

Senate Engrossed

capital outlay; appropriations; 2024-2025.

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

SENATE BILL 1737

AN ACT

AMENDING LAWS 2023, CHAPTER 135, SECTION 10; MAKING CAPITAL OUTLAY APPROPRIATIONS FOR THE DIFFERENT DEPARTMENTS OF THE STATE AND FOR STATE INSTITUTIONS; PROVIDING FOR REVIEW OF CAPITAL OUTLAY PROJECTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

2 Section 1. Laws 2023, chapter 135, section 10 is amended to read:

3 Sec. 10. Appropriations; department of transportation;
4 highway projects; exemption

5 A. The following amounts are appropriated from the state general
6 fund in fiscal year 2023-2024 to the department of transportation for the
7 following highway projects:

8 1. Improve the interchange at State Route
9 303 and U.S. Route 60 \$ 4,500,000

10 2. Distribute to the town of Clarkdale to
11 replace the current bridge over
12 Bitter Creek wash \$ 6,321,400

13 3. Improve intersection on State Route 347
14 at Casa Blanca Road and Cement
15 Plant access \$18,000,000

16 4. Distribute to the city of Phoenix for
17 improvements on Happy Valley Road
18 between 35th Avenue and 67th Avenue \$12,500,000

19 The legislature intends that the city of Phoenix contribute
20 \$14,800,000 to the project described in this paragraph.

21 5. Distribute to the town of Prescott Valley
22 to improve Glassford Hill Road \$ 9,900,000

23 The department of transportation may distribute the monies
24 appropriated in this paragraph only if the town of Prescott Valley
25 demonstrates to the department that the town has a commitment for at least
26 \$1,100,000 in matching monies of gifts, grants and donations for
27 improvements to Glassford Hill Road from sources other than this state.

28 6. Distribute to the city of Coolidge for
29 Coolidge Avenue reconstruction between
30 Christensen Road and Clemans Road \$ 5,300,000

31 7. Distribute to the city of Eloy for Sunland
32 Gin Road Interstate 10 overpass and road
33 improvements between Interstate 10 and
34 Arica Road \$ 5,000,000

35 8. Distribute to the town of Marana for
36 design costs for traffic interchange
37 between Interstate 10 and Cortaro Road \$10,000,000

38 9. Distribute to the city of Douglas for road
39 development and construction connecting
40 the Douglas international commercial
41 port of entry and State Route 80 \$ 8,170,000

42 10. Distribute to the town of Patagonia for
43 McKeown Avenue reconstruction between
44 Fourth Avenue West and State Route 82 \$ 1,500,000

1	11.	Distribute to the city of Sierra Vista for	
2		Theater Drive corridor improvements	
3		between 7th Street and Carmichael	
4		Avenue	\$ 1,800,000
5	12.	Distribute to Graham county for	
6		intersection reconstruction at Norton	
7		Road and Reay Lane	\$ 500,000
8	13.	Distribute to Cochise county for	
9		Moson Road drainage and safety	
10		improvements between State Route 90	
11		and Hereford Road	\$ 6,100,000
12	14.	Improve U.S. Route 95 between Wellton	
13		Mohawk Canal Road and Aberdeen Road	\$33,300,000
14	15.	Distribute to Yuma county for	
15		U.S. Route 95 pavement	
16		rehabilitation between County	
17		22nd Street and County 11th Street	\$ 5,910,400
18	16.	Distribute to Pinal county for engineering	
19		and design of the West Pinal Parkway	
20		East-West Corridor	\$ 9,240,000
21	17. 16.	Design work and engineer improvements on	
22		State Route 85 between mile post 123	
23		and Maricopa Road	\$ 6,500,000
24	18. 17.	Construct turn lanes along State Route 95	
25		near Bullhead City	\$ 8,000,000
26	19. 18.	Construct an emergency evacuation bridge	
27		in Lake Havasu City	\$35,500,000
28	20. 19.	Distribute to the town of Queen Creek	
29		to extend State Route 24 including a	
30		traffic interchange at State Route 24	
31		and Ironwood Road	\$87,500,000
32			\$59,800,000
33		Monies distributed to the town of Queen Creek for the project in	
34		this paragraph are eligible to be used for all necessary expenses from the	
35		current project status until completion. The town of Queen Creek must	
36		collaborate with Pinal county before spending the monies distributed for	
37		the project pursuant to this paragraph.	
38	21. 20.	Improve State Route 83 within	
39		Santa Cruz county	\$ 9,000,000
40	22. 21.	Distribute to the town of Cave Creek to	
41		study the construction of expanding	
42		lanes along Cave Creek Road between	
43		Loop 101 and Carefree Highway	\$ 250,000
44	23. 22.	Design a freeway interchange on	
45		Interstate 10 at Jackrabbit Trail	\$ 5,000,000

