
43	Coconino	1,392,500
44	Gila	149,700
45	Graham	1,758,900

1	Mohave	961,500
2	Navajo	1,375,600
3	Pinal	1,032,900
4	Santa Cruz	54,600
5	Yavapai	371,300
6	Yuma/La Paz	<u>2,262,400</u>
7	Total – operating state aid	\$ 13,360,200
8	<u>STEM and workforce programs state aid</u>	
9	Cochise	\$ 833,400
10	Coconino	300,700
11	Gila	88,100
12	Graham	446,300
13	Maricopa	8,073,700
14	Mohave	392,600
15	Navajo	273,600
16	Pima	1,768,900
17	Pinal	634,800
18	Santa Cruz	41,800
19	Yavapai	636,600
20	Yuma/La Paz	<u>778,200</u>
21	Total – STEM and workforce programs	
22	state aid	\$ 14,268,700
23	<u>Rural aid</u>	
24	Cochise	\$ 2,999,100
25	Coconino	892,800
26	Gila	258,000
27	Graham	1,239,300
28	Mohave	1,149,000
29	Navajo	815,000
30	Pinal	1,794,100
31	Santa Cruz	113,800
32	Yavapai	1,833,600
33	Yuma/La Paz	<u>2,905,300</u>
34	Total – rural aid	\$ 14,000,000
35	Rural county reimbursement subsidy	\$ 1,082,900
36	Additional Gila workforce	
37	development aid	200,000
38	Diné college remedial education	<u>1,000,000</u>
39	Total appropriation – Arizona community	
40	colleges	\$ 88,532,600
41	Fund sources:	
42	State general fund	\$ 88,532,600
43	Of the \$1,082,900 appropriated to the rural county reimbursement	
44	subsidy line item, Apache county receives \$699,300 and Greenlee county	
45	receives \$383,600.	

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

7 Sec. 29. REGISTRAR OF CONTRACTORS

8		<u>2024-25</u>
9	FTE positions	105.6
10	Operating lump sum appropriation	\$ 13,050,200
11	Office of administrative	
12	hearings costs	<u>1,017,600</u>
13	Total appropriation – registrar of	
14	contractors	\$ 14,067,800
15	Fund sources:	
16	Registrar of contractors fund	\$ 14,067,800

17 Sec. 30. CORPORATION COMMISSION

18		<u>2024-25</u>
19	FTE positions	301.9
20	Operating lump sum appropriation	\$ 35,031,300
21	Corporation filings, same-day	
22	service	416,500
23	Utilities audits, studies,	
24	investigations and hearings	<u>380,000*</u>
25	Total appropriation – corporation commission	\$ 35,827,800
26	Fund sources:	
27	State general fund	\$ 798,900
28	Arizona arts trust fund	57,700
29	Investment management regulatory	
30	and enforcement fund	1,305,700
31	Public access fund	8,020,800
32	Securities regulatory and	
33	enforcement fund	7,272,500
34	Utility regulation revolving fund	18,372,200

35 Sec. 31. STATE DEPARTMENT OF CORRECTIONS

36		<u>2024-25</u>
37	FTE positions	9,592.0
38	Operating lump sum appropriation	\$ 823,381,600
39	Overtime and compensatory time	15,540,500
40	Private prison per diem	275,716,800
41	Community corrections	27,452,300
42	Inmate health care contracted	
43	services	367,557,100

1	Substance abuse treatment	3,945,400
2	Noncontract medication	55,000,000
3	Injunction-related IT upgrades	<u>16,000,000</u>
4	Total appropriation – state department	
5	of corrections	\$1,584,593,700
6	Fund sources:	
7	State general fund	\$1,515,971,300
8	State education fund for	
9	correctional education	723,200
10	Alcohol abuse treatment fund	555,800
11	Penitentiary land fund	3,460,300
12	State charitable, penal and	
13	reformatory institutions	
14	land fund	3,734,100
15	Corrections fund	31,312,500
16	Transition program fund	15,048,600
17	Prison construction and	
18	operations fund	12,500,100
19	Inmate store proceeds fund	1,287,800

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

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

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

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

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

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

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

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

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

36 On or before December 15, 2024 and July 15, 2025, the state
37 department of corrections shall submit a report to the joint legislative
38 budget committee on the progress made in meeting the staffing needs for
39 correctional officers. Each report shall include the number of filled
40 correctional officer positions, the number of vacant correctional officer
41 positions, the number of people in training, the number of separations and
42 the number of hours of overtime worked year-to-date. The report shall
43 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 The amount appropriated in the injunction-related IT upgrades line
38 item shall be used to address information technology improvements as
39 required by the court in the Jensen v. Thornell inmate health care
40 litigation.

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

1	Sec. 32. ARIZONA CRIMINAL JUSTICE COMMISSION	
2		<u>2024-25</u>
3	FTE positions	11.0
4	Operating lump sum appropriation	\$ 1,406,900
5	Major incident regional law	
6	enforcement task force	600,000
7	State aid to county attorneys	973,700
8	State aid to indigent defense	700,000
9	State aid for juvenile dependency	
10	proceedings fund deposit	2,000,000
11	Victim compensation and assistance	<u>6,223,200</u>
12	Total appropriation – Arizona criminal	
13	justice commission	\$ 11,903,800
14	Fund sources:	
15	State general fund	\$ 4,600,000
16	Criminal justice enhancement fund	733,700
17	Resource center fund	647,100
18	State aid to county attorneys fund	973,700
19	State aid to indigent defense fund	700,000
20	Victim compensation and assistance	
21	fund	4,249,300
22	All victim compensation and assistance fund monies received by the	
23	Arizona criminal justice commission in excess of \$4,249,300 in fiscal year	
24	2024-2025 are appropriated to the crime victims program. Before spending	
25	any victim compensation and assistance fund monies in excess of \$4,249,300	
26	in fiscal year 2024-2025, the Arizona criminal justice commission shall	
27	report the intended use of the monies to the joint legislative budget	
28	committee.	
29	All monies received by the Arizona criminal justice commission in	
30	excess of \$973,700 in fiscal year 2024-2025 from the state aid to county	
31	attorneys fund established by section 11-539, Arizona Revised Statutes,	
32	are appropriated to the state aid to county attorneys program. Before	
33	spending any state aid to county attorneys fund monies in excess of	
34	\$973,700 in fiscal year 2024-2025, the Arizona criminal justice commission	
35	shall report the intended use of the monies to the joint legislative	
36	budget committee.	
37	Sec. 33. ARIZONA STATE SCHOOLS FOR THE DEAF AND THE BLIND	
38		<u>2024-25</u>
39	FTE positions	562.2
40	Administration/statewide	\$ 8,404,300
41	Phoenix day school for the deaf	10,811,200
42	Tucson campus	13,330,400

1	Preschool/outreach programs	7,824,200
2	School bus/agency vehicle	
3	replacement	369,000
4	Cooperative services	<u>19,621,400</u>
5	Total appropriation – Arizona state schools	
6	for the deaf and the blind	\$ 60,360,500
7	Fund sources:	
8	State general fund	\$ 25,991,300
9	Schools for the deaf and	
10	the blind fund	14,579,800
11	Cooperative services fund	19,621,400
12	Telecommunication fund	
13	for the deaf	168,000
14	Before spending any schools for the deaf and the blind fund monies	
15	in excess of \$14,579,800 in fiscal year 2024-2025, the Arizona state	
16	schools for the deaf and the blind shall report to the joint legislative	
17	budget committee the intended use of the monies.	
18	Before spending any cooperative services fund monies in excess of	
19	\$19,621,400 in fiscal year 2024-2025, the Arizona state schools for the	
20	deaf and the blind shall report to the joint legislative budget committee	
21	the intended use of the monies.	
22	Sec. 34. COMMISSION FOR THE DEAF AND THE HARD OF HEARING	
23		<u>2024-25</u>
24	FTE positions	21.0
25	Operating lump sum appropriation	\$ 4,634,600
26	Support services for the	
27	deaf-blind	192,000
28	Website security upgrades	<u>200,000</u>
29	Total appropriation – commission for the	
30	deaf and the hard of hearing	\$ 5,026,600
31	Fund sources:	
32	Telecommunication fund for	
33	the deaf	\$ 5,026,600
34	Sec. 35. STATE BOARD OF DENTAL EXAMINERS	
35		<u>2024-25</u>
36	FTE positions	13.0
37	Operating lump sum appropriation	\$ 2,103,600
38	Annual leave payout	\$ 9,300*
39	Total appropriation – state board of	
40	dental examiners	\$ 2,112,900
41	Fund sources:	
42	Dental board fund	\$ 2,112,900

1	Sec. 36. OFFICE OF ECONOMIC OPPORTUNITY	
2		<u>2024-25</u>
3	FTE positions	5.0
4	Lump sum appropriation	<u>\$ 523,300</u>
5	Fund sources:	
6	State general fund	\$ 523,300
7	Sec. 37. DEPARTMENT OF ECONOMIC SECURITY	
8		<u>2024-25</u>
9	FTE positions	4,611.8
10	Operating lump sum appropriation	\$333,957,100
11	<u>Administration</u>	
12	Attorney general legal services	12,755,600
13	<u>Aging and adult services</u>	
14	Adult services	10,731,900
15	Community and emergency services	3,724,000
16	Coordinated homeless services	2,522,600
17	Coordinated hunger services	2,254,600
18	Domestic violence prevention	14,004,000
19	Long-term care ombudsman	1,000,000
20	<u>Benefits and medical eligibility</u>	
21	Temporary assistance for needy	
22	families – cash benefits	22,736,400
23	Tribal pass-through funding	4,680,300
24	<u>Child support enforcement</u>	
25	County participation	8,539,700
26	<u>Developmental disabilities</u>	
27	DDD premium tax payment	64,871,600
28	Case management – medicaid	140,855,600
29	Home and community based	
30	services – medicaid	2,292,850,800
31	Institutional services –	
32	medicaid	51,334,400
33	Physical and behavioral	
34	health services – medicaid	655,369,900
35	Medicare clawback payments	7,132,700
36	Targeted case management – medicaid	19,324,900
37	State match transfer from AHCCCS	1,122,988,600
38	Case management – state-only	6,335,600
39	Home and community based	
40	services – state-only	14,089,000
41	Cost effectiveness study – client	
42	services	8,420,000

1	Arizona early intervention program	16,119,000
2	State-funded long-term care	
3	services	44,389,800
4	Group home monitoring program	1,200,000
5	<u>Employment and rehabilitation services</u>	
6	JOBS	11,005,600
7	Child care subsidy	320,580,200
8	Independent living rehabilitation	
9	services	1,289,400
10	Rehabilitation services	7,249,100
11	Workforce innovation	
12	and opportunity act	
13	services	<u>85,824,200</u>
14	Total appropriation and expenditure	
15	authority – department of	
16	economic security	\$5,288,136,600
17	Fund sources:	
18	State general fund	\$1,339,544,800
19	Federal child care and	
20	development fund block grant	331,029,300
21	Federal temporary assistance for	
22	needy families block grant	66,591,200
23	Long-term care system fund	34,429,200
24	Public assistance collections	
25	fund	441,800
26	Special administration fund	4,637,900
27	Spinal and head injuries trust	
28	fund	2,385,500
29	Statewide cost allocation plan	
30	fund	1,000,000
31	Child support enforcement	
32	administration fund	17,683,300
33	Domestic violence services fund	4,000,300
34	Workforce investment act grant	87,116,600
35	Child support enforcement	
36	administration fund	
37	expenditure authority	44,195,500
38	Developmental disabilities	
39	medicaid expenditure	
40	authority	3,311,833,900
41	Health care investment fund	
42	expenditure authority	43,247,300

1 Aging and adult services

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

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

12 Benefits and medical eligibility

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

16 Child support enforcement

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

23 Developmental disabilities

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

37 The department shall report to the joint legislative budget
38 committee on or before March 1 of each year on preliminary actuarial
39 estimates of the capitation rate changes for the following fiscal year
40 along with the reasons for the estimated changes. For any actuarial
41 estimates that include a range, the total range from minimum to maximum
42 may not be more than two percent. Before implementing any changes in
43 capitation rates for the long-term care system, the department shall
44 submit a report for review by the joint legislative budget committee.
45 Before the department implements any change in policy affecting the

1 amount, sufficiency, duration and scope of health care services and who
2 may provide services, the department shall prepare a fiscal impact
3 analysis on the potential effects of this change on the following year's
4 capitation rates. If the fiscal impact analysis demonstrates that this
5 change will result in additional state costs of \$500,000 or more for any
6 fiscal year, the department shall submit the policy change for review by
7 the joint legislative budget committee.

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

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

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

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

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

41 Employment and rehabilitation services

42 On or before September 15, 2024 and March 15, 2025, the department
43 of economic security shall submit a report to the president of the senate,
44 the speaker of the house of representatives, the chairpersons of the
45 senate and house of representatives appropriations committees and the

1 joint legislative budget committee on child care development block grant
2 monies provided from the coronavirus aid, relief, and economic security
3 act, the consolidated appropriations act, 2021 and the American rescue
4 plan act of 2021 (P.L. 117-2). The report must include, at a minimum, the
5 actual expenditures made to date by purpose and, separately, by federal
6 legislation, the expenditure plan for all remaining monies by purpose and,
7 separately, by federal legislation, the number of children served with the
8 monies on average each month, the average child care reimbursement rates
9 for the entire program, including these monies, and the number of child
10 care settings with a quality rating.

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

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

23 Of the state general fund share of the amount appropriated in the
24 child care subsidy line item, at least ten percent shall be distributed
25 in counties other than Maricopa, Pima and Pinal counties.

26 Departmentwide

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

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

1	Sec. 38.	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. 39.	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	16,898,900
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	11,597,000
44		Flagstaff robotics program	10,000
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	Show Low robotics program	10,000
7	State block grant for vocational	
8	education	11,774,300
9	Student level data access	359,000
10	Teacher certification	2,544,600
11	Tribal college dual enrollment	
12	program	<u>325,000</u>
13	Total appropriation and expenditure	
14	authority – superintendent	
15	of public instruction	\$8,240,018,800
16	Fund sources:	
17	State general fund	\$6,578,286,600
18	Education sales tax fund	7,000,000
19	Permanent state school fund	357,889,000
20	Teacher certification fund	2,517,700
21	Tribal college dual enrollment	
22	program fund	325,000
23	Department of education empowerment	
24	scholarship account fund	359,000
25	Expenditure authority	1,293,641,500

26 Operating lump sum

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

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

39 Basic state aid

40 The appropriation for basic state aid provides basic state support
 41 to school districts for maintenance and operations funding as provided by
 42 section 15-973, Arizona Revised Statutes, and includes an estimated
 43 \$357,889,000 in expendable income derived from the permanent state school
 44 fund and from state trust lands pursuant to section 37-521, subsection B,
 45 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 \$4,000,000 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 \$4,000,000 for a onetime deposit in the adult workforce diploma program
5 fund established by section 15-217.02, Arizona Revised Statutes, and
6 \$4,000,000 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. 40. DEPARTMENT OF EMERGENCY AND MILITARY AFFAIRS

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

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

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

1	Sec. 41. DEPARTMENT OF ENVIRONMENTAL QUALITY	
2		<u>2024-25</u>
3	FTE positions	358.7
4	Operating lump sum appropriation	\$ 67,698,600
5	Safe drinking water program	1,991,800
6	Emissions control contractor	
7	payment	<u>28,894,500</u>
8	Total appropriation – department of	
9	environmental quality	\$ 98,584,900
10	Fund sources:	
11	Air quality fund	\$ 9,207,700
12	Emergency response fund	132,800
13	Emissions inspection fund	33,153,800
14	Hazardous waste management fund	1,939,400
15	Indirect cost fund	18,979,600
16	Permit administration fund	7,256,800
17	Recycling fund	2,465,900
18	Safe drinking water program	
19	fund	1,991,800
20	Solid waste fee fund	2,584,900
21	Water quality fee fund	20,872,200

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

41 All permit administration fund monies received by the department of
42 environmental quality in excess of \$7,256,800 in fiscal year 2024-2025 are
43 appropriated to the department. Before spending permit administration
44 fund monies in excess of \$7,256,800 in fiscal year 2024-2025, the

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

3 All monies in the department of environmental quality indirect cost
 4 fund, including the beginning balance, that are in excess of \$18,979,600
 5 in fiscal year 2024-2025 are appropriated to the department. Before
 6 spending indirect cost fund monies in excess of \$18,979,600 in fiscal year
 7 2024-2025, the department shall report the intended use of the monies to
 8 the joint legislative budget committee.