1	24.	23.	Distribute to the city of Phoenix to	
2			extend 43rd Avenue between Dove	
3			Valley Road and State Route 74	\$ 6,500,000
4	25.	24.	Design of State Route 87 intersection	
5			improvements at Arica Road and	
6			Shedd Road	\$ 700,000
7	26.	25.	Distribute to the town of Huachuca City	
8			for Skyline Drive reconstruction	
9			between State Route 90 and	
10			Huachuca City Landfill	\$ 1,565,200
11	27.	26.	Distribute to the town of Huachuca City	
12			for Skyline Pathway development along	
13			Skyline Drive between Gila Avenue	
14			and Edgewood Street	\$ 506,000
15	28.	27.	Distribute to the town of Pinetop-Lakeside	
16			for Porter Mountain Road improvements	
17			in the vicinity of Blue Ridge	
18			elementary school	\$ 2,242,200
19	29.	28.	Distribute to the city of Globe for	
20			sidewalk construction along Jesse Hayes	
21			Road and Six Shooter Canyon Road	\$ 3,501,100
22	30.	29.	Distribute to the town of Payson for	
23			roundabout construction and	
24			improvements at intersection of	
25			Longhorn Road and McLane Road	\$ 1,529,800
26	31.	30.	Distribute to the city of Globe for	
27			Jesse Hayes Road bridge replacement	
28			and improvements at Pinal Creek	\$ 643,200
29	32.	31.	Distribute to the city of Globe for	
30			Cottonwood Street bridge replacement	
31			and improvements at Pinal Creek	\$ 632,500
32	33.	32.	Distribute to Gila county for	
33			Houston Mesa Road improvements	
34			between State Route 260 and .4 miles	
35			south of Forest Road 198	\$ 243,600
36	34.	33.	Distribute to the Canyon Water improvement	
37			district to make improvements to	
38			infrastructure, including fire hydrants	
39			and other related water needs	\$ 610,000
40	35.	34.	Distribute to Graham county for	
41			Safford Bryce Road improvements in	
42			the vicinity of Talley Wash Crossing	\$ 1,781,500
43	36.	35.	Distribute to the town of Thatcher for	
44			8th Street improvements between	
45			1st Avenue and 20th Avenue	\$ 4,526,400

1	37.	36.	Repave U.S. Route 60 between Morrystown and Wickenburg	\$10,500,000
2				
3	38.	37.	Distribute to the town of Winkelman for improvements to Golf Course Road and Quarelli Street	\$ 1,560,900
4				
5				
6	39.	38.	Distribute to the town of Superior for Panther Drive bridge design and construction at Queen Creek	\$ 2,486,700
7				
8				
9	40.	39.	Improve State Route 260 within Navajo county	\$ 4,250,000
10				
11	41.	40.	Distribute to the Navajo Nation for Improvements to N9402 Road near Lupton and Houck	\$10,000,000
12				
13				
14	42.	41.	Distribute to Apache county for State Route 264 turn lane construction into the Ganado senior citizens center and veterans building development area	\$ 538,700
15				
16				
17				
18	43.	42.	Distribute to the city of Tucson for improvements to the Drexel Road bridge	\$15,000,000
19				
20				
21	44.	43.	Distribute to Santa Cruz county for improvements to traffic interchange at Interstate 19 and Rio Rico Drive and traffic interchange at Interstate 19 and Ruby Road	\$ 8,600,000
22				
23				
24				
25				

26 B. Within thirty days after the last day of each calendar quarter,
27 the department of transportation shall report to the joint legislative
28 budget committee staff the projected cost and status of the projects for
29 the appropriations made in subsection A of this section.

30 C. Before transferring monies between the projects described in
31 subsection A of this section, the department of transportation shall
32 submit a report for review by the joint committee on capital review.

33 D. Notwithstanding section 41-1252, Arizona Revised Statutes, the
34 appropriations made in subsection A of this section are not subject to
35 review by the joint committee on capital review.

36 Building Renewal

37 Sec. 2. Capital outlay appropriations; major maintenance and
38 repair of state buildings

39 A. Notwithstanding section 41-793.01, Arizona Revised Statutes, the
40 amounts appropriated in this section are appropriated for fiscal year
41 2024-2025 to be used by the applicable agency for major maintenance and
42 repair activities for state buildings in accordance with title 41,
43 chapter 4, article 7, Arizona Revised Statutes.

1 B. DEPARTMENT OF ADMINISTRATION \$19,000,000

2 Fund source:

3 Capital outlay stabilization fund \$19,000,000

4 The department of administration shall allocate the monies to state
5 agencies for necessary building renewal. If monies in the capital outlay
6 stabilization fund established by section 41-792.01, Arizona Revised
7 Statutes, are insufficient to fund the appropriation to the department of
8 administration for building renewal, the appropriation to the department
9 of administration is reduced by the difference between the amount
10 appropriated to the department of administration from the capital outlay
11 stabilization fund and the balance in the capital outlay stabilization
12 fund. Notwithstanding title 41, chapter 4, article 7, Arizona Revised
13 Statutes, the department of administration may use monies appropriated for
14 building renewal in fiscal year 2024-2025 for building projects related to
15 retrofitting facilities for space consolidation initiatives.