9 Notwithstanding section 49-544, Arizona Revised Statutes, the
 10 department may use up to \$400,000 from the fund balance in the emissions
 11 inspection fund established by section 49-544, Arizona Revised Statutes,
 12 in fiscal year 2024-2025 for agency operating costs. Before expending any
 13 emissions inspection fund monies on operating costs in excess of the
 14 amount appropriated, the department shall report the intended use of the
 15 monies to the joint legislative budget committee.

16 Sec. 42. GOVERNOR'S OFFICE OF EQUAL OPPORTUNITY

		<u>2024-25</u>
17		
18	FTE positions	5.0
19	Lump sum appropriation	\$ 310,500
20	Fund sources:	
21	Personnel division fund	\$ 310,500

22 Sec. 43. STATE BOARD OF EQUALIZATION

		<u>2024-25</u>
23		
24	FTE positions	7.0
25	Lump sum appropriation	\$ 751,100
26	Fund sources:	
27	State general fund	\$ 751,100

28 Sec. 44. BOARD OF EXECUTIVE CLEMENCY

		<u>2024-25</u>
29		
30	FTE positions	14.5
31	Lump sum appropriation	\$ 1,370,300
32	Fund sources:	
33	State general fund	\$ 1,370,300

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

38 Sec. 45. ARIZONA EXPOSITION AND STATE FAIR BOARD

		<u>2024-25</u>
39		
40	FTE positions	184.0
41	Lump sum appropriation	\$ 25,047,500
42	Fund sources:	
43	Arizona exposition and state	
44	fair fund	\$ 25,047,500

1 Of the monies appropriated in the Arizona exposition and state fair
 2 board lump sum appropriation, \$3,771,400 shall be spent for enhanced state
 3 fair operations. Pursuant to section 41-1252, Arizona Revised Statutes,
 4 before spending monies appropriated in the lump sum appropriation on
 5 capital projects, the board shall submit a report for review by the joint
 6 committee on capital review on the scope, purpose and estimated cost of
 7 the capital improvements.

8 Sec. 46. 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. 47. 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. 48. 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	Racetrack capital projects and	
14	maintenance and operation funding	1,500,000
15	Racing purse enhancement	4,000,000
16	Problem gambling	<u>3,320,000</u>
17	Total appropriation – department of gaming	\$ 35,105,000
18	Fund sources:	
19	State general fund	\$ 11,704,500
20	Fantasy sports contest fund	150,100
21	Tribal-state compact fund	2,299,400
22	Arizona benefits fund	16,610,000
23	State lottery fund	300,000
24	Racing regulation fund	3,935,800
25	Racing regulation fund – unarmed	
26	combat subaccount	105,200

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

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

37 On or before August 1, 2024, the department of gaming shall report
 38 to the directors of the joint legislative budget committee and the
 39 governor's office of strategic planning and budgeting on the expected
 40 amount and purpose of expenditures from the event wagering fund
 41 established by section 5-1318, Arizona Revised Statutes, for fiscal year
 42 2024-2025. The report shall include the projected line item detail and
 43 the number of filled full-time equivalent positions.

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

8 The amount appropriated to the horseracing integrity and safety act
 9 assessment line item shall be used by the department during fiscal year
 10 2024-2025 to pay the calendar year 2024 assessment levied by the
 11 horseracing integrity and safety authority.

12 The appropriation made in the racetrack capital projects and
 13 maintenance and operation funding line item shall be distributed to
 14 commercial live racing permittees for capital projects and track
 15 maintenance and operations, including costs associated with the compliance
 16 costs associated with the horseracing integrity and safety act of 2020
 17 (P.L. 116-260; 134 Stat. 3252; 15 United States Code sections 3051 through
 18 3060). From the amount appropriated in the racetrack capital projects and
 19 maintenance and operations funding line item, the department of gaming
 20 shall allocate \$1,500,000 to a commercial live racing permittee located in
 21 Maricopa county.

22 Sec. 49. OFFICE OF THE GOVERNOR

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

28 Fund sources:

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

33 The amount appropriated for the missing and murdered indigenous
 34 people task force line item in fiscal year 2023-2024 pursuant to Laws
 35 2023, chapter 133, section 42 is exempt from the provisions of section
 36 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

37 Sec. 50. GOVERNOR'S OFFICE OF STRATEGIC PLANNING AND BUDGETING

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

1	Sec. 51. DEPARTMENT OF HEALTH SERVICES	
2		<u>2024-25</u>
3	FTE positions	1,168.0
4	Operating lump sum appropriation	\$ 64,357,300
5	<u>Public health/family health</u>	
6	Adult cystic fibrosis care	105,200
7	AIDS reporting and surveillance	1,000,000
8	Alzheimer's disease research	4,125,000
9	Behavioral health care provider	1,000,000
10	loan repayment program	
11	Biomedical research support	2,000,000
12	Breast and cervical cancer and	
13	bone density screening	1,369,400
14	County tuberculosis provider	
15	care and control	590,700
16	Folic acid program	400,000
17	Funeral services regulation	459,400
18	High-risk perinatal services	2,343,400
19	Newborn screening program	12,369,800
20	Nonrenal disease management	198,000
21	Nursing care special projects	200,000
22	Poison control centers funding	990,000
23	Preceptor grant program for graduate	
24	students	500,000
25	Renal dental care and nutrition	
26	supplements	300,000
27	Renal transplant drugs	183,000
28	<u>Arizona state hospital</u>	
29	Arizona state hospital –	
30	operating	77,146,700
31	Arizona state hospital –	
32	restoration to competency	900,000
33	Arizona state hospital –	
34	sexually violent persons	<u>11,131,900</u>
35	Total appropriation – department of	
36	health services	\$181,669,800
37	Fund sources:	
38	State general fund	\$118,979,200
39	Arizona state hospital fund	3,395,800
40	Arizona state hospital land fund	650,000
41	Child fatality review fund	196,500
42	Disease control research fund	1,000,000
43	DHS indirect cost fund	13,220,400
44	Emergency medical services	
45	operating fund	4,209,500

1	Environmental laboratory licensure	
2	revolving fund	995,500
3	Federal child care and development	
4	fund block grant	992,500
5	Health services licensing fund	17,416,400
6	Newborn screening program fund	12,802,900
7	Nursing care institution resident	
8	protection revolving fund	238,200
9	Tobacco tax and health care	
10	fund - health research account	3,000,000
11	Tobacco tax and health care	
12	fund – medically needy account	700,000
13	Vital records electronic systems	
14	fund	3,872,900

15 Public health/family health

16 Of the amount appropriated for the operating lump sum, \$100,000
17 shall be used for a suicide prevention coordinator to assist school
18 districts and charter schools in suicide prevention efforts. On or before
19 September 1, 2025, the department of health services, in consultation with
20 the department of education, shall report to the governor, the president
21 of the senate, the speaker of the house of representatives, the director
22 of the joint legislative budget committee and the director of the
23 governor's office of strategic planning and budgeting on the suicide
24 prevention coordinator's accomplishments in fiscal year 2024-2025.

25 The amount appropriated to the operating lump sum in fiscal year
26 2024-2025 includes \$1,202,400 from the state general fund to support
27 additional licensing compliance staff. This amount is exempt from the
28 provisions of section 35-190, Arizona Revised Statutes, relating to
29 lapsing of appropriations, until June 30, 2026.

30 The department of health services may use up to four percent of the
31 amount appropriated for nonrenal disease management for the administrative
32 costs to implement the program.

33 The department of health services shall distribute monies
34 appropriated for the biomedical research support line item to a nonprofit
35 medical research institute headquartered in this state that specializes in
36 biomedical research focusing on applying genomic technologies and
37 sequencing to clinical care, that has served as a resource to this state
38 to conduct molecular epidemiologic analyses to assist with disease
39 outbreak investigations and that collaborates with universities, hospitals
40 and health science research centers and other public and private
41 bioscience and related industries in this state. The recipient of these
42 monies shall commission an audit of the expenditure of these monies and
43 shall submit a copy of the audit to the department of health services on
44 or before February 1, 2026.

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

5 1. Is headquartered in this state.

6 2. Has been operating in this state for at least the last ten
7 years.

8 3. Has participating member institutions that work together to end
9 Alzheimer's disease within a statewide collaborative model by using their
10 complementary strengths in brain imaging, computer science, genomics,
11 basic and cognitive neurosciences and clinical and neuropathology
12 research.

13 4. Has participating member institutions that educate residents of
14 this state about Alzheimer's disease, research progress and resources to
15 help patients, families and professionals manage the disease.

16 The terms of the grant made to the charitable organization may not
17 impose any requirements that were not imposed in prior grant agreements
18 entered into between the department of health services and the charitable
19 organization.

20 The amount appropriated to the department of health services for the
21 preceptor grant program for graduate students is exempt from the
22 provisions of section 35-190, Arizona Revised Statutes, relating to the
23 lapsing of appropriations. Any monies remaining unexpended on July 1,
24 2026 revert to the state general fund.

25 The amount appropriated for the psilocybin research line item in
26 fiscal year 2023-2024 pursuant to Laws 2023, chapter 133, section 44 is
27 exempt from the provisions of section 35-190, Arizona Revised Statutes,
28 relating to lapsing of appropriations.

29 Of the amount appropriated to the department of health services for
30 the behavioral health care provider loan repayment program line item in
31 fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section 44,
32 \$1,000,000 from the state general fund is exempt from the provisions of
33 section 35-190, Arizona Revised Statutes, relating to lapsing of
34 appropriations, until June 30, 2025.

35 The amount appropriated for the accelerated nursing programs line
36 item in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section
37 44 is exempt from the provisions of section 35-190, Arizona Revised
38 Statutes, relating to lapsing of appropriations, until June 30, 2025.

39 The amount appropriated for the nurse-family partnership programs
40 line item in fiscal year 2023-2024 pursuant to Laws 2023, chapter 133,
41 section 44 is exempt from the provisions of section 35-190, Arizona
42 Revised Statutes, relating to lapsing of appropriations, until June 30,
43 2027.

1 Arizona state hospital
 2 In addition to the appropriation for the department of health
 3 services, earnings on state lands and interest on the investment of the
 4 permanent state land funds are appropriated to the Arizona state hospital
 5 in compliance with the enabling act and the Constitution of Arizona.

6 Departmentwide
 7 The department of health services shall electronically forward to
 8 the president of the senate, the speaker of the house of representatives,
 9 the chairpersons of the senate and house of representatives appropriations
 10 committees and the director of the joint legislative budget committee a
 11 monthly report comparing total expenditures for the month and year-to-date
 12 as compared to prior-year totals on or before the thirtieth of the
 13 following month. Each report shall include an estimate of potential
 14 shortfalls in programs, potential federal and other monies, such as the
 15 statewide assessment for indirect costs, that may be available to offset
 16 these shortfalls, and a plan, if necessary, for eliminating any shortfall
 17 without a supplemental appropriation.

18 Sec. 52. ARIZONA HISTORICAL SOCIETY

		<u>2024-25</u>
19		
20	FTE positions	50.9
21	Operating lump sum appropriation	\$ 2,420,900
22	Field services and grants	65,400
23	Papago park museum	<u>559,500</u>
24	Total appropriation – Arizona historical	
25	society	\$ 3,045,800
26	Fund sources:	
27	State general fund	\$ 3,045,800

28 Sec. 53. PRESCOTT HISTORICAL SOCIETY

		<u>2024-25</u>
29		
30	FTE positions	13.0
31	Lump sum appropriation	\$ 1,012,900
32	Fund sources:	
33	State general fund	\$ 1,012,900

34 Sec. 54. ARIZONA DEPARTMENT OF HOMELAND SECURITY

		<u>2024-25</u>
35		
36	FTE positions	20.0
37	Statewide information security	
38	and privacy operations and	
39	controls	\$ 11,094,400
40	Statewide cybersecurity grants	<u>10,000,000</u>
41	Total appropriation – Arizona department of	
42	homeland security	\$ 21,094,400
43	Fund sources:	
44	State general fund	\$ 10,000,000
45	Information technology fund	11,094,400

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

4 Sec. 55. BOARD OF HOMEOPATHIC AND INTEGRATED MEDICINE EXAMINERS

5		<u>2024-25</u>
6	FTE positions	1.0
7	Lump sum appropriation	\$ 61,400
8	Fund sources:	
9	Board of homeopathic and	
10	integrated medicine	
11	examiners' fund	\$ 61,400

12 Sec. 56. ARIZONA DEPARTMENT OF HOUSING

13		<u>2024-25</u>
14	FTE positions	3.0
15	Operating lump sum appropriation	\$ 371,100
16	Housing trust fund deposit	<u>15,000,000</u>
17	Total appropriation – Arizona department of	
18	housing	\$ 15,371,100
19	Fund sources:	
20	State general fund	\$ 15,000,000
21	Housing trust fund	\$ 371,100

22 The amount appropriated for the homeless services grant pilot line
 23 item in fiscal year 2022-2023 pursuant to Laws 2022, chapter 313, section
 24 49 is exempt from the provisions of section 35-190, Arizona Revised
 25 Statutes, relating to lapsing of appropriations.

26 Sec. 57. INDUSTRIAL COMMISSION OF ARIZONA

27		<u>2024-25</u>
28	FTE positions	236.6
29	Operating lump sum appropriation	\$ 21,985,500
30	Municipal firefighter reimbursement	
31	administration	<u>84,700</u>
32	Total appropriation – industrial commission	
33	of Arizona	\$ 22,070,200
34	Fund sources:	
35	State general fund	\$ 84,700
36	Administrative fund	21,985,500

37 The legislature intends that the state general fund appropriation be
 38 used only for administrative costs of title 23, chapter 11, Arizona
 39 Revised Statutes, and that this appropriation does not convey any
 40 responsibility for firefighter cancer compensation and benefits claims to
 41 this state.

1	Sec. 58. DEPARTMENT OF INSURANCE AND FINANCIAL INSTITUTIONS	
2		<u>2024-25</u>
3	FTE positions	159.4
4	Operating lump sum appropriation	\$ 12,894,600
5	Arizona vehicle theft task force	4,452,600
6	Automobile theft authority	
7	operating budget	698,700
8	Insurance fraud unit	1,849,800
9	Local grants	1,388,900
10	Reimbursable programs	<u>50,000</u>

11 Of the monies appropriated to the department of insurance and
12 financial institutions in the operating lump sum appropriation, \$250,000
13 shall be used to administer the provisions of a bill addressing insurance
14 provider claims against insurers if the bill becomes law in the
15 fifty-sixth legislature, second regular session. These monies revert to
16 the state general fund if a bill addressing provider claims against
17 insurers does not become law in the fifty-sixth legislature, second
18 regular session.

19	Total appropriation – department of insurance	
20	and financial institutions	\$ 21,334,600
21	Fund sources:	
22	State general fund	\$ 8,548,500
23	Automobile theft authority fund	6,740,900
24	Financial services fund	5,994,900
25	Department revolving fund	50,300

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

31 Local grants shall be awarded with consideration given to areas with
32 greater automobile theft problems and shall be used to combat economic
33 automobile theft operations.