16 C. STATE DEPARTMENT OF CORRECTIONS \$ 8,557,000

17 Fund source:

18 Department of corrections building
19 renewal fund \$ 5,864,300

20 Prison construction and operations fund \$ 2,692,700

21 The state department of corrections may not spend any of this
22 appropriation on personal services or overhead expenses related to
23 managing the funded projects.

24 D. ARIZONA GAME AND FISH DEPARTMENT \$ 1,795,000

25 Fund source:

26 Game and fish fund \$ 1,795,000

27 E. ARIZONA STATE LOTTERY COMMISSION \$ 218,200

28 Fund source:

29 State lottery fund \$ 218,200

30 F. DEPARTMENT OF TRANSPORTATION \$22,540,100

31 Fund sources:

32 State highway fund \$22,082,800

33 State aviation fund \$ 457,300

34 Individual Projects

35 Sec. 3. Appropriations; state agencies and boards capital
36 projects

37 A. The amounts appropriated in this section are appropriated for
38 fiscal year 2024-2025 to be used by the applicable agency or board for
39 individual capital projects.

40 B. ARIZONA STATE PARKS BOARD

41 Capital improvements \$ 3,022,000

42 Fund source:

43 State parks revenue fund \$ 3,022,000

44 The Arizona state parks board shall report to the joint committee on
45 capital review and the governor's office of strategic planning and

1 budgeting if the board revises the plan for any project for which monies
2 are appropriated by this subsection because the board receives land and
3 water conservation grant funding.

4 C. ARIZONA PIONEERS' HOME

5 Capital improvements \$ 465,000

6 Fund source:

7 Miners' hospital for miners with
8 disabilities land fund \$ 465,000

9 D. DEPARTMENT OF TRANSPORTATION

10 Additional vehicle fueling replacement
11 funding for facilities located in Flagstaff,
12 Needle Mountain, Kingman, Tucson, Willcox,
13 Three Points, Saint David, Springerville,
14 Chambers and Holbrook \$ 9,088,200

15 Fund source:

16 State highway fund \$ 9,088,200

17 Department of Transportation Statewide Highway Construction

18 Sec. 4. Appropriation; department of transportation;
19 statewide highway construction; reports; exemption

20 A. The amount appropriated in this section is appropriated for
21 fiscal year 2024-2025 to plan and construct state highways, including the
22 national system of interstate highways within this state, the state
23 primary or secondary system, the county primary or secondary system and
24 urban rural routes, to acquire rights-of-way and to provide for the cost
25 of contracted field administration and field engineering on construction
26 projects and debt service payments on bonds issued for highway
27 construction.

28 B. DEPARTMENT OF TRANSPORTATION \$462,488,000

29 Fund source:

30 State highway fund \$462,488,000

31 Any balances and collections in the state highway fund established
32 by section 28-6991, Arizona Revised Statutes, that exceed the specific
33 amounts appropriated in the general appropriations act and in this act are
34 appropriated to the department of transportation for the purposes provided
35 in this section.

36 C. On or before November 1, 2024, the department of transportation
37 shall report to the directors of the joint legislative budget committee
38 and the governor's office of strategic planning and budgeting on its
39 actual prior year, estimated current year and upcoming budget year highway
40 construction expenses from all fund sources, including appropriated
41 monies, federal monies, local agency monies, state highway monies, bond
42 proceeds and regional area road monies. The report shall be in the same
43 format as in the prior year unless the directors of the joint legislative
44 budget committee and the governor's office of strategic planning and
45 budgeting have approved modifications to the format.

1 D. On or before November 1, 2024, the department of transportation
2 shall report capital outlay information for fiscal years 2023-2024,
3 2024-2025 and 2025-2026, to the directors of the joint legislative budget
4 committee and the governor's office of strategic planning and budgeting.
5 This information shall appear in the same format as tables two, three and
6 six, as found in the fiscal year 2023-2024 appropriations report.

7 E. On or before November 1, 2024, the department of transportation
8 shall report the department's estimated outstanding debt principal balance
9 at the end of fiscal year 2025-2026 and the estimated debt service payment
10 amount for each of fiscal years 2025-2026, 2026-2027, 2027-2028 and
11 2028-2029, to the directors of the joint legislative budget committee and
12 the governor's office of strategic planning and budgeting. This report
13 shall include state highway fund statewide construction bonds, Arizona
14 highway user revenue fund bonds, Maricopa association of governments and
15 Pima association of governments controlled access bonds, Maricopa regional
16 area road fund bonds and grant anticipation notes and is intended to be
17 comparable to the information in the fiscal year 2023-2024 appropriations
18 report.

19 F. Notwithstanding section 41-1252, Arizona Revised Statutes, the
20 appropriation made in this section is not subject to review by the joint
21 committee on capital review.

22 Department of Transportation Airport Planning and Development

23 Sec. 5. Appropriation; department of transportation; airport
24 planning and development; report; exemption

25 A. The amount appropriated in this section is appropriated in
26 fiscal year 2024-2025 to plan, construct, develop and improve state,
27 county, city or town airports as determined by the state transportation
28 board.

29 B. DEPARTMENT OF TRANSPORTATION \$ 25,550,000

30 Fund source:

31 State aviation fund \$ 25,550,000

32 Any balances and collections in the state aviation fund established
33 by section 28-8202, Arizona Revised Statutes, that exceed the specific
34 amounts appropriated in the general appropriations act and in this act are
35 appropriated to the department of transportation in fiscal year 2024-2025
36 for the purposes provided in this section.

37 C. On or before December 31, 2024, the department of transportation
38 shall report to the joint legislative budget committee staff on the status
39 of all aviation grant awards and aviation grant distributions. The report
40 shall delineate projects by individual airport and fiscal year, including
41 any future year commitments.

42 D. Notwithstanding section 41-1252, Arizona Revised Statutes, the
43 appropriation made in this section is not subject to review by the joint
44 committee on capital review.

1 Appropriation reductions; reappropriation

2 Sec. 6. Appropriation reduction; fiscal year 2021-2022;
3 appropriation; fiscal year 2027-2028; department of
4 veterans' services; veterans' home facility; site
5 selection; review; exemption

6 A. Notwithstanding any other law, the following amounts are reduced
7 from appropriations made to the following state agency in fiscal year
8 2021-2022 by Laws 2021, chapter 406, section 29 for the following project:

9 B. DEPARTMENT OF VETERANS' SERVICES

10 Veterans' home facility \$(25,000,000)

11 Fund source:

12 State general fund \$(25,000,000)

13 C. The sum of \$25,000,000 is appropriated from the state general
14 fund in fiscal year 2027-2028 to the department of veterans' services to
15 construct and establish a veterans' home facility in the northwestern
16 portion of this state.

17 D. The appropriation made in subsection C of this section is
18 intended to be this state's share of the costs and is not subject to
19 expenditure for any purpose unless the department of veterans' services
20 has irrevocable commitments from the United States government to fund at
21 least sixty-five percent of the total costs.

22 E. The department shall submit the proposed site location in the
23 northwestern portion of this state to the Arizona veterans' service
24 advisory commission established by section 41-602, Arizona Revised
25 Statutes, for approval. The department shall provide the commission a
26 feasibility analysis of suitable sites to consider when approving the site
27 location.

28 F. Before spending the appropriation made in subsection C of this
29 section, the department of veterans' services shall submit the scope,
30 purpose and estimated cost of the capital improvements to the joint
31 committee on capital review for its review pursuant to section 41-1252,
32 Arizona Revised Statutes.

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

36 Sec. 7. Appropriation reductions; department of
37 administration; capital projects; fiscal year
38 2022-2023

39 A. Notwithstanding any other law, the following amounts are reduced
40 from appropriations made to the following state agency in fiscal year
41 2022-2023 by Laws 2022, chapter 309, sections 2 and 3 for the following
42 project:

43 B. DEPARTMENT OF ADMINISTRATION

44 1. Building renewal \$(12,875,800)

45 2. Building demolition \$ (68,600)

1	3. West Adams building renovations	\$(48,263,600)
2	Fund source:	
3	State general fund	\$(61,208,000)
4	Sec. 8. <u>Appropriation reductions; department of</u>	
5	<u>administration; state department of corrections;</u>	
6	<u>capital projects; fiscal year 2023-2024</u>	
7	A. Notwithstanding any other law, the following amounts are reduced	
8	from appropriations made to the following state agencies in fiscal year	
9	2023-2024 by Laws 2023, chapter 135, sections 7 and 8 for the following	
10	projects:	
11	B. DEPARTMENT OF ADMINISTRATION	
12	1. Building renewal	\$(22,539,500)
13	2. Electric vehicle charging and advance	
14	fuel infrastructure	\$(5,000,000)
15	Fund source:	
16	State general fund	\$(27,539,500)
17	C. STATE DEPARTMENT OF CORRECTIONS	
18	1. Building renewal	\$(19,379,100)
19	2. Replace evaporative cooling statewide	
20	with HVAC	\$(56,983,600)
21	Fund source:	
22	State general fund	\$(76,362,700)
23	Sec. 9. <u>Appropriation reductions; appropriation; department</u>	
24	<u>of transportation; Riggs Road overpass; fiscal</u>	
25	<u>years 2020-2021, 2022-2023 and 2027-2028; fund</u>	
26	<u>balance transfer; intent</u>	
27	A. Notwithstanding any other law, the following amounts are reduced	
28	from appropriations made to the following state agency in fiscal year	
29	2020-2021 by Laws 2021, chapter 406, section 33 for the following project:	
30	B. DEPARTMENT OF TRANSPORTATION	
31	Construct an overpass at Riggs Road	
32	and State Route 347	\$(25,000,000)
33	Fund sources:	
34	State general fund	\$(25,000,000)
35	C. Notwithstanding any other law, the following amounts are reduced	
36	from appropriations made to the following state agency in fiscal year	
37	2022-2023 by Laws 2022, chapter 309, section 12, as amended by Laws 2023,	
38	chapter 135, section 5, for the following project:	
39	D. DEPARTMENT OF TRANSPORTATION	
40	Construct an overpass at Riggs Road	
41	and State Route 347	\$(24,000,000)
42	Fund sources:	
43	State highway fund	\$(24,000,000)

1 E. Notwithstanding any other law, on or before June 30, 2024,
2 \$24,000,000 from the state highway fund established by section 28-6991,
3 Arizona Revised Statutes, is transferred to the state general fund for the
4 purposes of providing adequate support and maintenance for agencies of
5 this state. This amount reflects a portion of the revenues derived from
6 the tax levied by title 42, chapter 5, articles 1 and 5, Arizona Revised
7 Statutes, that were transferred to the state highway fund by Laws 2022,
8 chapter 321, section 20, subsection A, paragraph 2.