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

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

1	Sec. 59. ARIZONA JUDICIARY	
2		<u>2024-25</u>
3	<u>Supreme court</u>	
4	FTE positions	205.0
5	Operating lump sum appropriation	\$ 18,167,200
6	Arizona trial and digital	
7	evidence fund deposit	1,620,000
8	Automation	24,533,000
9	County reimbursements	187,900
10	Court appointed special advocate	
11	and vulnerable persons	6,576,700
12	Courthouse security	750,000
13	Digital evidence software	280,000
14	Domestic relations	685,900
15	State foster care review board	3,504,900
16	Commission on judicial conduct	603,700
17	Judicial nominations and	
18	performance review	608,500
19	Juvenile monetary sanctions	
20	funding backfill	250,000
21	Model court	658,800
22	State aid	<u>5,931,900</u>
23	Total appropriation – supreme court	\$ 64,358,500
24	Fund sources:	
25	State general fund	\$ 29,683,400
26	Confidential intermediary and	
27	fiduciary fund	682,800
28	Court appointed special advocate	
29	and vulnerable persons fund	6,776,000
30	Criminal justice enhancement fund	4,691,900
31	Defensive driving school fund	4,464,000
32	Judicial collection enhancement	
33	fund	15,114,200
34	State aid to the courts fund	2,946,200

35 On or before September 1, 2024, the supreme court shall report to
36 the joint legislative budget committee and the governor's office of
37 strategic planning and budgeting on current and future automation projects
38 coordinated by the administrative office of the courts. The report shall
39 include a list of court automation projects that receive or are
40 anticipated to receive state monies in the current or next two fiscal
41 years as well as a description of each project, the number of FTE
42 positions, the entities involved and the goals and anticipated results for
43 each automation project. The report shall be submitted in one summary
44 document. The report shall indicate each project's total multiyear cost

1 by fund source and budget line item, including any prior-year, current
 2 year and future year expenditures.

3 Automation expenses of the judiciary shall be funded only from the
 4 automation line item. Monies in the operating lump sum appropriation or
 5 other line items intended for automation purposes shall be transferred to
 6 the automation line item before expenditure.

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

10 Of the \$187,900 appropriated for county reimbursements, state grand
 11 jury is limited to \$97,900 and capital postconviction relief is limited to
 12 \$90,000.

13 Court of appeals

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

18 Fund sources:

19	State general fund	\$ 24,710,800
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20 Of the 162.8 FTE positions for fiscal year 2024-2025, 111.3 FTE
 21 positions are for division one and 51.5 FTE positions are for division
 22 two.

23 Superior court

24	FTE positions	240.5
25	Operating lump sum appropriation	\$ 5,609,600
26	Judges' compensation	29,913,900
27	Centralized service payments	4,696,900
28	Adult standard probation	22,297,500
29	Adult intensive probation	13,150,200
30	Community punishment	2,310,300
31	Court-ordered removals	315,000
32	Interstate compact	513,700
33	Drug court	1,096,400
34	General adjudication personnel	
35	and support fund deposit	2,000,000
36	Juvenile standard probation	3,781,800
37	Juvenile intensive probation	6,087,200
38	Juvenile treatment services	20,803,000
39	Juvenile family counseling	500,000
40	Juvenile crime reduction	3,313,700
41	Juvenile diversion consequences	9,088,500
42	Probation incentive payments	1,000,000
43	Special water master	<u>511,100</u>
44	Total appropriation – superior court	\$126,988,800

1	Fund sources:	
2	State general fund	\$114,973,100
3	Criminal justice enhancement fund	5,496,100
4	Drug treatment and education fund	504,200
5	Judicial collection enhancement	
6	fund	6,015,400

7 Operating budget

8 All expenditures made by the administrative office of the courts to
9 administer superior court line items shall be funded only from the
10 superior court operating budget. Monies in superior court line items
11 intended for this purpose shall be transferred to the superior court
12 operating budget before expenditure.

13 Judges

14 Of the 240.5 FTE positions, 182 FTE positions represent superior
15 court judges. This FTE position clarification does not limit the
16 counties' ability to add judges pursuant to section 12-121, Arizona
17 Revised Statutes.

18 All monies in the judges' compensation line item shall be used to
19 pay for fifty percent of superior court judges' salaries, elected
20 officials' retirement plan costs and related state benefit costs for
21 judges pursuant to section 12-128, Arizona Revised Statutes. Monies in
22 the operating lump sum appropriation or other line items intended for this
23 purpose shall be transferred to the judges' compensation line item before
24 expenditure.

25 Probation

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

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

33 On or before November 1, 2024, the administrative office of the
34 courts shall report to the joint legislative budget committee and the
35 governor's office of strategic planning and budgeting the fiscal year
36 2023-2024 actual, fiscal year 2024-2025 estimated and fiscal year
37 2025-2026 requested amounts for each of the following:

38 1. On a county-by-county basis, the number of authorized and filled
39 case carrying probation positions and non-case carrying probation
40 positions, distinguishing between adult standard, adult intensive,
41 juvenile standard and juvenile intensive. The report shall indicate the
42 level of state probation funding, other state funding, county funding and
43 probation surcharge funding for those positions.

44 2. Total receipts and expenditures by county and fund source for
45 the adult standard, adult intensive, juvenile standard and juvenile

1 intensive probation line items, including the amount of personal services
2 spent from each revenue source of each account.

3 All centralized service payments made by the administrative office
4 of the courts on behalf of counties shall be funded only from the
5 centralized service payments line item. Centralized service payments
6 include only training, motor vehicle payments, CORP review board funding,
7 LEARN funding, research, operational reviews and GPS vendor payments.
8 This footnote does not apply to treatment or counseling services payments
9 made from the juvenile treatment services and juvenile diversion
10 consequences line items. Monies in the operating lump sum appropriation
11 or other line items intended for centralized service payments shall be
12 transferred to the centralized service payments line item before
13 expenditure.

14 All monies in the adult standard probation, adult intensive
15 probation, community punishment, interstate compact, juvenile standard
16 probation, juvenile intensive probation, juvenile treatment services,
17 juvenile diversion consequences, juvenile crime reduction and probation
18 incentive payments line items shall be used only as pass-through monies to
19 county probation departments. Monies in the operating lump sum
20 appropriation or other line items intended as pass-through for the purpose
21 of administering a county probation program shall be transferred to the
22 appropriate probation line item before expenditure.

23 On or before November 1, 2024, the administrative office of the
24 courts shall submit a report to the joint legislative budget committee on
25 the county-approved salary adjustments provided to probation officers
26 since the last report on November 1, 2023. The administrative office
27 shall also submit a copy of the report to the governor's office of
28 strategic planning and budgeting. The report shall include, for each
29 county, the:

- 30 1. Approved percentage salary increase by year.
- 31 2. Net increase in the amount allocated to each probation
- 32 department by the administrative office of the courts for each applicable
- 33 year.
- 34 3. Average number of probation officers by applicable year.
- 35 4. Average salary of probation officers for each applicable year.

36 Sec. 60. DEPARTMENT OF JUVENILE CORRECTIONS

	<u>2024-25</u>
37 FTE positions	738.5
38 Lump sum appropriation	\$ 44,496,700
39 Fund sources:	
40 State general fund	\$ 30,920,800
41 State charitable, penal and	
42 reformatory institutions	
43 land fund	4,875,100
44	

1 Criminal justice enhancement fund 529,000
 2 State education fund for committed
 3 youth 1,447,800
 4 Department of juvenile corrections
 5 local cost sharing fund 6,724,000
 6 Twenty-five percent of land earnings and interest from the state
 7 charitable, penal and reformatory institutions land fund shall be
 8 distributed to the department of juvenile corrections, in compliance with
 9 section 25 of the enabling act and the Constitution of Arizona, to be used
 10 to support state juvenile institutions and reformatories.

11 Sec. 61. STATE LAND DEPARTMENT

12 2024-25
 13 FTE positions 136.7
 14 Operating lump sum appropriation \$ 17,787,000
 15 CAP user fees 1,521,500
 16 Due diligence program 5,000,000
 17 Natural resource conservation
 18 districts 650,000

19 Total appropriation – state land department \$ 24,958,500

20 Fund sources:

21 State general fund \$ 12,404,000
 22 Environmental special plate fund 260,600
 23 Off-highway vehicle recreation
 24 fund 177,600
 25 Due diligence fund 5,000,000
 26 Trust land management fund 7,116,300

27 The appropriation includes \$1,521,500 for CAP user fees in fiscal
 28 year 2024-2025. For fiscal year 2024-2025, from municipalities that
 29 assume their allocation of central Arizona project water for every dollar
 30 received as reimbursement to this state for past central Arizona water
 31 conservation district payments, \$1 reverts to the state general fund in
 32 the year that the reimbursement is collected.

33 Of the amount appropriated for natural resource conservation
 34 districts in fiscal year 2024-2025, \$30,000 shall be used to provide
 35 grants to natural resource conservation districts environmental education
 36 centers.

37 Sec. 62. LEGISLATURE

38 2024-25

39 Senate
 40 Lump sum appropriation \$ 18,374,500*

41 Fund sources:

42 State general fund \$ 18,374,500

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

1	<u>House of representatives</u>	
2	Lump sum appropriation	\$ 21,951,500*
3	Fund sources:	
4	State general fund	\$ 21,951,500
5	Included in the lump sum appropriation of \$21,951,500 for fiscal	
6	year 2024-2025 is \$5,000 for the purchase of mementos and items for	
7	visiting officials.	
8	<u>Legislative council</u>	
9	FTE positions	56.0
10	Lump sum appropriation	\$ 9,507,700*
11	Fund sources:	
12	State general fund	\$ 9,507,700
13	<u>Ombudsman-citizens aide office</u>	
14	FTE positions	12.0
15	Lump sum appropriation	\$ 1,561,200*
16	Fund sources:	
17	State general fund	\$ 1,561,200
18	The legislature intends that the ombudsman-citizens aide prioritize	
19	investigating and processing complaints relating to the department of	
20	child safety.	
21	The operating budget includes \$137,500 and 1 FTE position to address	
22	complaints relating to the administration of the Arizona empowerment	
23	scholarship account program established by section 15-2402, Arizona	
24	Revised Statutes.	
25	<u>Joint legislative budget committee</u>	
26	FTE positions	29.0
27	Lump sum appropriation	\$ 3,122,700*
28	Fund sources:	
29	State general fund	\$ 3,122,700
30	<u>Auditor general</u>	
31	FTE positions	224.8
32	Lump sum appropriation	\$26,316,600*
33	Fund sources:	
34	State general fund	\$ 26,316,600
35	Of the amount appropriated for the lump sum appropriation, the	
36	auditor general shall use \$3,300,000 for additional agency performance	
37	audits and school district audits.	
38	Sec. 63. DEPARTMENT OF LIQUOR LICENSES AND CONTROL	
39		<u>2024-25</u>
40	FTE positions	58.2
41	Lump sum appropriation	\$ 6,150,900
42	Fund sources:	
43	Liquor licenses fund	\$ 6,150,900

1	Sec. 64. ARIZONA STATE LOTTERY COMMISSION	
2		<u>2024-25</u>
3	FTE positions	98.8
4	Operating lump sum appropriation	\$ 10,195,400
5	Advertising	<u>15,500,000</u>
6	Total appropriation – Arizona state	
7	lottery commission	\$ 25,695,400
8	Fund sources:	
9	State lottery fund	\$ 25,695,400
10	An amount equal to twenty percent of tab ticket sales is	
11	appropriated to pay sales commissions to charitable organizations. This	
12	amount is currently estimated to be \$1,994,900 in fiscal year 2024-2025.	
13	An amount equal to 3.6 percent of actual instant ticket sales is	
14	appropriated to print instant tickets or to pay contractual obligations	
15	concerning instant ticket distribution. This amount is currently	
16	estimated to be \$42,399,600 in fiscal year 2024-2025.	
17	An amount equal to a percentage of actual online game sales as	
18	determined by contract is appropriated to pay online vendor fees. This	
19	amount is currently estimated to be \$20,729,900, or 4.256 percent of	
20	actual online ticket sales, in fiscal year 2024-2025.	
21	An amount equal to 6.5 percent of gross lottery game sales, minus	
22	charitable tab tickets, is appropriated to pay sales commissions to ticket	
23	retailers. An additional amount not to exceed 0.5 percent of gross	
24	lottery game sales is appropriated to pay sales commissions to ticket	
25	retailers. The combined amount is currently estimated to be \$110,876,200,	
26	or 6.7 percent of total ticket sales, in fiscal year 2024-2025.	
27	Sec. 65. BOARD OF MASSAGE THERAPY	
28		<u>2024-25</u>
29	FTE positions	5.0
30	Lump sum appropriation	\$ 599,000
31	Fund sources:	
32	Board of massage therapy fund	\$ 599,000
33	Sec. 66. ARIZONA MEDICAL BOARD	
34		<u>2024-25</u>
35	FTE positions	63.5
36	Operating lump sum appropriation	\$ 8,195,400
37	Employee performance incentive	
38	program	165,600
39	Total appropriation – Arizona medical	
40	board	\$ 8,361,000
41	Fund sources:	
42	Arizona medical board fund	\$ 8,361,000

1	Sec. 67. STATE MINE INSPECTOR	
2		<u>2024-25</u>
3	FTE positions	22.0
4	Operating lump sum appropriation	\$ 1,484,500
5	Abandoned mines	825,400
6	Aggregate mining land reclamation	<u>112,900</u>
7	Total appropriation – state mine inspector	\$ 2,422,800
8	Fund sources:	
9	State general fund	\$ 2,309,900
10	Aggregate mining reclamation fund	112,900
11	All aggregate mining reclamation fund monies received by the state	
12	mine inspector in excess of \$112,900 in fiscal year 2024-2025 are	
13	appropriated to the aggregate mining land reclamation line item. Before	
14	spending any aggregate mining reclamation fund monies in excess of	
15	\$112,900 in fiscal year 2024-2025, the state mine inspector shall report	
16	the intended use of the monies to the joint legislative budget committee	
17	and the governor's office of strategic planning and budgeting.	
18	Sec. 68. NATUROPATHIC PHYSICIANS MEDICAL BOARD	
19		<u>2024-25</u>
20	FTE positions	2.0
21	Lump sum appropriation	\$ 217,700
22	Fund sources:	
23	Naturopathic physicians medical	
24	board fund	\$ 217,700
25	Sec. 69. ARIZONA NAVIGABLE STREAM ADJUDICATION COMMISSION	
26		<u>2024-25</u>
27	FTE positions	2.0
28	Lump sum appropriation	\$ 344,000
29	Fund sources:	
30	State general fund	\$ 144,000
31	Arizona water banking fund	200,000
32	Sec. 70. ARIZONA STATE BOARD OF NURSING	
33		<u>2024-25</u>
34	FTE positions	63.0
35	Operating lump sum appropriation	\$ 6,411,500
36	Certified nursing assistant	
37	credentialing program	<u>538,400</u>
38	Total appropriation – Arizona state	
39	board of nursing	\$ 6,949,900
40	Fund sources:	
41	Board of nursing fund	6,949,900
42	The amount appropriated for the student registered nurse anesthetist	
43	clinical rotation line item in fiscal year 2023-2024 pursuant to Laws	
44	2023, chapter 133, section 63 is exempt from the provisions of section	

1	35-190, Arizona Revised Statutes, relating to lapsing of appropriations,		
2	until June 30, 2025.		
3	Sec. 71. BOARD OF EXAMINERS OF NURSING CARE INSTITUTION ADMINISTRATORS		
4	AND ASSISTED LIVING FACILITY MANAGERS		
5			<u>2024-25</u>
6	FTE positions		7.0
7	Lump sum appropriation	\$	604,900
8	Fund sources:		
9	Nursing care institution		
10	administrators' licensing and		
11	assisted living facility		
12	managers' certification fund	\$	604,900
13	Sec. 72. BOARD OF OCCUPATIONAL THERAPY EXAMINERS		
14			<u>2024-25</u>
15	FTE positions		2.0
16	Lump sum appropriation	\$	303,000
17	Fund sources:		
18	Occupational therapy fund	\$	303,000
19	Sec. 73. STATE BOARD OF DISPENSING OPTICIANS		
20			<u>2024-25</u>
21	FTE positions		1.0
22	Lump sum appropriation	\$	198,200
23	Fund sources:		
24	Board of dispensing opticians fund	\$	198,200
25	Sec. 74. STATE BOARD OF OPTOMETRY		
26			<u>2024-25</u>
27	FTE positions		2.0
28	Lump sum appropriation	\$	289,200
29	Fund sources:		
30	Board of optometry fund	\$	289,200
31	Sec. 75. ARIZONA BOARD OF OSTEOPATHIC EXAMINERS IN MEDICINE AND SURGERY		
32			<u>2024-25</u>
33	FTE positions		10.0
34	Lump sum appropriation	\$	1,394,300
35	Fund sources:		
36	Arizona board of osteopathic		
37	examiners in medicine		
38	and surgery fund	\$	1,394,300
39	Sec. 76. ARIZONA STATE PARKS BOARD		
40			<u>2024-25</u>
41	FTE positions		167.0
42	Operating lump sum appropriation	\$	18,140,100
43	Arizona trail fund deposit		100,000
44	State parks store		1,513,100

1	Kartchner caverns state park	2,458,400
2	Veterans memorial park feasibility	
3	study	<u>500,000</u>
4	Total appropriation – Arizona state parks	
5	board	\$ 22,711,600
6	Fund sources:	
7	State parks revenue fund	\$ 21,081,800
8	State parks store fund	1,513,100
9	Off-highway vehicle recreation fund	16,700
10	State general fund	100,000

11 In addition to the operating lump sum appropriation, an amount equal
 12 to the revenue share agreement with the United States forest service for
 13 Fool Hollow Lake recreation area and Catalina state park is appropriated
 14 to the Arizona state parks board from the state parks revenue fund
 15 established by section 41-511.21, Arizona Revised Statutes.