9 F. The sum of \$49,000,000 is appropriated from the state general
10 fund in fiscal year 2027-2028 to the department of transportation to
11 construct an overpass at Riggs Road and State Route 347. Consistent with
12 this advance appropriation, the legislature intends that the overpass at
13 Riggs Road and State Route 347 be funded in fiscal year 2027-2028.

14 Sec. 10. Appropriation reductions; appropriation; department
15 of transportation; Interstate 10; fiscal years
16 2022-2023, 2023-2024 and 2027-2028; fund balance
17 transfer

18 A. Notwithstanding any other law, the following amounts are reduced
19 from appropriations made to the following state agency in fiscal year
20 2022-2023 by Laws 2022, chapter 309, section 8, as amended by Laws 2023,
21 chapter 135, section 3, for the following project:

22 B. DEPARTMENT OF TRANSPORTATION
23 Design and construct additional vehicle
24 lanes, separated by a lighted median,
25 on Interstate 10 between State Route 85
26 and Citrus Road \$(55,910,000)
27 Fund sources:
28 State highway fund \$(55,910,000)

29 C. Notwithstanding any other law, the following amounts are reduced
30 from appropriations made to the following state agency in fiscal year
31 2023-2024 by Laws 2023, chapter 135, section 20 for the following project:

32 D. DEPARTMENT OF TRANSPORTATION
33 Design and construct additional vehicle
34 lanes, separated by a lighted median,
35 on Interstate 10 between State Route 85
36 and Citrus Road \$(52,090,000)
37 Fund sources:
38 State general fund \$(52,090,000)

39 E. Notwithstanding any other law, on or before June 30, 2024,
40 \$55,910,000 from the state highway fund established by section 28-6991,
41 Arizona Revised Statutes, is transferred to the state general fund for the
42 purposes of providing adequate support and maintenance for agencies of
43 this state. This amount reflects a portion of the revenues derived from
44 the tax levied by title 42, chapter 5, articles 1 and 5, Arizona Revised

1 Statutes, that were transferred to the state highway fund by Laws 2022,
2 chapter 321, section 20, subsection A, paragraph 2.

3 F. The sum of \$30,000,000 is appropriated from the state general
4 fund in fiscal year 2026-2027 and the sum of \$78,000,000 is appropriated
5 from the state general fund in fiscal year 2027-2028 to the department of
6 transportation to design and construct additional vehicle lanes, separated
7 by a lighted median, on Interstate 10 between State Route 85 and Citrus
8 Road.

9 Sec. 11. Appropriation reduction; department of
10 transportation; pavement rehabilitation; fiscal
11 year 2022-2023

12 A. Notwithstanding any other law, the following amounts are reduced
13 from appropriations made to the following state agency in fiscal year
14 2022-2023 by Laws 2022, chapter 309, section 12 the following project:

15 B. DEPARTMENT OF TRANSPORTATION

16 Rehabilitate pavement on road projects
17 selected pursuant to Laws 2021,
18 chapter 406, section 34 \$(29,343,200)

19 Fund sources:

20 State highway fund \$(29,343,200)

21 C. Notwithstanding any other law, on or before June 30, 2024,
22 \$29,343,200 from the state highway fund established by section 28-6991,
23 Arizona Revised Statutes, is transferred to the state general fund for the
24 purposes of providing adequate support and maintenance for agencies of
25 this state. This amount reflects a portion of the revenues derived from
26 the tax levied by title 42, chapter 5, articles 1 and 5, Arizona Revised
27 Statutes, that were transferred to the state highway fund by Laws 2022,
28 chapter 321, section 20, subsection A, paragraph 2.

29 Sec. 12. Appropriation reduction; department of
30 transportation; State Route 97; fiscal year
31 2023-2024

32 A. Notwithstanding any other law, the following amounts are reduced
33 from appropriations made to the following state agency in fiscal year
34 2023-2024 by Laws 2022, chapter 309, section 18 for the following project:

35 B. DEPARTMENT OF TRANSPORTATION

36 Improve State Route 97 near Bagdad \$(10,000,000)

37 Fund sources:

38 State general fund \$(10,000,000)

39 Sec. 13. Appropriation reduction; department of
40 transportation; pavement rehabilitation projects;
41 fiscal year 2023-2024

42 A. Notwithstanding any other law, the following amounts are reduced
43 from appropriations made to the following state agency in fiscal year
44 2023-2024 by Laws 2023, chapter 135, section 13 for the following project:

1 B. DEPARTMENT OF TRANSPORTATION
2 Pavement rehabilitation projects \$(41,000,000)

3 Fund sources:
4 State general fund \$(41,000,000)

5 Sec. 14. Fund balance transfer; state parks revenue fund;
6 fiscal year 2023-2024

7 A. Notwithstanding any other law, on or before June 30, 2024,
8 \$38,237,100 from the state parks revenue fund established by section
9 41-511.21, Arizona Revised Statutes, is transferred to the state general
10 fund for the purposes of providing adequate support and maintenance for
11 agencies of this state. This amount reflects a portion of the revenues
12 derived from the tax levied by title 42, chapter 5, articles 1 and 5,
13 Arizona Revised Statutes, that were transferred to the state parks revenue
14 fund by Laws 2022, chapter 321, section 20, subsection A, paragraph 5.

15 B. On or before September 1, 2024, the Arizona state parks board
16 shall submit an expenditure report to the joint committee on capital
17 review that describes how monies appropriated from the state parks revenue
18 fund by Laws 2022, chapter 309, sections 6, 19 and 20 will be allocated
19 for capital projects listed in those sections after deducting the amount
20 of the transfer made in subsection A of this section. The department may
21 only spend monies for capital projects that were favorably reviewed by the
22 joint committee on capital review before the effective date of this
23 section.

24 Department of Transportation Highway Project Reallocations

25 Sec. 15. Appropriation reduction; department of
26 transportation; State Route 90; Fort Huachuca;
27 fiscal year 2020-2021

28 A. Notwithstanding any other law, the following amounts are reduced
29 from appropriations made to the following state agency in fiscal year
30 2020-2021 by Laws 2021, chapter 406, section 33 for the following project:

31 B. DEPARTMENT OF TRANSPORTATION
32 Improve State Route 90 near Fort Huachuca \$ (2,095,000)

33 Fund sources:
34 State general fund \$ (2,095,000)

35 Sec. 16. Supplemental appropriation; department of
36 transportation; State Route 69 roundabout; fiscal
37 year 2023-2024

38 A. In addition to the appropriation made by Laws 2022, chapter 309,
39 section 8, as amended by Laws 2023, chapter 135, section 3, the following
40 amounts are appropriated in fiscal year 2023-2024 to the following state
41 agency for the following project:

42 B. DEPARTMENT OF TRANSPORTATION
43 Construct roundabout at intersection of
44 State Route 69 and State Route 169 \$ 939,100

1 Fund sources:
2 State highway fund \$ 939,100

3 Sec. 17. Appropriation reduction; department of
4 transportation; Sonoran Corridor study; fiscal
5 year 2022-2023

6 A. Notwithstanding any other law, the following amounts are reduced
7 from appropriations made to the following state agency in fiscal year
8 2022-2023 by Laws 2022, chapter 309, section 8 for the following project:

9 B. DEPARTMENT OF TRANSPORTATION
10 Conduct a tier 2 study for the Sonoran
11 Corridor in Pima county \$ (2,436,000)

12 Fund sources:
13 State highway fund \$ (2,436,000)

14 Sec. 18. Appropriation reduction; department of
15 transportation; State Route 90; Moson Road; fiscal
16 year 2022-2023

17 A. Notwithstanding any other law, the following amounts are reduced
18 from appropriations made to the following state agency in fiscal year
19 2022-2023 by Laws 2022, chapter 309, section 12, as amended by Laws 2023,
20 chapter 135, section 5, for the following project:

21 B. DEPARTMENT OF TRANSPORTATION
22 Improve State Route 90 from Moson
23 Road to Campus Drive \$ (3,300,000)

24 Fund sources:
25 State highway fund \$ (3,300,000)

26 Sec. 19. Appropriation reduction; department of
27 transportation; State Route 303; fiscal year
28 2022-2023

29 A. Notwithstanding any other law, the following amounts are reduced
30 from appropriations made to the following state agency in fiscal year
31 2022-2023 by Laws 2022, chapter 309, section 8 for the following project:

32 B. DEPARTMENT OF TRANSPORTATION
33 Design work for the interchange at
34 State Route 303 and Interstate 17 \$ (4,000,000)

35 Fund sources:
36 State highway fund \$ (4,000,000)

37 Sec. 20. Appropriation reduction; department of
38 transportation; State Route 90; pavement
39 rehabilitation; fiscal year 2022-2023

40 A. Notwithstanding any other law, the following amounts are reduced
41 from appropriations made to the following state agency in fiscal year
42 2022-2023 by Laws 2022, chapter 309, section 8, as amended by Laws 2023,
43 chapter 135, section 3, for the following project:

1 B. DEPARTMENT OF TRANSPORTATION
2 Rehabilitate pavement along State Route 90
3 between Campus Drive and the U.S. Border
4 Patrol station in Huachuca City \$ (8,720,000)
5 Fund sources:
6 State highway fund \$ (8,720,000)
7 Sec. 21. Appropriation reduction; department of
8 transportation; United States Route 191; fiscal
9 year 2022-2023
10 A. Notwithstanding any other law, the following amounts are reduced
11 from appropriations made to the following state agency in fiscal year
12 2022-2023 by Laws 2022, chapter 309, section 8, as amended by Laws 2023,
13 chapter 135, section 3, for the following project:
14 B. DEPARTMENT OF TRANSPORTATION
15 Rehabilitate pavement along United States
16 Route 191 between Armory Road and
17 East Safford \$ (7,038,200)
18 Fund sources:
19 State highway fund \$ (7,038,200)
20 Sec. 22. Supplemental appropriation; department of
21 transportation; Riggs Road overpass; fiscal year
22 2023-2024
23 A. In addition to the appropriation made by Laws 2021, chapter 406,
24 section 33, the following amounts are appropriated to the following state
25 agency in fiscal year 2023-2024 for the following project:
26 B. DEPARTMENT OF TRANSPORTATION
27 Final design plan, right-of-way and
28 easements for an overpass at
29 Riggs Road and State Route 347 \$ 1,500,000
30 Fund sources:
31 State highway fund \$ 1,500,000
32 Sec. 23. Supplemental appropriation; department of
33 transportation; State Route 303; fiscal year
34 2023-2024
35 A. In addition to the appropriation made by Laws 2023, chapter 135,
36 section 10, the following amounts are appropriated to the following state
37 agency in fiscal year 2023-2024 for the following project:
38 B. DEPARTMENT OF TRANSPORTATION
39 Improve the interchange at State
40 Route 303 and U.S. Route 60 \$ 167,000
41 Fund sources:
42 State general fund \$ 167,000

Sec. 24. Supplemental appropriation; department of transportation; state Route 87; fiscal year 2023-2024

A. In addition to the appropriation made by Laws 2023, chapter 135, section 10, the following amounts are appropriated to the following state agency in fiscal year 2023-2024 for the following project:

B. DEPARTMENT OF TRANSPORTATION

Design of State Route 87 intersection improvements at Arica Road and Shedd Road \$ 315,000

Fund sources:

State general fund \$ 315,000

Sec. 25. Supplemental appropriation; department of transportation; State Route 83; fiscal year 2023-2024

A. In addition to the appropriation made by Laws 2023, chapter 135, section 10, the following amounts are appropriated to the following state agency in fiscal year 2023-2024 for the following project:

B. DEPARTMENT OF TRANSPORTATION

Improve State Route 83 within Santa Cruz county \$ 1,100,000

Fund sources:

State highway fund \$ 1,100,000

Sec. 26. Supplemental appropriation; department of transportation; State Route 85; fiscal year 2023-2024

A. In addition to the appropriation made by Laws 2023, chapter 135, section 10, the following amounts are appropriated to the following state agency in fiscal year 2023-2024 for the following project:

B. DEPARTMENT OF TRANSPORTATION

Design work and engineer improvements on State Route 85 between mile post 123 and Maricopa Road \$ 12,600,500

Fund sources:

State highway fund \$ 12,600,500

Sec. 27. Supplemental appropriation; department of transportation; State Route 260; fiscal year 2023-2024

A. In addition to the appropriation made by Laws 2023, chapter 135, section 10, the following amounts are appropriated to the following state agency in fiscal year 2023-2024 for the following project:

B. DEPARTMENT OF TRANSPORTATION

Improve State Route 260 within Navajo county \$ 172,200

Fund sources:

State general fund \$ 172,200

1 Sec. 28. Supplemental appropriation; department of
2 transportation; U.S. Route 60; fiscal year
3 2023-2024

4 A. In addition to the appropriation made by Laws 2023, chapter 135,
5 section 10, the following amounts are appropriated to the following state
6 agency in fiscal year 2023-2024 for the following project:

7 B. DEPARTMENT OF TRANSPORTATION

8 Repave U.S. Route 60 between Morristown
9 and Wickenburg \$ 427,700

10 Fund sources:

11 State general fund \$ 206,800
12 State highway fund \$ 220,900

13 Sec. 29. Supplemental appropriation; department of
14 transportation; State Route 347; fiscal year
15 2023-2024

16 A. In addition to the appropriation made by Laws 2023, chapter 135,
17 section 10, the following amounts are appropriated to the following state
18 agency in fiscal year 2023-2024 for the following project:

19 B. DEPARTMENT OF TRANSPORTATION

20 Improve intersection on State Route 347
21 at Casa Blanca Road and Cement
22 Plant access \$ 1,901,000

23 Fund sources:

24 State general fund \$ 1,901,000

25 Sec. 30. Fund balance transfer; state highway fund; fiscal
26 year 2023-2024

27 Notwithstanding any other law, on or before June 30, 2024,
28 \$9,133,700 from the state highway fund established by section 28-6991,
29 Arizona Revised Statutes, is transferred to the state general fund for the
30 purposes of providing adequate support and maintenance for agencies of
31 this state. This amount reflects a portion of the revenues derived from
32 the tax levied by title 42, chapter 5, articles 1 and 5, Arizona Revised
33 Statutes, that were transferred to the state highway fund by Laws 2022,
34 chapter 321, section 20, subsection A, paragraph 2.