16	Sec. 77. STATE PERSONNEL BOARD	
17		<u>2024-25</u>
18	FTE positions	2.0
19	Lump sum appropriation	\$ 361,100
20	Fund sources:	
21	Personnel division fund –	
22	personnel board subaccount	\$ 361,100

23	Sec. 78. ARIZONA STATE BOARD OF PHARMACY	
24		<u>2024-25</u>
25	FTE positions	25.4
26	Operating lump sum appropriation	\$ 3,476,700
27	Prescriber report card	50,000
28	Annual leave payout	<u>64,600*</u>
29	Total appropriation – Arizona state	
30	board of pharmacy	\$ 3,591,300
31	Fund sources:	
32	Arizona state board of pharmacy	
33	fund	\$ 3,591,300

34 Of the amount appropriated in the operating lump sum appropriation
 35 in fiscal year 2022-2023 to the Arizona state board of pharmacy pursuant
 36 to Laws 2022, chapter 313, section 71, \$190,500 is exempt from the
 37 provisions of section 35-190, Arizona Revised Statutes, relating to the
 38 lapsing of appropriations, until June 30, 2025, for the purposes of e-
 39 licensing system upgrades.

40	Sec. 79. BOARD OF PHYSICAL THERAPY	
41		<u>2024-25</u>
42	FTE positions	4.0
43	Lump sum appropriation	\$ 591,500
44	Fund sources:	
45	Board of physical therapy fund	\$ 591,500

1	Sec. 80. ARIZONA PIONEERS' HOME	
2		<u>2024-25</u>
3	FTE positions	107.3
4	Lump sum appropriation	\$ 8,380,200
5	Fund sources:	
6	Miners' hospital for miners with	
7	disabilities land fund	\$ 2,301,300
8	State charitable fund	6,078,900
9	Earnings on state lands and interest on the investment of the	
10	permanent land funds are appropriated for the Arizona pioneers' home and	
11	the state hospital for miners with disabilities in compliance with the	
12	enabling act and the Constitution of Arizona.	
13	Sec. 81. STATE BOARD OF PODIATRY EXAMINERS	
14		<u>2024-25</u>
15	FTE positions	1.0
16	Lump sum appropriation	\$ 202,500
17	Fund sources:	
18	Podiatry fund	\$ 202,500
19	Sec. 82. STATE BOARD FOR PRIVATE POSTSECONDARY EDUCATION	
20		<u>2024-25</u>
21	FTE positions	4.0
22	Lump sum appropriation	\$ 448,100
23	Fund sources:	
24	Board for private postsecondary	
25	education fund	\$ 448,100
26	Sec. 83. STATE BOARD OF PSYCHOLOGIST EXAMINERS	
27		<u>2024-25</u>
28	FTE positions	4.5
29	Lump sum appropriation	\$ 640,000
30	Fund sources:	
31	Board of psychologist examiners	
32	fund	\$ 640,000
33	Sec. 84. DEPARTMENT OF PUBLIC SAFETY	
34		<u>2024-25</u>
35	FTE positions	2,167.7
36	Operating lump sum appropriation	\$271,399,700
37	ACTIC	2,132,700
38	AZPOST	6,100,000
39	Border drug interdiction	1,850,900
40	Local border support	5,000,000
41	Civil air patrol maintenance and	
42	operations	144,000
43	Department of public safety	
44	crime lab assistance	200,000
45	GIITEM	24,514,300

1	GIITEM subaccount	2,396,400
2	Major incident division	15,500,000*
3	Motor vehicle fuel	5,454,600
4	Pharmaceutical diversion and	
5	drug theft task force	635,300
6	Public safety equipment	<u>3,660,000</u>
7	Total appropriation – department of public	
8	safety	\$338,987,900
9	Fund sources:	
10	State general fund	\$262,246,500
11	State highway fund	10,000,000
12	Arizona highway patrol fund	24,096,500
13	Criminal justice enhancement fund	3,009,000
14	Department of public safety	
15	forensics fund	22,888,300
16	Gang and immigration intelligence	
17	team enforcement mission border	
18	security and law enforcement	
19	subaccount	2,396,400
20	Motorcycle safety fund	198,900
21	Motor vehicle liability insurance	
22	enforcement fund	979,400
23	Risk management revolving fund	1,102,500
24	Parity compensation fund	3,022,200
25	Public safety equipment fund	3,664,000
26	Concealed weapons permit fund	3,348,100
27	Fingerprint clearance card fund	2,036,100

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

- 34 1. Strictly enforcing all federal laws relating to illegal aliens
 35 and arresting illegal aliens.
- 36 2. Responding to or assisting any county sheriff or attorney in
 37 investigating complaints of employment of illegal aliens.
- 38 3. Enforcing Arizona's law known as the Legal Arizona Workers Act,
 39 strictly enforcing Arizona's SB 1070, Arizona's "Support Our Law
 40 Enforcement and Safe Neighborhoods Act" and investigating crimes of
 41 identity theft in the context of hiring illegal aliens and the unlawful
 42 entry into this country.
- 43 4. Taking strict enforcement action.

1 Any change in the GIITEM mission or allocation of monies shall be
2 approved by the joint legislative budget committee. The department shall
3 submit an expenditure plan to the joint legislative budget committee for
4 review before expending any monies not identified in the department's
5 previous expenditure plans.

6 Of the \$24,514,300 appropriated to the GIITEM line item, only
7 \$1,203,400 is deposited in the GIITEM fund established by section 41-1724,
8 Arizona Revised Statutes, and is appropriated for the purposes of that
9 section. The \$1,203,400 is exempt from the provisions of section 35-190,
10 Arizona Revised Statutes, relating to lapsing of appropriations. This
11 state recognizes that states have inherent authority to arrest a person
12 for any immigration violation.

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

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

21 The \$5,000,000 appropriated for the local border support line item
22 shall be used to fund local law enforcement officer positions for border
23 drug interdiction to deter and apprehend any individuals who are charged
24 with drug trafficking, human smuggling, illegal immigration and other
25 border-related crimes. The monies shall also be used for grants to
26 cities, towns and counties for costs associated with prosecuting and
27 detaining individuals who are charged with drug trafficking, human
28 smuggling, illegal immigration and other border-related crimes. The
29 department may fund all capital-related equipment.

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

36 Sec. 85. STATE REAL ESTATE DEPARTMENT

37		<u>2024-25</u>
38	FTE positions	37.0
39	Lump sum appropriation	\$ 3,198,000
40	Fund sources:	
41	State general fund	\$ 3,198,000

42 The lump sum appropriation for the state real estate department
43 includes \$400,000 for information technology improvements.

1	Sec. 86. RESIDENTIAL UTILITY CONSUMER OFFICE	
2		<u>2024-25</u>
3	FTE positions	12.0
4	Operating lump sum appropriation	\$ 1,447,200
5	Professional witnesses	<u>145,000*</u>
6	Total appropriation – residential utility	
7	consumer office	\$ 1,592,200
8	Fund sources:	
9	Residential utility consumer	
10	office revolving fund	\$ 1,592,200
11	Sec. 87. BOARD OF RESPIRATORY CARE EXAMINERS	
12		<u>2024-25</u>
13	FTE positions	4.0
14	Lump sum appropriation	\$ 421,400
15	Fund sources:	
16	Board of respiratory care	
17	examiners fund	\$ 421,400
18	Sec. 88. ARIZONA STATE RETIREMENT SYSTEM	
19		<u>2024-25</u>
20	FTE positions	240.9
21	Lump sum appropriation	\$ 28,513,000
22	Fund sources:	
23	Arizona state retirement system	
24	administration account	26,713,000
25	Long-term disability trust fund	
26	administration account	1,800,000
27	Sec. 89. DEPARTMENT OF REVENUE	
28		<u>2024-25</u>
29	FTE positions	892.8
30	Operating lump sum appropriation	\$ 76,294,800
31	BRITS operational support	7,897,200
32	E-commerce compliance and outreach	936,400
33	Unclaimed property administration	
34	and audit	1,473,900
35	TPT simplification	1,033,400
36	Tax fraud prevention	<u>3,155,300</u>
37	Total appropriation – department of revenue	\$ 90,791,000
38	Fund sources:	
39	State general fund	\$ 60,587,600
40	Department of revenue	
41	administrative fund	27,390,900
42	Liability setoff program	
43	revolving fund	2,087,900
44	Tobacco tax and health care fund	724,600

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

6 The department shall report the department's general fund revenue
 7 enforcement goals for fiscal year 2024-2025 to the joint legislative
 8 budget committee on or before September 30, 2024. On or before September
 9 30, 2025, the department shall provide an annual progress report to the
 10 joint legislative budget committee as to the effectiveness of the
 11 department's overall enforcement and collections program for fiscal year
 12 2024-2025. The reports shall compare projected and actual state general
 13 fund, total state tax, total county tax and total municipal tax revenue
 14 enforcement collections for fiscal year 2023-2024 and fiscal year
 15 2024-2025, including the amount of projected and actual enforcement
 16 collections for all tax types. The reports shall also include the total
 17 number of transaction privilege tax delinquent accounts, the total dollar
 18 value of those accounts classified by age of account and the total dollar
 19 amount of delinquent account write-offs determined to be uncollectible for
 20 fiscal year 2023-2024.

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

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

26 On or before November 1, 2024, the department shall report the
 27 results of private fraud prevention investigation services during fiscal
 28 year 2023-2024 to the joint legislative budget committee. The report
 29 shall include the total number of fraudulent returns prevented and the
 30 total dollar amount of fraudulent returns prevented during fiscal year
 31 2023-2024.

32 Sec. 90. DEPARTMENT OF STATE – SECRETARY OF STATE

	<u>2024-25</u>
33 FTE positions	146.1
34 Operating lump sum appropriation	\$ 15,000,400
35 Access voter information database	483,500
36 Election services	7,900,000
37 Electronic records repository	520,000
38 Library grants-in-aid	651,400*
39 Statewide radio reading service	
40 for the blind	97,000
41 Uniform state laws commission	<u>99,000</u>
42 Total appropriation – department of	
43 state – secretary of state	\$ 24,751,300

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Fund sources:

State general fund	\$ 22,325,700
Election systems improvement fund	483,500
Records services fund	1,942,100

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

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

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

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

The operating lump sum appropriation includes \$100,000 for additional support for secretary of state legal expenses. The secretary of state may spend these monies for legal services from the attorney general, to hire one FTE position to serve as legal advisor to the secretary of state or for legal expenses for conflict counsel. The secretary of state may make expenditures or incur indebtedness to employ outside or private attorneys if all of the following are true:

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

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

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

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

Monies in the access voter information database line item may be used only for the exclusive purpose of developing and administering the

1 statewide database of voter registration information required by section
 2 16-168, Arizona Revised Statutes. The secretary of state may not transfer
 3 any monies in or out of the access voter information database line item.

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

11 Sec. 91. STATE BOARD OF TAX APPEALS

		<u>2024-25</u>
12		
13	FTE positions	4.0
14	Lump sum appropriation	\$ 327,400
15	Fund sources:	
16	State general fund	\$ 327,400

17 Sec. 92. STATE BOARD OF TECHNICAL REGISTRATION

		<u>2024-25</u>
18		
19	FTE positions	25.0
20	Lump sum appropriation	\$ 2,605,000
21	Fund sources:	
22	Technical registration fund	\$ 2,605,000

23 Of the amount appropriated in the agency lump sum appropriation in
 24 fiscal year 2022-2023 to the state board of technical registration
 25 pursuant to Laws 2022, chapter 313, section 85, \$167,700 is exempt from
 26 the provisions of section 35-190, Arizona Revised Statutes, relating to
 27 the lapsing of appropriations, until June 30, 2025, for the purposes of
 28 e-licensing system upgrades.

29 Sec. 93. OFFICE OF TOURISM

		<u>2024-25</u>
30		
31	FTE positions	31.0
32	Tourism fund deposit	\$ 7,426,200
33	Arizona promotion	819,000
34	Wine promotion	<u>100,000</u>
35	Total appropriation – office of tourism	\$ 8,345,200
36	Fund sources:	
37	State general fund	\$ 8,345,200

38 Sec. 94. DEPARTMENT OF TRANSPORTATION

		<u>2024-25</u>
39		
40	FTE positions	4,571.0
41	Operating lump sum appropriation	\$252,853,100
42	Attorney general legal services	3,623,700
43	Highway maintenance	163,242,200
44	ADOT fleet vehicles and heavy	
45	equipment maintenance	26,219,300

1	ADOT fleet vehicles and heavy	
2	equipment maintenance contingency	1,000,000
3	State fleet operations	29,149,000
4	State fleet vehicle replacement	11,370,000
5	Driver safety and livestock control	800,000
6	ADOT fleet vehicle and heavy	
7	equipment replacement	22,400,000
8	Highway damage recovery account	8,000,800
9	Statewide litter removal	3,106,800
10	Construction management system	
11	replacement	1,885,000
12	Onetime fleet fuel inflation	
13	funding	3,297,900
14	Radio lifecycle replacement	1,656,100
15	Preventive surface treatments	36,142,000
16	Authorized third parties	<u>2,194,000</u>
17	Total appropriation – department of	
18	transportation	\$566,939,900
19	Fund sources:	
20	Air quality fund	\$ 1,077,700
21	Arizona highway user revenue fund	898,600
22	Highway damage recovery account	8,000,800
23	Ignition interlock device fund	360,700
24	Motor vehicle liability	
25	insurance enforcement fund	1,582,300
26	State fleet operations fund	29,149,000
27	State vehicle replacement fund	11,370,000
28	State aviation fund	2,267,700
29	State highway fund	483,367,200
30	Department fleet operations fund	27,219,300
31	Vehicle inspection and certificate	
32	of title enforcement fund	1,646,600

Motor vehicle division

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

On or before February 1, 2025, the Arizona strategic enterprise technology office shall submit, on behalf of the department of transportation, an annual progress report to the joint legislative budget committee staff. The annual report shall provide updated plans for spending the department-dedicated portion of the authorized third-party electronic service partner's fee retention on the motor vehicle modernization project in fiscal year 2024-2025, including any amounts for

1 stabilization, maintenance, ongoing operations, support and enhancements
2 for the motor vehicle modernization solution, maintenance of legacy
3 mainframe processing and support capability, and other system projects
4 outside the scope of the motor vehicle modernization project.

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

11 Other

12 Of the total amount appropriated, \$163,242,200 in fiscal year
13 2024-2025 for highway maintenance is exempt from the provisions of section
14 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
15 except that all unexpended and unencumbered monies of the appropriation
16 revert to the state highway fund established by section 28-6991, Arizona
17 Revised Statutes, on August 31, 2025.

18 The amount appropriated to the preventive surface treatments line
19 item is exempt from the provisions of section 35-190, Arizona Revised
20 Statutes, relating to lapsing of appropriations, except that all
21 unexpended and unencumbered monies of the appropriation revert to the
22 state highway fund established by section 28-6991, Arizona Revised
23 Statutes, on August 31, 2025.

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

27 All expenditures made by the department of transportation for
28 attorney general legal services shall be funded only from the attorney
29 general legal services line item. Monies in the operating lump sum
30 appropriation or other line items intended for this purpose shall be
31 transferred to the attorney general legal services line item before
32 expenditure.

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

39 Expenditures made by the department of transportation for ADOT fleet
40 vehicle and heavy equipment replacement shall be funded only from the ADOT
41 fleet vehicle and heavy equipment replacement line item. Monies in the
42 operating lump sum appropriation or other line items intended for this
43 purpose shall be transferred to the ADOT fleet vehicle and heavy equipment
44 replacement line item before expenditure.

1 The amount appropriated in the operating lump sum includes a
 2 \$2,000,000 reduction below the fiscal year 2023-2024 level from the state
 3 highway fund established by section 28-6991, Arizona Revised Statutes, in
 4 fiscal year 2024-2025 from the department's enforcement and compliance
 5 division.

6 Sec. 95. STATE TREASURER

	<u>2024-25</u>
7 FTE positions	38.4
8 Operating lump sum appropriation	\$ 4,644,800
9 Justice of the peace salaries	2,318,200
10 Law enforcement/boating safety	
11 fund grants	<u>2,183,800</u>
12 Total appropriation – state treasurer	\$ 9,146,800
13 Fund sources:	
14 State general fund	\$ 2,660,800
15 Law enforcement and boating	
16 safety fund	2,183,800
17 State treasurer's operating fund	4,302,200

18 On or before June 30, 2025, the state treasurer shall report to the
 19 joint legislative budget committee staff on the state treasurer's current
 20 fiscal year and estimated next fiscal year expenditures of interest
 21 earnings spent pursuant to sections 35-315 and 35-318, Arizona Revised
 22 Statutes, for the state treasurer's banking service contract, external
 23 investment management agreement, administrative and information technology
 24 costs and any other costs.

25 Sec. 96. GOVERNOR'S OFFICE ON TRIBAL RELATIONS

	<u>2024-25</u>
26 FTE positions	3.0
27 Lump sum appropriation	\$ 68,800
28 Fund sources:	
29 State general fund	\$ 68,800

30 Sec. 97. ARIZONA BOARD OF REGENTS

	<u>2024-25</u>
31 FTE positions	30.9
32 Operating lump sum appropriation	\$ 3,165,600
33 Adaptive athletics	160,000
34 Arizona promise program	20,000,000
35 Spouses of military veterans	
36 tuition scholarships	10,000,000
37 Arizona teachers academy	15,000,000
38 Arizona teachers incentive program	90,000
39 Arizona teacher student loan program	426,000
40 Arizona transfer articulation	
41 support system	213,700

1	Leveraging educational assistance	
2	partnership program	1,220,800
3	Washington, D.C. internships	300,000*
4	Western interstate commission	
5	office	153,000
6	WICHE student subsidies	<u>4,078,000</u>
7	Total appropriation – Arizona board of	
8	regents	\$ 54,807,100
9	Fund sources:	
10	State general fund	\$ 54,807,100

11 The Arizona board of regents shall distribute monies appropriated
12 for the adaptive athletics line item to each university under the
13 jurisdiction of the board to maintain and operate an intercollegiate
14 adaptive athletics program that provides opportunities for competitive
15 wheelchair and adaptive sports to students and community members with
16 disabilities. The monies may be spent only when the university collects
17 matching monies of gifts, grants and donations for the intercollegiate
18 adaptive athletics program from sources other than this state.
19 Universities may spend the monies only on scholarships, equipment,
20 uniforms, travel expenses and tournament fees for participants in the
21 intercollegiate adaptive athletics program. The monies may not be used
22 for administrative costs, personal services or employee
23 related- expenditures.

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

29 1. The total number of students receiving promise scholarships by
30 each eligible postsecondary institution.

31 2. The total number of students enrolled at each eligible
32 postsecondary institution that are eligible to receive federal pell
33 grants.

34 3. A list of the programs of study in which promise scholarship
35 recipients are enrolled, including the number of recipients enrolled in
36 each program.

37 4. The average promise scholarship award amount for each eligible
38 postsecondary institution.

39 5. A geographic representation of promise scholarship recipients
40 based on the high school attended.

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

43 On or before October 1, 2025, the Arizona board of regents shall
44 submit a report to the director of the joint legislative budget committee
45 and the director of the governor's office of strategic planning and

1 budgeting on spouses of military veterans tuition scholarships that
2 includes all of the following for fiscal year 2024-2025:

3 1. The amount distributed to each eligible postsecondary
4 institution.

5 2. The total number of award recipients by each eligible
6 postsecondary institution.

7 3. The average award amount for each eligible postsecondary
8 institution.

9 In order to be eligible to receive state matching monies under the
10 leveraging educational assistance partnership program for grants to
11 students, each participating institution, public or private, shall provide
12 an amount of institutional matching monies that equals the amount of
13 monies provided by this state to the institution for the leveraging
14 educational assistance partnership program. Administrative expenses
15 incurred by the Arizona board of regents shall be paid from institutional
16 matching monies and may not exceed twelve percent of the monies
17 appropriated in fiscal year 2024-2025.

18 The Arizona board of regents shall distribute monies appropriated
19 for Washington, D.C. internships for program fees and housing costs in
20 equal amounts to each of the three universities under the jurisdiction of
21 the board for the purpose of providing student internships and short-term
22 programs in Washington, D.C. in partnership with a third-party
23 organization. Short-term programs include one-week seminars and learning
24 opportunities shorter than one academic semester. The third-party
25 organization must meet the following requirements:

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

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

31 3. Have experience placing students in internships for at least ten
32 consecutive years.

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

35 Within ten days after the acceptance of the universities' semiannual
36 all funds budget reports, the Arizona board of regents shall submit a
37 current year expenditure plan to the joint legislative budget committee
38 for review. The expenditure plan shall include the use of all projected
39 tuition and fee revenues by expenditure category, including operating
40 expenses, plant fund, debt service and financial aid. The plan shall
41 include the amount by which each expenditure category is projected to
42 increase over the prior year and shall provide as much detail as the
43 university budget requests. The plan shall include the total revenue and
44 expenditure amounts from all tuition and student fee revenues, including

1 base tuition, differential tuition, program fees, course fees, summer
2 session fees and other miscellaneous and mandatory student fee revenues.

3 Sec. 98. ARIZONA STATE UNIVERSITY

	<u>2024-25</u>
4	
5 FTE positions	8,285.7
6 Operating lump sum appropriation	\$1,088,402,400
7 Biomedical informatics	3,746,100
8 Eastern Europe cultural collaborative	250,000
9 Arizona financial aid trust	5,985,800
10 Downtown Phoenix campus	<u>133,816,600</u>
11 Total appropriation – Arizona state	
12 university	\$1,232,200,900
13 Fund sources:	
14 State general fund	\$ 377,793,800
15 University collections fund	854,407,100

16 The state general fund appropriation may not be used for alumni
17 association funding.

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

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

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

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

32 Arizona state university shall use monies appropriated for the
33 eastern Europe cultural collaborative to facilitate cultural and academic
34 exchanges between university faculty and students and academic
35 institutions in eastern Europe.

36 Any appropriated monies allocated by the university for the school
37 of civic and economic thought and leadership shall be used to operate a
38 single stand-alone academic entity within Arizona state university. The
39 appropriated monies may not supplant any existing state funding or private
40 or external donations to the existing centers or to the school. The
41 appropriated monies and all private and external donations for the school,
42 including any remaining balances from prior fiscal years, shall be
43 deposited in a separate account, shall be used only for the direct
44 operation of the school and may not be used for indirect costs of the
45 university. On or before October 1, 2024, the school shall submit a

1 report to the president of the senate, the speaker of the house of
2 representatives, the chairpersons of the senate education committee and
3 the house of representatives education committee and the director of the
4 joint legislative budget committee that includes at least the following
5 information for the school:

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

10 The chairpersons of the senate education committee and the house of
11 representatives education committee may request the director of the school
12 to appear before the committees to report on the school's annual
13 achievements.

14 The legislature intends that appropriated monies allocated by the
15 university for the school of civic and economic thought and leadership in
16 fiscal year 2024-2025 be consistent with the amount appropriated in fiscal
17 year 2022-2023, except that the university may allocate to the school the
18 lump sum reduction of not more than 3.45 percent prescribed by this act.

19 Any unencumbered balances remaining in the university collections
20 fund on June 30, 2024 and all collections received by the university
21 during the fiscal year are appropriated for operating expenditures,
22 capital outlay and fixed charges. Earnings on state lands and interest on
23 the investment of the permanent land funds are appropriated in compliance
24 with the enabling act and the Constitution of Arizona. No part of this
25 appropriation may be spent for supplemental life insurance or supplemental
26 retirement.

27 Sec. 99. NORTHERN ARIZONA UNIVERSITY

	<u>2024-25</u>
28 FTE positions	2,480.4
29 Operating lump sum appropriation	\$253,296,400
30 Arizona financial aid trust	1,326,000
31 Biomedical research funding	3,000,000
32 NAU – Yuma	3,084,600
33 Teacher training	<u>2,292,700</u>
34 Total appropriation – Northern Arizona	
35 university	\$262,999,700
36 Fund sources:	
37 State general fund	\$127,680,100
38 University collections fund	135,319,600

39 The state general fund appropriation may not be used for alumni
40 association funding.

41 The increased state general fund appropriation from Laws 2014,
42 chapter 18 may not be used for medical marijuana research.
43

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

4 Of the amount appropriated to the northern Arizona university
5 operating budget, \$10,100,000 is onetime funding. On or before September
6 1, 2024, northern Arizona university shall provide a detailed expenditure
7 plan to the joint legislative budget committee that includes a description
8 of the intended purposes and the estimated costs of each expenditure.

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

13 Any unencumbered balances remaining in the university collections
14 fund on June 30, 2024 and all collections received by the university
15 during the fiscal year are appropriated for operating expenditures,
16 capital outlay and fixed charges. Earnings on state lands and interest on
17 the investment of the permanent land funds are appropriated in compliance
18 with the enabling act and the Constitution of Arizona. No part of this
19 appropriation may be spent for supplemental life insurance or supplemental
20 retirement.

21 The biomedical research funding shall be distributed to a nonprofit
22 medical research foundation in this state that collaborates with
23 universities, hospitals and biotechnology and health research centers. A
24 nonprofit foundation that receives monies shall submit an expenditure and
25 performance report to northern Arizona university. The university shall
26 transmit the report to the joint legislative budget committee and the
27 director of the governor's office of strategic planning and budgeting on
28 or before February 1, 2025. The report must include at least the
29 following:

30 1. The type and amount of expenditures from all state sources of
31 monies, including the amount leveraged for local, state, federal and
32 private grants.

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

36 3. Performance measures, including:

37 (a) Outcomes that are specifically related to the use of state
38 monies.

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

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

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

1 Any appropriated monies allocated by the university for the economic
 2 policy institute may not supplant any existing state funding or private or
 3 external donations to the institute or to the university. The
 4 appropriated monies and all private and external donations for the
 5 institute, including any remaining balances from prior fiscal years, shall
 6 be deposited in a separate account, shall be used only for the direct
 7 operation of the institute and may not be used for indirect costs of the
 8 university. On or before October 1, 2024, the institute shall submit to
 9 the president of the senate, the speaker of the house of representatives,
 10 the chairpersons of the senate education committee and the house of
 11 representatives education committee and the director of the joint
 12 legislative budget committee a report that includes at least the following
 13 information for the institute:

- 14 1. The total amount of funding received from all sources.
- 15 2. A description of the faculty positions and courses offered.
- 16 3. The total undergraduate and graduate student participation.
- 17 4. Significant community events, initiatives or publications.

18 The chairpersons of the senate education committee and the house of
 19 representatives education committee may request the director of the
 20 institute to appear before the committees to report on the institute's
 21 annual achievements.

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

27 Sec. 100. UNIVERSITY OF ARIZONA

	<u>2024-25</u>
28	
29	<u>Main campus</u>
30	FTE positions 6,089.0
31	Operating lump sum appropriation \$511,507,700
32	Agriculture 38,255,700
33	Arizona cooperative extension 14,890,900
34	Arizona financial aid trust 2,729,400
35	Arizona geological survey 1,148,500
36	College of veterinary medicine 23,528,400
37	Kazakhstan studies program 250,000
38	Mining, mineral and natural
39	resources educational museum 430,300
40	Natural resource users law and
41	policy center 1,522,400
42	School of mining 4,084,000
43	Sierra Vista campus 4,191,400
44	Veterinary diagnostic laboratory <u>2,500,000</u>
45	Total – main campus \$605,038,700

1	Fund sources:	
2	State general fund	\$257,806,000
3	University collections fund	347,232,700
4	<u>Health sciences center</u>	
5	FTE positions	1,154.9
6	Operating lump sum appropriation	\$100,595,000
7	Clinical rural rotation	353,600
8	Clinical teaching support	8,587,000
9	Liver research institute	440,400
10	Phoenix medical campus	34,798,200
11	Telemedicine network	<u>1,670,000</u>
12	Total – health sciences center	\$146,444,200
13	Fund sources:	
14	State general fund	\$ 76,897,700
15	University collections fund	<u>69,546,500</u>
16	Total appropriation - university of	
17	Arizona	\$751,482,900

18	Fund sources:	
19	State general fund	\$334,703,700
20	University collections fund	416,779,200

21 The state general fund appropriation may not be used for alumni
22 association funding.

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

25 Other than scholarships awarded through the Arizona financial aid
26 trust, the appropriated monies may not be used for scholarships or any
27 student newspaper.

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

33 The university of Arizona may not use monies appropriated for the
34 Arizona geological survey line item for any other purpose and may not
35 transfer the monies appropriated for the Arizona geological survey to the
36 operating budget or any other line item.

37 The legislature intends that \$8,000,000 of the amount appropriated
38 to the health sciences center operating lump sum appropriation line item
39 be used to expand the college of medicine Phoenix campus and to develop
40 and administer a primary care physician scholarship program at the college
41 of medicine Phoenix campus and the college of medicine Tucson campus. The
42 legislature intends that the \$8,000,000 not be annualized in future years.

43 Any appropriated monies allocated by the university for the center
44 for the philosophy of freedom may not supplant any existing state funding
45 or private or external donations to the center or the philosophy

1 department of the university of Arizona. The appropriated monies and all
2 private and external donations for the center, including any remaining
3 balances from prior fiscal years, shall be deposited in a separate
4 account, shall be used only for the direct operation of the center and may
5 not be used for indirect costs of the university. On or before October 1,
6 2024, the center shall submit a report to the president of the senate, the
7 speaker of the house of representatives, the chairpersons of the senate
8 education committee and the house of representatives education committee
9 and the director of the joint legislative budget committee that includes
10 at least the following information for the center:

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

15 The chairpersons of the senate education committee and the house of
16 representatives education committee may request the director of the center
17 to appear before the committees to report on the center's annual
18 achievements.