35 Sec. 31. Joint committee on capital review; projects; review

36 A. The following projects are deemed to have been favorably
37 reviewed by the joint committee on capital review:

38 1. \$2,600,000 for the following Arizona game and fish department
39 capital projects:

- 40 (a) Replace underground valves at the Canyon Creek Hatchery.
- 41 (b) Insulate the spring on the Cold Springs Ranch property against
42 outside contaminants.
- 43 (c) Replace a portion of a water pipeline at the House Rock
44 Wildlife Area.

1 (d) Realign and install piping in a diversion ditch at the Sipe
2 Wildlife Area.

3 (e) Construct an equipment storage building at Becker Lake Wildlife
4 Area.

5 2. \$214,200 for Arizona state lottery commission building renewal
6 projects for structural repairs of the commission's facility in Phoenix.

7 3. \$250,000 for the Arizona pioneers' home project to improve the
8 cemetery parking lot.

9 4. \$63,000,000 for Arizona state university system revenue bond
10 issuances to implement information technology infrastructure improvements.

11 5. \$22,000,000 for Arizona state university system revenue bond
12 issuances to fund a utility expansion project on the Tempe campus.

13 6. \$16,375,000 for Yavapai college bond projects to finance the
14 creation of centers for learning and innovation, capital improvement
15 projects and software system upgrades.

16 7. \$8,704,900 for the state department of corrections to purchase
17 HVAC units and electrical equipment for installation at the Eyman prison
18 complex.

19 B. The following financing provisions apply to the projects deemed
20 to have been favorably reviewed by subsection A, paragraphs 4 and 5 of
21 this section:

22 1. The favorable review does not constitute endorsement of state
23 general fund appropriations to offset any revenues that may be required
24 for debt service or any operations and maintenance costs when the project
25 is complete.

26 2. The university shall provide the final debt service schedule and
27 interest rate for the projects to the joint committee on capital review as
28 soon as the final debt service schedule and interest rate are available.

29 3. On or before October 15 of each year until completion of the
30 project, the university shall report to the staff of the joint legislative
31 budget committee on the status and expenditures of the projects. The
32 report shall include the project expenditures to date, any changes to the
33 planned construction timeline, the expected completion date and any change
34 to the scope of the project.

35 C. The following financing provisions apply to the projects deemed
36 to have been favorably reviewed by subsection A, paragraph 6 of this
37 section:

38 1. The college shall provide the final debt service schedule and
39 interest rate for the projects to the joint committee on capital review as
40 soon as the final debt service schedule and interest rate are available.

41 2. On or before July 31 of each year until completion of the
42 project, the college shall report to the staff of the joint legislative
43 budget committee on the status and expenditures of the projects. The
44 report shall include the project expenditures to date, any changes to the

1 planned construction timeline, the expected completion date and any change
2 to the scope of the project.

3 Sec. 32. Appropriation; vehicle fueling stations; exemption
4 from lapsing

5 Notwithstanding section 35-190, Arizona Revised Statutes, the
6 \$1,800,000 appropriated to the department of transportation by Laws 2021,
7 chapter 406, section 31 in fiscal year 2021-2022 to replace vehicle
8 fueling facilities in Flagstaff, Holbrook and Kingman is exempt from the
9 provisions of section 35-190, Arizona Revised Statutes, relating to
10 lapsing of appropriations, until June 30, 2025.

11 Sec. 33. Appropriation; department of transportation; West
12 Pinal Parkway; fiscal year 2027-2028

13 The sum of \$9,240,000 is appropriated from the state general fund in
14 fiscal year 2027-2028 to the department of transportation to distribute to
15 Pinal county for the engineering and design of the West Pinal Parkway
16 East-West Corridor.

17 Sec. 34. Appropriation; extend State Route 24; distribution

18 Notwithstanding any other law, the \$59,800,000 appropriated from the
19 state general fund to the department of transportation by Laws 2023,
20 chapter 135, section 10, subsection A, paragraph 20, as amended by this
21 act, to distribute to the town of Queen Creek to extend State Route 24,
22 including a traffic interchange at State Route 24 and Ironwood Road, shall
23 be distributed to the town of Queen Creek on or before June 30, 2024.
24 Monies distributed to the town of Queen Creek for State Route 24 shall be
25 prioritized for a traffic interchange at State Route 24 and Ironwood Road.
26 Any remaining monies shall be used to extend State Route 24.

27 Sec. 35. Use of appropriations; limit

28 A. The department of administration may spend up to five percent of
29 the amounts appropriated to the department in this act, excluding amounts
30 to be distributed to nonstate agencies, for expenditures for project
31 management of building renewal and capital projects. All other monies
32 appropriated to the department in this act may not be spent for personal
33 services or employee-related expenditures or for maintenance contracts on
34 building components and equipment without review by the joint committee on
35 capital review.

36 B. Except as provided in subsection A of this section, the monies
37 appropriated in this act may not be spent for personal services or
38 employee-related expenditures of state employees, excluding any services
39 provided as part of the inmate construction program for correctional
40 facilities.