19 The legislature intends that appropriated monies allocated by the
20 university for the center for the philosophy of freedom in fiscal year
21 2024-2025 be consistent with the amount appropriated in fiscal year
22 2022-2023, except that the university may allocate to the center the lump
23 sum reduction of not more than 3.45 percent prescribed by this act.

24 The amount appropriated to the college of veterinary medicine line
25 item shall be distributed to the college of veterinary medicine to
26 increase the number of students that are residents of this state. Before
27 spending these monies, the university of Arizona shall report to the joint
28 legislative budget committee all of the following information for the
29 college of veterinary medicine:

- 30 1. The current number of students who are residents of this state.
- 31 2. The current number of students who are not residents of this
32 state.

33 The university of Arizona shall use monies appropriated for the
34 Kazakhstan studies program to facilitate academic exchanges between
35 university students and academic institutions in Kazakhstan.

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

42 One hundred percent of the land earnings and interest from the
43 school of mines land fund shall be distributed to the university of
44 Arizona school of mining and mineral resources in compliance with the
45 enabling act and the Constitution of Arizona.

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

9 Sec. 101. DEPARTMENT OF VETERANS' SERVICES

	<u>2024-25</u>
10 FTE positions	792.3
11 Operating lump sum appropriation	\$ 3,136,600
12 Arizona state veterans' homes	60,519,600
13 Arizona state veterans' cemeteries	960,000
14 Rural tribal nations veteran	
15 benefit counseling	2,194,400
16 Veterans' benefit counseling	3,676,600
17 Veterans' support services	1,226,100
18 Veterans' trauma treatment	
19 services	<u>450,000</u>
20 Total appropriation – department of	
21 veterans' services	\$ 72,163,300
22 Fund sources:	
23 State general fund	\$ 11,643,700
24 State home for veterans' trust	
25 fund	60,519,600

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

31 The amount appropriated for veterans' support services line item
 32 shall be distributed to a nonprofit veterans' services organization that
 33 provides support services among this state's military and veteran
 34 population. The department may spend up to \$76,500 of this appropriation
 35 to hire a program specialist to liaise between the department and the
 36 selected nonprofit organization. Before the expenditure of the monies,
 37 the department shall submit an expenditure report to the joint legislative
 38 budget committee that includes the status of non-state matching grant
 39 monies.
 40

41 Monies appropriated for the veterans' trauma treatment services line
 42 item shall be used to provide grants to contractors as defined in section
 43 36-2901, Arizona Revised Statutes, that provide trauma treatment services
 44 training to any of the following health professionals licensed pursuant to
 45 title 32, Arizona Revised Statutes:

1 1. Physicians.
 2 2. Registered nurse practitioners.
 3 3. Physician assistants.
 4 4. Psychologists.
 5 5. Behavioral health professionals who are either licensed for
 6 individual practice or supervised by a psychologist, registered nurse
 7 practitioner or behavioral health professional licensed pursuant to
 8 title 32, Arizona Revised Statutes, for independent practice.

9 Sec. 102. ARIZONA STATE VETERINARY MEDICAL EXAMINING BOARD

		<u>2024-25</u>
10		
11	FTE positions	7.0
12	Lump sum appropriation	\$ 785,100
13	Fund sources:	
14	Veterinary medical examining	
15	board fund	\$ 785,100

16 Sec. 103. DEPARTMENT OF WATER RESOURCES

		<u>2024-25</u>
17		
18	FTE positions	204.0
19	Operating lump sum appropriation	\$ 15,209,300
20	Adjudication support	1,889,400
21	Arizona water protection fund	
22	deposit	750,000
23	Assured and adequate water supply	
24	administration	2,501,500
25	Rural water studies	1,283,900
26	Conservation and drought program	427,700
27	Automated groundwater monitoring	416,600
28	Colorado River legal expenses	500,000*
29	Water supply and demand assessment	<u>3,500,000</u>
30	Total appropriation – department of water	
31	resources	\$ 26,478,400
32	Fund sources:	
33	State general fund	\$ 24,459,400
34	Water resources fund	1,726,500
35	Assured and adequate water	
36	supply administration fund	292,500

37 Monies in the assured and adequate water supply administration line
 38 item may be used only for the exclusive purposes prescribed in sections
 39 45-108, 45-576, 45-577, 45-578 and 45-579, Arizona Revised Statutes. The
 40 department of water resources may not transfer any monies into or out of
 41 the assured and adequate water supply administration line item.
 42 The legislature intends that monies in the rural water studies line
 43 item be spent only to assess local water use needs and to develop plans
 44 for sustainable future water supplies in rural areas outside this state's

1 active management areas and not be made available for other department
2 operating expenditures.

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

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

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

15 Fiscal Year 2022-2023 Appropriation Adjustments

16 Sec. 104. Appropriation reductions; state general fund;
17 fiscal year 2022-2023

18 Notwithstanding any other law, the following amounts are reduced
19 from monies appropriated from the state general fund in fiscal year
20 2022-2023 to the following state agencies for operating lump sum
21 appropriations and line items:

22 Arizona board of regents
23 Camp Verde meat processing facility \$ (9,700,000)

24 Fiscal Year 2023-2024 Appropriation Adjustments

25 Sec. 105. Supplemental appropriation; department of
26 administration; risk management revolving fund;
27 intent; review; fiscal year 2023-2024

28 A. In addition to any other appropriations made in fiscal year
29 2023-2024, the sum of \$9,493,000 is appropriated from the risk management
30 revolving fund established by section 41-622, Arizona Revised Statutes, in
31 fiscal year 2023-2024 to the department of administration for the
32 following purposes:

- 33 1. To pay disallowed costs relating to excess retained earnings.
- 34 2. To pay disallowed costs relating to the statewide information
35 technology charges.
- 36 3. For fund transfers in fiscal year 2022-2023.
- 37 4. To pay interest owed from prior-year disallowed costs.

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

1 section 41-714, Arizona Revised Statutes, to replace the human resources
2 information system.

3 Sec. 117. Appropriation reductions; state general fund;
4 fiscal year 2023-2024

5 A. Notwithstanding any other law, the following amounts are reduced
6 from monies appropriated from the state general fund in fiscal year
7 2023-2024 to the following state agencies for operating lump sum
8 appropriations and line items:

- | | | |
|----|--|-----------------|
| 9 | 1. Department of administration | |
| 10 | Employee compensation study | \$ (2,200,000) |
| 11 | 2. Arizona department of agriculture | |
| 12 | Operating lump sum - for expanded | |
| 13 | information technology support | \$ (300,000) |
| 14 | 3. Arizona commerce authority | |
| 15 | Rural broadband accelerated match fund deposit | \$ (23,600,000) |
| 16 | 4. Superintendent of public instruction | |
| 17 | Art consumables | \$ (2,500,000) |
| 18 | Dual enrollment student development | |
| 19 | fund deposit | \$ (12,000,000) |
| 20 | Dual enrollment student development | |
| 21 | fund deposit | \$ (500,000) |
| 22 | Broadband expansion fund deposit | \$ (2,500,000) |
| 23 | 5. Office of tourism | |
| 24 | Operating lump sum - for culinary tourism | |
| 25 | workforce development | \$ (150,000) |
| 26 | 6. Department of administration | |
| 27 | Health care interoperability grants | \$ (1,520,000) |
| 28 | 7. Department of child safety | |
| 29 | Extended foster care service model | |
| 30 | fund deposit | \$ (2,720,000) |
| 31 | 8. State treasurer | |
| 32 | Distribution to the city of Glendale | |
| 33 | for a veterans community project | \$ (800,000) |

34 B. After the appropriation reduction required by subsection A,
35 paragraph 4 of this section, the remaining appropriation to the
36 superintendent of public instruction for the dual enrollment student
37 development fund deposit line item is \$3,000,000 in fiscal year 2023-2024
38 pursuant to Laws 2023, chapter 133, section 31. The superintendent of
39 public instruction shall allocate the \$3,000,000 for the dual enrollment
40 student development deposit line item in fiscal year 2023-2024 pursuant to
41 Laws 2023, chapter 133, section 31.

1 D. The sum of \$19,456,800 is appropriated from the department of
2 revenue subaccount in the automation projects fund established pursuant to
3 section 41-714, Arizona Revised Statutes, in fiscal year 2024-2025 to the
4 department of administration to implement the department of revenue's
5 integrated tax system modernization project. The monies appropriated in
6 this subsection shall be spent for an integrated tax system modernization
7 project that meets the following minimum specifications:

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

16 2. For electronic corporate income tax returns, captures
17 information regarding the principal business activity of the corporation.
18 This requirement may be satisfied through North American industry
19 classification system data listed on federal tax forms. The tax system
20 shall allow for querying and reporting based on principal business
21 activity.

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

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

38 Quarterly Reports

39 E. Within thirty days after the last day of each calendar quarter,
40 the department of administration shall submit to the joint legislative
41 budget committee a quarterly report on implementing projects approved by
42 the information technology authorization committee established by section
43 18-121, Arizona Revised Statutes, including the projects' expenditures to
44 date, deliverables, timeline for completion and current status.

1 Nonlapsing

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

7 G. Notwithstanding Laws 2022, chapter 313, section 107, \$2,114,300
8 of the amount appropriated from the automation projects fund established
9 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
10 2022-2023 to the department of administration by Laws 2022, chapter 313,
11 section 107 to further develop the business one stop portal is exempt from
12 the provisions of section 35-190, Arizona Revised Statutes, relating to
13 lapsing of appropriations, until June 30, 2025. This amount may be used
14 only for maintenance and operations of the business one stop portal.

15 H. Notwithstanding Laws 2022, chapter 313, section 107, the sum of
16 \$2,000,000 appropriated from the automation projects fund established
17 pursuant to section 41-714, Arizona Revised Statutes, in fiscal year
18 2022-2023 to the Arizona department of agriculture by Laws 2022, chapter
19 313, section 107 for cloud migration is exempt from the provisions of
20 section 35-190, Arizona Revised Statutes, relating to lapsing of
21 appropriations, until June 30, 2026.

22 I. Notwithstanding Laws 2023, chapter 133, section 113, the sum of
23 \$2,500,000 appropriated from the judiciary-supreme court subaccount in the
24 automation projects fund established pursuant to section 41-714, Arizona
25 Revised Statutes, in fiscal year 2023-2024 to the Arizona supreme court by
26 Laws 2023, chapter 133, section 113 for a statewide community supervision
27 electronic monitoring system is exempt from the provisions of section
28 35-190, Arizona Revised Statutes, relating to lapsing of appropriations,
29 until June 30, 2027.

30 Sec. 123. Appropriation; Arizona arts trust fund; fiscal year
31 2024-2025

32 The sum of \$2,000,000 is appropriated from the state general fund in
33 fiscal year 2024-2025 for a onetime deposit in the Arizona arts trust fund
34 established by section 41-983.01, Arizona Revised Statutes.

35 Sec. 124. Appropriation; supreme court; judicial salary
36 increase; fiscal year 2024-2025

37 A. In addition to any other appropriations made in fiscal year
38 2024-2025, \$63,100 is appropriated from the state general fund in fiscal
39 year 2024-2025 to the supreme court to pay for judicial salary increases.

40 B. Pursuant to section 41-1904, Arizona Revised Statutes, as of
41 January 1, 2025, the annual salary for the chief justice of the supreme
42 court is \$222,000 and the annual salary for the other justices of the
43 supreme court is \$215,000. As of January 1, 2026, the annual salary for

1 the chief justice of the supreme court is \$232,000 and the annual salary
2 for the other justices of the supreme court is \$225,000.

3 Sec. 125. Appropriation; court of appeals; judicial salary
4 increase; fiscal year 2024-2025

5 A. In addition to any other appropriations made in fiscal year
6 2024-2025, \$252,200 is appropriated from the state general fund in fiscal
7 year 2024-2025 to the court of appeals to pay for judicial salary
8 increases.

9 B. Pursuant to section 41-1904, Arizona Revised Statutes, as of
10 January 1, 2025, the annual salary for a judge of the court of appeals is
11 \$200,000. As of January 1, 2026, the annual salary for a judge of the
12 court of appeals is \$210,000.

13 Sec. 126. Appropriation; superior court; judicial salary
14 increase; fiscal year 2024-2025

15 A. In addition to any other appropriations made in fiscal year
16 2024-2025, \$819,600 is appropriated from the state general fund in fiscal
17 year 2024-2025 to the superior court to pay for judicial salary increases.

18 B. Pursuant to section 41-1904, Arizona Revised Statutes, as of
19 January 1, 2025, the annual salary for a superior court judge is \$190,000.
20 As of January 1, 2026, the annual salary for a superior court judge is
21 \$200,000.

22 Sec. 127. Appropriations; peace officer training equipment
23 fund; local law enforcement agency distributions;
24 fiscal year 2024-2025

25 The following amounts are appropriated from the peace officer
26 training equipment fund established by section 41-1731, Arizona Revised
27 Statutes, in fiscal year 2024-2025 to be distributed to the following
28 recipients for the following purposes:

29 1. \$600,000 to the Pinal county sheriff's office for a pilot
30 program to connect the records management systems and computer aided
31 dispatch systems of four agencies, including the Pinal county sheriff's
32 office. The software for the pilot project must do all of the following:

33 (a) Be able to integrate data from common law enforcement systems
34 such as computer aided dispatch and records management systems on a
35 real-time basis.

36 (b) Provide capabilities to deduplicate redundant records in law
37 enforcement systems.

38 (c) Provide advanced configurable search, analytics and
39 visualization capabilities to support common law enforcement mission
40 needs.

41 (d) Provide granular access controls that allow law enforcement
42 agencies to appropriately restrict access to information by data type,
43 organization, roles, responsibilities, individual investigations and other
44 parameters.

- 1 (e) Allow for secure, permission-controlled data integration and
2 sharing between any participating Arizona law enforcement agencies.
- 3 (f) Be accessible on a wide variety of common law enforcement
4 agency devices such as desktops, laptops, in-car computers and mobile
5 devices.
- 6 (g) Have a demonstrated track record of meeting or exceeding
7 similar mission needs and the ability to reach full operational capability
8 within ninety days of initiation.
- 9 (h) Allow for integration with existing law enforcement agency
10 identify and access management solutions, such as single-sign-on and
11 multi-factor authentication.
- 12 (i) Be hosted in a secure, criminal justice information services
13 compliant cloud environment that can scale to accommodate the increasing
14 volume and velocity of Arizona law enforcement data needs.
- 15 (j) Meet or exceed all federal bureau of investigation criminal
16 justice information services security standards.
- 17 (k) Provide granular audit logging for all user interactions with
18 data.
- 19 (l) Provide a fully open, interoperable architecture and business
20 terms that ensure that Arizona law enforcement agencies retain full and
21 total rights to agency data at all times.
- 22 2. \$1,441,200 to distribute to the following agencies for
23 pepperball and pepperball weapons:
- | | |
|---|-----------|
| 24 (a) Cochise county sheriff's office | \$ 56,600 |
| 25 (b) Santa Cruz county sheriff's office | \$ 83,900 |
| 26 (c) Pinal county sheriff's office | \$191,500 |
| 27 (d) Scottsdale police department | |
| 28 downtown district | \$122,200 |
| 29 (e) Nogales police department | \$112,800 |
| 30 (f) City of Peoria police department | \$ 51,000 |
| 31 (g) Tempe police department | \$225,000 |
| 32 (h) Payson police department | \$ 37,800 |
| 33 (i) San Luis police department | \$ 38,600 |
| 34 (j) Navajo county sheriff's office | \$ 59,000 |
| 35 (k) City of Phoenix office of | |
| 36 the police chief | \$213,900 |
| 37 (l) Apache junction police department | \$ 64,200 |
| 38 (m) Tombstone marshal's office | \$ 33,500 |
| 39 (n) Goodyear police department | \$ 74,900 |
| 40 (o) Queen Creek police department | \$ 76,300 |
- 41 3. \$312,000 to the Maricopa county attorney's office for a one
42 hundred eighty degree simulator for training de-escalation and crime
43 recreation.
- 44 4. \$600,000 to the Yavapai county sheriff's office to create
45 simulations for law enforcement. The Yavapai county sheriff's office must

1 make the simulations available free of charge to other law enforcement
2 agencies in this state that have received law enforcement training
3 simulators from this state.

4 Sec. 128. Department of economic security; loans;
5 reimbursement; prohibition; fiscal year 2024-2025

6 On or after April 1, 2025, the department of economic security may
7 use up to \$25,000,000 from the budget stabilization fund established by
8 section 35-144, Arizona Revised Statutes, for the purpose of providing
9 funding for reimbursement grants. Before using the monies from the budget
10 stabilization fund, the department shall notify the director of the joint
11 legislative budget committee and the director of the governor's office of
12 strategic planning and budgeting. This appropriation must be fully
13 reimbursed on or before September 1, 2025 and must be reimbursed in full
14 as part of the closing process for fiscal year 2024-2025. The department
15 shall notify the joint legislative budget committee of the reimbursement
16 on or before September 1, 2025. The appropriation may not be used for
17 additional programmatic expenditures.

18 Sec. 129. Lump sum reductions; fiscal year 2024-2025

19 A. In addition to any other appropriations made in fiscal year
20 2024-2025, the following state general fund amounts are reduced from lump
21 sum appropriations for the following budget units in fiscal year
22 2024-2025:

23	1. Department of administration	\$ (300,000)
24	2. Department of administration, division of	
25	school facilities	\$ (57,100)
26	3. Office of administrative hearings	\$ (34,200)
27	4. Arizona department of agriculture	\$ (671,500)
28	5. Arizona health care cost containment system	\$ (1,242,000)
29	6. Attorney general - department of law	\$ (839,000)
30	7. State board for charter schools	\$ (97,800)
31	8. Corporation commission	\$ (27,600)
32	9. Arizona state schools for the deaf and the blind	\$ (897,000)
33	10. Office of economic opportunity	\$ (21,000)
34	11. Department of economic security	\$ (3,026,200)
35	12. State board of education	\$ (111,200)
36	13. Superintendent of public instruction	\$ (469,700)
37	14. State board of equalization	\$ (30,000)
38	15. Arizona department of forestry and fire	
39	management	\$ (248,600)
40	16. Office of the governor	\$ (368,100)
41	17. Governor's office of strategic planning and	
42	budgeting	\$ (101,400)
43	18. Department of health services	\$ (719,200)
44	19. Arizona historical society	\$ (83,500)
45	20. Prescott historical society	\$ (35,000)

1	21. Department of insurance and financial	
2	institutions	\$ (222,500)
3	22. Arizona judiciary - supreme court	\$ (386,300)
4	23. Arizona judiciary - court of appeals	\$ (508,200)
5	24. Arizona judiciary - superior court	\$ (180,100)
6	25. Department of juvenile corrections	\$ (1,098,100)
7	26. State land department	\$ (148,000)
8	27. Legislature - house of representatives	\$ (664,100)
9	28. Legislature - joint legislative budget	
10	committee	\$ (107,800)
11	29. Legislature - legislative council	\$ (328,100)
12	30. Legislature - senate	\$ (587,300)
13	31. Arizona navigable stream adjudication	
14	commission	\$ (6,000)
15	32. State real estate department	\$ (110,400)
16	33. Department of revenue	\$ (1,748,200)
17	34. Department of state - secretary of state	\$ (463,600)
18	35. State board of tax appeals	\$ (13,000)
19	36. Office of tourism	\$ (75,800)
20	37. Governor's office on tribal relations	\$ (2,400)
21	38. Arizona board of regents	\$ (109,200)
22	39. Arizona state university	\$ (10,995,800)
23	40. Northern Arizona university	\$ (4,070,200)
24	41. University of Arizona - main campus	\$ (6,562,200)
25	42. University of Arizona - health sciences center	\$ (1,469,300)
26	43. Department of veterans' services	\$ (108,200)
27	44. Department of water resources	\$ (21,500)

28 B. The universities under the jurisdiction of the Arizona board of
 29 regents may not reduce monies allocated from operating lump sum
 30 appropriations to the Arizona state university school of civic and
 31 economic thought and leadership, the northern Arizona university economic
 32 policy institute and the university of Arizona center for the philosophy
 33 of freedom by more than 3.45 percent of the total amount allocated to the
 34 school, institute or center.

35 Sec. 130. Appropriations; fiscal year 2024-2025

36 In addition to any other appropriations made in fiscal year
 37 2024-2025, the following amounts are appropriated from the state general
 38 fund in fiscal year 2024-2025 to the following entities for following
 39 purposes:

40 1. \$1,000,000 to the department of administration to distribute to
 41 the Navajo Nation for use in establishing electrical connections for
 42 individuals without access to electricity.

43 2. \$1,000,000 to the Arizona health care cost containment system
 44 administration to distribute to entities that provide case management for
 45 persons with serious mental illness. The Arizona health care cost

1 containment system administration shall distribute these monies in order
2 to provide a wage increase to providers with less than five thousand
3 members.

4 3. \$500,000 to the Arizona commerce authority for grants to
5 business centers and entrepreneur support organizations that provide
6 business training, business coaching and technical assistance to
7 underserved small business owners.

8 4. \$250,000 to the department of economic security for the
9 distribution of food to low-income persons living on tribal reservations
10 in this state.

11 5. \$500,000 to the department of economic security to distribute to
12 the Navajo Nation for women's shelter and social services.

13 6. \$500,000 to the department of economic security to distribute to
14 the Navajo Nation for youth programs.

15 7. \$500,000 to the department of economic security to distribute to
16 a nonprofit organization in Pinal county that provides nutrition, housing
17 and rental assistance programs.

18 8. \$2,000,000 to the department of economic security for area
19 agencies on aging.

20 9. \$1,000,000 to the department of economic security to distribute
21 to the Pascua Yaqui tribal government for social services programs.

22 10. \$1,000,000 to the department of economic security to distribute
23 to nonprofit organizations located in Cochise county that provide food
24 distribution services for low-income individuals.

25 11. \$1,000,000 to the department of economic security for job
26 training and life skills services for developmentally disabled individuals
27 in areas outside Maricopa and Pima counties.

28 12. \$1,000,000 to the department of education high school centers
29 for success.

30 13. \$2,000,000 to the department of education to distribute to
31 entities that provide after school programs to low-income individuals.

32 14. \$2,000,000 to the department of education for K-12 mental
33 health telehealth pilot programs that serve individuals outside Maricopa
34 and Pima counties.

35 15. \$1,000,000 to the department of environmental quality to
36 conduct a zero-emission heavy-duty eight ton pilot program.

37 16. \$500,000 to the department of health services to distribute to
38 a nonprofit organization that serves low-income and underserved women and
39 their families to access preventive health care services.

40 17. \$500,000 to the department of health services to distribute to
41 nonprofit organizations that provide counseling services for parents whose
42 children have died as a result of violence.

43 18. \$1,000,000 to the department of health services to distribute
44 to nonprofit organizations that provide counseling and community services
45 in southern Arizona.

1 19. \$1,000,000 to the department of health services for senior
2 health promotion and coordination in Santa Cruz county.

3 20. \$500,000 to the department of health services for heat
4 mitigation programs in southern Arizona.

5 21. \$200,000 to the Arizona department of homeland security for
6 cybersecurity programs.

7 22. \$1,000,000 to the Arizona board of regents for onetime teachers
8 academy funding.

9 23. \$1,000,000 to the secretary of state for onetime operating
10 expenses.

11 24. \$500,000 to the department of veterans' services to distribute
12 to a veterans center that provides referral services for employment and
13 job training, housing and utility assistance.

14 Sec. 131. Phoenix convention center; allocation; fiscal year
15 2024-2025

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

20 Sec. 132. Rio Nuevo multipurpose facility district; estimated
21 distribution; fiscal year 2024-2025

22 Pursuant to section 42-5031, Arizona Revised Statutes, a portion of
23 the state transaction privilege tax revenues will be distributed to a
24 multipurpose facility district. The Rio Nuevo multipurpose facility
25 district is estimated to receive \$17,000,000 in fiscal year 2024-2025.
26 The actual amount of the distribution will be made pursuant to section
27 42-5031, Arizona Revised Statutes.

28 Fund Balance Transfers

29 Sec. 133. Fund balance transfers; fiscal year 2023-2024

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

34	1. Department of administration	
35	Certificate of participation fund	\$ 2,550,000
36	State employee travel reduction fund	\$ 900,000
37	State web portal fund	\$ 4,000,000
38	Capitol mall consolidation fund	\$ 700,000
39	Fire incident management fund	\$ 6,100,000
40	Construction insurance fund	\$ 8,100,000
41	Cyber risk insurance fund	\$ 11,200,000
42	Risk management revolving fund	\$ 70,000,000
43	Automation projects fund - department	
44	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	\$	46,000,000
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		Computer science professional	
11		development program fund	\$ 5,000,000
12	16.	Department of environmental quality	
13		Air quality fund	\$ 2,300,000
14		Underground storage tank revolving fund	\$ 20,000,000
15		Emissions inspection fund	\$ 5,000,000
16		Hazardous waste management fund	\$ 900,000
17		Emergency response fund	\$ 500,000
18	17.	Arizona exposition and state fair board	
19		Arizona exposition and state fair fund	\$ 5,000,000
20	18.	Board of fingerprinting	
21		Board of fingerprinting fund	\$ 1,200,000
22	19.	Arizona game and fish department	
23		Watercraft licensing fund	\$ 800,000
24	20.	Department of health services	
25		Disease control research fund	\$ 1,300,000
26		Prescription drug rebate fund	\$ 1,000,000
27		Health services lottery monies fund	\$ 3,700,000
28	21.	Industrial commission of Arizona	
29		Administrative fund	\$ 2,400,000
30		Special fund	\$ 900,000
31	22.	Department of insurance and financial	
32		institutions	
33		Financial services fund	\$ 19,600,000
34		Automobile theft authority fund	\$ 8,800,000
35		Department receivership revolving fund	\$ 800,000
36	23.	Department of juvenile corrections	
37		Criminal justice enhancement fund	\$ 900,000
38		Indirect cost recovery fund	\$ 206,000
39	24.	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	25.	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	26.	Board of massage therapy	
6		Board of massage therapy fund	\$ 600,000
7	27.	Arizona medical board	
8		Arizona medical board fund	\$ 9,300,000
9	28.	State mine inspector	
10		Aggregate mining reclamation fund	\$ 38,500
11	29.	Naturopathic physicians medical board	
12		Naturopathic physicians medical board fund	\$ 1,700,000
13	30.	Arizona state board of nursing	
14		Board of nursing fund	\$ 9,400,000
15	31.	Board of occupational therapy examiners	
16		Occupational therapy fund	\$ 900,000
17	32.	State board of optometry	
18		Board of optometry fund	\$ 387,100
19	33.	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	34.	Arizona state board of pharmacy	
24		Arizona state board of pharmacy fund	\$ 6,300,000
25	35.	Board of physical therapy	
26		Board of physical therapy fund	\$ 680,000
27	36.	State board of psychologist examiners	
28		Board of psychologist examiners fund	\$ 1,800,000
29	37.	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	38.	Residential utility consumer office	
39		Residential utility consumer office	
40		revolving fund	\$ 425,000
41	39.	State board of technical registration	
42		Technical registration fund	\$ 5,600,000

1	40. 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	41. State treasurer	
21	State treasurer's operating fund	\$ 900,000
22	Arizona public school credit	
23	enhancement fund	\$ 3,000,000

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

26	43. 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	44. 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 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. 139. Supplemental appropriation; attorney general; state
17 department of corrections; opioid remediation;
18 fiscal year 2023-2024; exemption

19 A. In addition to any other appropriation made in fiscal year
20 2023-2024, the sum of \$75,000,000 is appropriated from the consumer
21 remediation subaccount of the consumer restitution and remediation
22 revolving fund established by section 44-1531.02, Arizona Revised
23 Statutes, in fiscal year 2023-2024 to the attorney general. This amount
24 consists of monies deposited in the subaccount pursuant to opioid
25 claims-related litigation or settlements.

26 B. On or before June 20, 2024, the attorney general shall transfer
27 the monies appropriated in subsection A of this section to the state
28 department of corrections opioid remediation fund established pursuant to
29 section 35-142, Arizona Revised Statutes.

30 C. The state department of corrections shall use the monies in the
31 state department of corrections opioid remediation fund only for past and
32 current department costs for care, treatment, programs and other
33 expenditures for individuals with opioid use disorder and any co-occurring
34 substance use disorder or mental health conditions or for any other
35 approved purposes as prescribed in a court order, a settlement agreement
36 or the one Arizona distribution of opioid settlement funds agreement that
37 is entered into by this state and other parties to the opioid litigation.

38 D. Except as provided in subsection C of this section, the attorney
39 general shall not impose any conditions on the transfer of the monies into
40 the state department of corrections opioid remediation fund.

41 E. If the attorney general does not transfer the full amount
42 specified in subsection A of this section on or before June 20, 2024, the
43 general accounting office of the department of administration shall
44 directly transfer the amount from the consumer remediation subaccount of
45 the consumer restitution and remediation revolving fund established by

1 section 44-1531.02, Arizona Revised Statutes, to the state department of
2 corrections opioid remediation fund.

3 F. The appropriation made in subsection A of this section is exempt
4 from the provisions of section 35-190, Arizona Revised Statutes, relating
5 to lapsing of appropriations.

6 Sec. 140. Appropriation; attorney general; state department
7 of corrections; opioid remediation; fiscal year
8 2024-2025; exemption

9 A. In addition to any other appropriation made in fiscal year
10 2024-2025, the sum of \$40,000,000 is appropriated from the consumer
11 remediation subaccount of the consumer restitution and remediation
12 revolving fund established by section 44-1531.02, Arizona Revised
13 Statutes, in fiscal year 2024-2025 to the attorney general. This amount
14 consists of monies deposited in the subaccount pursuant to opioid claims-
15 related litigation or settlements.

16 B. On or before July 3, 2024, or, if sufficient monies are not
17 available on July 3, 2024, within three calendar days after sufficient
18 monies become available, the attorney general shall transfer the monies
19 appropriated in subsection A of this section to the state department of
20 corrections opioid remediation fund established pursuant to section
21 35-142, Arizona Revised Statutes.

22 C. The state department of corrections shall use the monies in the
23 state department of corrections opioid remediation fund only for past and
24 current department costs for care, treatment, programs and other
25 expenditures for individuals with opioid use disorder and any co-occurring
26 substance use disorder or mental health conditions or for any other
27 approved purposes as prescribed in a court order, a settlement agreement
28 or the one Arizona distribution of opioid settlement funds agreement that
29 is entered into by this state and other parties to the opioid litigation.

30 D. Except as provided in subsection C of this section, the attorney
31 general shall not impose any conditions on the transfer of the monies into
32 the state department of corrections opioid remediation fund.

33 E. If the attorney general does not transfer the full amount
34 specified in subsection A of this section on or before the date specified
35 in subsection B of this section, the general accounting office of the
36 department of administration shall directly transfer the amount from the
37 consumer remediation subaccount of the consumer restitution and
38 remediation revolving fund established by section 44-1531.02, Arizona
39 Revised Statutes, to the state department of corrections opioid
40 remediation fund.

41 F. The appropriation made in subsection A of this section is exempt
42 from the provisions of section 35-190, Arizona Revised Statutes, relating
43 to lapsing of appropriations.

1 Sec. 141. Appropriation; attorney general; department of
2 emergency and military affairs; opioid
3 remediation; fiscal year 2024-2025; exemption

4 A. In addition to any other appropriation made in fiscal year
5 2024-2025, the sum of \$3,000,000 is appropriated from the consumer
6 remediation subaccount of the consumer restitution and remediation
7 revolving fund established by section 44-1531.02, Arizona Revised
8 Statutes, in fiscal year 2024-2025 to the attorney general. This amount
9 consists of monies deposited in the subaccount pursuant to opioid
10 claims-related litigation or settlements.

11 B. On or before July 3, 2024, or, if sufficient monies are not
12 available on July 3, 2024, within three calendar days after sufficient
13 monies become available, the attorney general shall transfer the monies
14 appropriated in subsection A of this section to the department of
15 emergency and military affairs opioid remediation fund established
16 pursuant to section 35-142, Arizona Revised Statutes.

17 C. The department of emergency and military affairs shall use the
18 monies in the department of emergency and military affairs opioid
19 remediation fund only for approved purposes as prescribed in a court
20 order, a settlement agreement or the one Arizona distribution of opioid
21 settlement funds agreement that is entered into by this state and other
22 parties to the opioid litigation.

23 D. Except as provided in subsection C of this section, the attorney
24 general shall not impose any conditions on the transfer of the monies into
25 the department of emergency and military affairs opioid remediation fund.

26 E. If the attorney general does not transfer the full amount
27 specified in subsection A of this section on or before the date specified
28 in subsection B of this section, the general accounting office of the
29 department of administration shall directly transfer the amount from the
30 consumer remediation subaccount of the consumer restitution and
31 remediation revolving fund established by section 44-1531.02, Arizona
32 Revised Statutes, to the department of emergency and military affairs
33 opioid remediation fund.

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

37 Sec. 142. Appropriation; attorney general; department of
38 health services; opioid remediation; fiscal year
39 2024-2025; exemption

40 A. In addition to any other appropriation made in fiscal year
41 2024-2025, the sum of \$1,000,000 is appropriated from the consumer
42 remediation subaccount of the consumer restitution and remediation
43 revolving fund established by section 44-1531.02, Arizona Revised
44 Statutes, in fiscal year 2024-2025 to the attorney general. This amount

1 consists of monies deposited in the subaccount pursuant to opioid
2 claims-related litigation or settlements.

3 B. On or before July 3,2024, or, if sufficient monies are not
4 available on July 3, 2024, within three calendar days after sufficient
5 monies become available, the attorney general shall transfer the monies
6 appropriated in subsection A of this section to the department of health
7 services opioid remediation fund established pursuant to section 35-142,
8 Arizona Revised Statutes.

9 C. The department of health services shall use the monies in the
10 department of health services opioid remediation fund only for approved
11 purposes as prescribed in a court order, a settlement agreement or the one
12 Arizona distribution of opioid settlement funds agreement that is entered
13 into by this state and other parties to the opioid litigation.

14 D. Except as provided in subsection C of this section, the attorney
15 general shall not impose any conditions on the transfer of the monies into
16 the department of health services opioid remediation fund.

17 E. If the attorney general does not transfer the full amount
18 specified in subsection A of this section on or before the date specified
19 in subsection B of this section, the general accounting office of the
20 department of administration shall directly transfer the amount from the
21 consumer remediation subaccount of the consumer restitution and
22 remediation revolving fund established by section 44-1531.02, Arizona
23 Revised Statutes, to the department of health services opioid remediation
24 fund.

25 F. The appropriation made in subsection A of this section is exempt
26 from the provisions of section 35-190, Arizona Revised Statutes, relating
27 to lapsing of appropriations.

28 Sec. 143. Reduction in school district state aid
29 apportionment in fiscal year 2024-2025;
30 appropriation in fiscal year 2025-2026

31 A. In addition to any other appropriation reductions made in fiscal
32 year 2024-2025, the department of education shall defer until after June
33 30, 2025 but not later than July 12, 2025 \$800,727,700 of the basic state
34 aid and additional state aid entitlement that otherwise would be
35 apportioned to school districts during fiscal year 2024-2025 pursuant to
36 section 15-973, Arizona Revised Statutes. The funding deferral required
37 by this subsection does not apply to charter schools or to school
38 districts with a student count of less than four thousand pupils. The
39 department of education shall make the deferral by reducing the
40 apportionment of state aid for each month in the fiscal year by the same
41 amount.

1 B. In addition to any other appropriations made in fiscal year
 2 2025-2026, the sum of \$800,727,700 is appropriated from the state general
 3 fund in fiscal year 2025-2026 to the department of education and the
 4 superintendent of public instruction for basic state aid and additional
 5 state aid entitlement for fiscal year 2025-2026. This appropriation shall
 6 be disbursed after June 30, 2025 but not later than July 12, 2025 to the
 7 several counties for the school districts in each county in amounts equal
 8 to the reductions in apportionment of basic state aid and additional state
 9 aid that are required pursuant to subsection A of this section for fiscal
 10 year 2024-2025.

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

14 Statewide Adjustments

15 Sec. 144. Appropriations; operating adjustments

	<u>2024-25</u>
17 1. Employer health insurance	
18 contribution reduction	\$ (94,363,000)
19 Fund sources:	
20 State general fund	\$ (72,766,200)
21 Other funds	(21,596,800)
22 2. Employer health insurance	
23 contribution increase	\$ 200,000,000
24 Fund sources:	
25 State general fund	\$ 140,000,000
26 Other funds	60,000,000
27 3. State fleet rate reduction	\$ (13,648,900)
28 Fund sources:	
29 State general fund	\$ (8,195,100)
30 Other funds	(5,453,800)
31 4. State fleet rate increase	\$ 4,924,000
32 Fund sources:	
33 State general fund	\$ 3,299,000
34 Other funds	1,625,000
35 5. Human resources information	
36 system charge reduction	\$ (12,654,000)
37 Fund sources:	
38 State general fund	\$ (8,009,300)
39 Other funds	(4,644,700)
40 6. Arizona financial information	
41 system adjustment	\$ (1,673,700)
42 Fund sources:	
43 State general fund	\$ (834,000)
44 Other funds	(839,700)
45 7. Agency retirement adjustment	\$ 7,680,000

1	Fund sources:		
2	State general fund	\$	7,180,000
3	Other funds		500,000
4	8. Agency rent adjustment	\$	160,000
5	Fund sources:		
6	Other funds	\$	160,000

7 Employer health insurance contribution reduction

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

21 Employer health insurance contribution increase

22 The amount appropriated is for a onetime employer contribution rate
23 increase for employee health insurance in fiscal year 2024-2025. The
24 joint legislative budget committee staff, in consultation with the
25 governor's office of strategic planning and budgeting staff, shall
26 determine and the department of administration shall allocate to each
27 agency or department an amount for the health insurance contribution
28 adjustment. The joint legislative budget committee staff shall also
29 determine and the department of administration shall allocate adjustments,
30 as necessary, in expenditure authority to implement the increase in
31 employer health insurance contribution rates. The joint legislative
32 budget committee staff shall use the overall allocation of state general
33 fund and appropriated tuition monies for each university in determining
34 that university's specific adjustment.

35 State fleet rate reduction

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

1 State fleet rate increase

2 The amount appropriated is for a onetime state fleet rate increase
3 in fiscal year 2024-2025. The joint legislative budget committee staff,
4 in consultation with the governor's office of strategic planning and
5 budgeting staff, shall determine and the department of administration
6 shall allocate to each agency or department an amount for the state fleet
7 rate increase. The joint legislative budget committee staff shall also
8 determine and the department of administration shall allocate adjustments,
9 as necessary, in expenditure authority for the state fleet rate increase.

10 Human resources information system replacement charge reduction

11 The amount appropriated is for a reduction of the human resources
12 information system replacement 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 human resources information system replacement 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 human resources information system replacement charge. The reduction in
21 the human resources information system replacement charge shall be based
22 on each state fund's proportional share of payments to the personnel
23 division fund established pursuant to section 41-750, Arizona Revised
24 Statutes.

25 Arizona financial information system adjustments

26 The amount appropriated is for a reduction of the Arizona financial
27 information system upgrade charge in fiscal year 2024-2025. The joint
28 legislative budget committee staff, in consultation with the governor's
29 office of strategic planning and budgeting staff, shall determine and the
30 department of administration shall allocate to each agency or department
31 an amount for the Arizona financial information system upgrade charge
32 reduction. The joint legislative budget committee staff shall also
33 determine and the department of administration shall allocate adjustments,
34 as necessary, in expenditure authority to implement the reduction in the
35 Arizona financial information system upgrade charge.

36 Agency retirement adjustment

37 The amount appropriated is for retirement adjustments in fiscal year
38 2024-2025. The joint legislative budget committee staff, in consultation
39 with the governor's office of strategic planning and budgeting staff,
40 shall determine and the department of administration shall allocate to
41 each agency or department an amount for the agency retirement adjustments.
42 The joint legislative budget committee staff shall also determine, and the
43 department of administration shall allocate adjustments, as necessary, in
44 expenditure authority to implement the agency retirement adjustments.

1 Agency rent adjustment

2 The amount appropriated is for agency rent adjustments for agencies
3 relocating to and within state-owned and lease-purchase buildings in
4 fiscal year 2024-2025. The joint legislative budget committee staff, in
5 consultation with the governor's office of strategic planning and
6 budgeting staff, shall determine and the department of administration
7 shall allocate to each agency or department an amount for the agency rent
8 adjustment. The joint legislative budget committee staff shall also
9 determine, and the department of administration shall allocate
10 adjustments, as necessary, in expenditure authority to allow
11 implementation of the agency rent adjustments.

12 Sec. 145. Department of law; general agency counsel charges;
13 fiscal year 2024-2025

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

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

1	24. Arizona state parks board	\$ 45,800
2	25. State personnel board	\$ 600
3	26. Arizona pioneers' home	\$ 12,100
4	27. Department of public safety	\$677,400
5	28. Arizona board of regents	\$ 1,800
6	29. Arizona state retirement system	\$ 69,100
7	30. Department of revenue	\$ 4,900
8	31. Department of state – secretary of state	\$ 1,800
9	32. State treasurer	\$ 9,200
10	33. Department of veterans' services	\$ 52,700

11 Fiscal Year 2025-2026 Appropriations

12 Sec. 146. Appropriation; new school facilities fund; use;
13 fiscal year 2025-2026

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

22 Reporting Requirements and Definitions

23 Sec. 147. Agency spending and encumbrances; quarterly report;
24 fiscal year 2024-2025

25 Within fifteen days of the last day of each quarter in fiscal year
26 2024-2025, the department of administration shall report to the director
27 of the joint legislative budget committee and the director of the
28 governor's office of strategic planning and budgeting the year-to-date
29 expenditures and year-to-date encumbrances for operating and capital
30 spending from the state general fund and other agency funds in fiscal year
31 2024-2025. The information shall be separately delineated by agency,
32 budget fiscal year and fund source, and shall classify each appropriation
33 by agency lump sum, special line item, or project.

34 Sec. 148. COVID-related expenditures; reporting requirements;
35 intent

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

1 B. Within forty-five days after the last day of each calendar
2 quarter through June 30, 2027, the superintendent of public instruction
3 shall report to the president of the senate, the speaker of the house of
4 representatives, the chairpersons of the senate and house of
5 representatives appropriations committees and the director of the joint
6 legislative budget committee the total planned allocations and actual
7 expenditures of monies allocated to the superintendent of public
8 instruction from the elementary and secondary school emergency relief fund
9 as appropriated by section 2001 of the American rescue plan act of 2021
10 (P.L. 117-2).

11 C. Reports required pursuant to this section shall delineate
12 expenditures by agency and program and include descriptions of the purpose
13 of the expenditures.

14 D. The legislature intends that the executive branch of state
15 government report on its planned and actual use of any major additional
16 federal aid to this state through federal legislation enacted by the end
17 of fiscal year 2024-2025. The timing and frequency of these reports
18 should be the same as required by subsections A and B of this section.
19 The chairperson and vice chairperson of the joint legislative budget
20 committee may provide recommendations to the executive branch concerning
21 federal legislation that would qualify under this subsection.

22 Sec. 149. Legislative intent; expenditure reporting

23 The legislature intends that all departments, agencies and budget
24 units receiving appropriations under the terms of this act continue to
25 report actual, estimated and requested expenditures by budget programs and
26 budget classes in a format that is similar to the budget programs and
27 budget classes used for budgetary purposes in prior years. A different
28 format may be used if deemed necessary to implement section 35-113,
29 Arizona Revised Statutes, agreed to by the director of the joint
30 legislative budget committee and incorporated into the budget preparation
31 instructions adopted by the governor's office of strategic planning and
32 budgeting pursuant to section 35-112, Arizona Revised Statutes.

33 Sec. 150. FTE positions; reporting; definition

34 Full-time equivalent (FTE) positions contained in this act are
35 subject to appropriation. The director of the department of
36 administration shall account for the use of all appropriated and
37 nonappropriated FTE positions, excluding those in the universities. The
38 director of the department of administration shall submit the fiscal year
39 2024-2025 report on or before October 1, 2025 to the director of the joint
40 legislative budget committee. The report shall compare the level of
41 appropriated FTE usage in each fiscal year to the appropriated level. For
42 the purposes of this section, "FTE positions" means the total number of
43 hours worked, including both regular and overtime hours as well as hours
44 taken as leave, divided by the number of hours in a work year. The
45 director of the department of administration shall notify the director of

1 a budget unit if the budget unit's appropriated FTE usage has exceeded its
2 number of appropriated FTE positions. Each university shall report to the
3 director of the joint legislative budget committee in a manner comparable
4 to the department of administration reporting.

5 Sec. 151. Privately funded FTE positions; reporting;
6 definition

7 A. On or before October 31 in 2024 and 2025, each budget unit of
8 this state shall submit a report to the staff of the joint legislative
9 budget committee and the governor's office of strategic planning and
10 budgeting if the budget unit had any privately funded employees in fiscal
11 year 2023-2024 or 2024-2025. The report shall include the title, duties
12 and salary compensation of each privately funded employee.

13 B. For the purposes of this section, "privately funded" means
14 salary compensation paid for in whole or in part with monies from sources
15 other than this state, a political subdivision of this state or the
16 federal government.

17 Sec. 152. Filled FTE positions; reporting

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

22 Sec. 153. Transfer of spending authority

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

27 Sec. 154. Interim reporting requirements

28 A. State general fund revenue for fiscal year 2023-2024, including
29 a beginning balance of \$2,527,200,000 and other onetime revenues, is
30 forecasted to be \$17,786,100,000.

31 B. State general fund revenue for fiscal year 2024-2025, including
32 onetime revenues, is forecasted to be \$16,282,100,000.

33 C. State general fund revenue for fiscal year 2025-2026, including
34 onetime revenues, is forecasted to be \$16,467,300,000. State general fund
35 expenditures for fiscal year 2025-2026 are forecasted to be
36 \$16,439,600,000.

37 D. State general fund revenue for fiscal year 2026-2027, including
38 onetime revenues, is forecasted to be \$17,146,700,000. State general fund
39 expenditures for fiscal year 2026-2027 are forecasted to be
40 \$17,131,600,000.

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

8 F. Based on the information provided by the executive branch, the
9 staff of the joint legislative budget committee shall report to the joint
10 legislative budget committee on or before October 15, 2024 whether the
11 fiscal year 2024-2025 revenues and ending balance are expected to change
12 by more than \$50,000,000 from the budgeted projections. The joint
13 legislative budget committee staff may make technical adjustments to the
14 revenue and expenditure estimates in this section to reflect other bills
15 enacted into law. The executive branch may also provide its own estimates
16 to the joint legislative budget committee on or before October 15, 2024.

17 Sec. 155. Definition

18 For the purposes of this act, "*" means this appropriation is a
19 continuing appropriation and is exempt from the provisions of section
20 35-190, Arizona Revised Statutes, relating to lapsing of appropriations.

21 Sec. 156. Definition

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

25 Sec. 157. Definition

26 For the purposes of this act, "review by the joint legislative
27 budget committee" means a review by a vote of a majority of a quorum of
28 the members of the joint legislative budget committee.