

KAVANAGH FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO H.B. 2852
(Reference to printed bill)

1 Page 2, line 10, strike "510.1" insert "528.1"

2 Line 17, strike "4,954,800" insert "3,319,600"

3 Line 22, strike "43,480,200" insert "44,691,200"

4 Line 24, strike "32,166,200" insert "30,955,200"

5 Line 30, strike "\$180,253,600" insert "\$178,618,400"

6 Line 41, strike "13,969,000" insert "12,333,800"

7 Page 4, line 20, strike "\$9,002,200" insert "\$7,577,300"

8 Line 28, strike "\$9,242,200" insert "\$7,817,300"

9 Strike lines 31 through 43

10 Page 5, line 9, strike "3,264,479,100" insert "3,420,887,100"

11 Line 10, strike "1,365,641,700" insert "1,166,614,700"

12 Line 21, strike "\$6,280,910,600" insert "\$6,238,291,600"

13 Line 23, strike "\$1,412,929,800" insert "\$1,397,429,800"

14 Line 35, strike "4,716,907,300" insert "4,689,788,300"

15 Page 6, line 33, strike "may" insert "shall"

16 Line 41, strike "P" insert "O"

17 After line 44, insert:

18 "Any monies for graduate medical education received in fiscal year
19 2012-2013, including any federal matching monies, by the Arizona health care
20 cost containment system administration in excess of \$90,977,300 are
21 appropriated to the administration in fiscal year 2012-2013. Before the
22 expenditure of these increased monies, the administration shall notify the
23 joint legislative budget committee and the governor's office of strategic
24 planning and budgeting of the amount of monies that will be expended under
25 this provision.

26 Any monies received for disproportionate share payments from political
27 subdivisions of this state, tribal governments and any university under the
28 jurisdiction of the Arizona board of regents, and any federal monies used to

1 match those payments, that are received in fiscal year 2012-2013 by the
2 Arizona health care cost containment system administration in excess of
3 \$28,457,100 are appropriated to the administration in fiscal year 2012-2013.
4 Before the expenditure of these increased monies, the administration shall
5 notify the joint legislative budget committee and the governor's office of
6 strategic planning and budgeting of the amount of monies that will be
7 expended under this provision."

8 Page 7, line 15, strike "478.7" insert "547.9"

9 Line 16, strike "\$44,043,700" insert "\$45,843,700"

10 Line 22, strike "\$56,225,100" insert "\$58,025,100"

11 Line 24, strike "\$16,846,500" insert "\$22,046,500"

12 Line 28, strike "5,397,100" insert "1,997,100"

13 Page 10, line 16, strike "283.9" insert "297.9"

14 Line 40, strike "10,015.2" insert "10,118.2"

15 Line 41, strike "\$864,651,000" insert "\$868,417,100"

16 Line 44, strike "\$992,287,600" insert "\$996,053,700"

17 Page 11, line 2, strike "\$947,388,500" insert "\$951,154,600"

18 Page 13, line 36, strike "4,086.3" insert "5,453.5"

19 Line 37, strike "\$286,858,400" insert "\$291,385,900"

20 Page 14, line 8, strike "57,744,600" insert "74,772,000"

21 Line 14, strike "8,815,300" insert "11,215,300"

22 Line 16, strike "37,857,200" insert "38,071,900"

23 Line 18, strike "686,191,700" insert "690,196,700"

24 Line 20, strike "19,225,100" insert "19,334,100"

25 Line 21, strike "138,153,000" insert "138,936,500"

26 Between lines 32 and 33, insert:

27 "Independent living rehabilitation services 1,289,400"

28 Line 33, strike "5,088,500" insert "3,799,100"

29 Line 37, strike "\$1,729,098,400" insert "\$1,758,165,500"

30 Line 43, strike "239,304,400" insert "220,775,800"

31 Page 15, line 14, strike "30,518,400" insert "74,735,700"

32 Line 19, strike "631,462,800" insert "634,841,200"

Page 16, strike lines 16 through 24, insert:

"Of the amounts appropriated for children support services, CPS emergency and residential placement and foster care placement, the department may transfer up to ten per cent of the total amount of federal temporary assistance for needy families block grant monies appropriated to the department of economic security to the social services block grant for use in the following line items in the division of children, youth and families: children support services, CPS emergency and residential placement and foster care placement. Before transferring federal temporary assistance for needy families block grant monies to the social services block grant, the department shall report the proposed amount of the transfer to the director of the joint legislative budget committee. This report may be in the form of an expenditure plan that is submitted at the beginning of the fiscal year and updated, if necessary, throughout the fiscal year."

Page 17, strike lines 27 through 30, insert:

"It is the intent of the legislature that the department of economic security increase developmental disabilities provider rates by two per cent beginning April 1, 2013."

Page 18, between lines 17 and 18, insert:

"Any federal temporary assistance for needy families block grant monies received in fiscal year 2012-2013, including the beginning balance, by the department of economic security in excess of \$220,775,800 is appropriated to the department in fiscal year 2012-2013. For every dollar the department of economic security receives in federal temporary assistance for needy families block grant monies in fiscal year 2012-2013 in excess of the \$220,775,800 appropriated, there shall be a corresponding dollar reduction in the department's long-term care system fund appropriation. On or before June 30, 2013, the department shall notify the joint legislative budget committee and the governor's office of strategic planning and budgeting of the amount of long-term care system fund monies, if any, that will not be expended under this provision."

Line 20, strike "139.1" insert "171.4"

Line 28, strike "\$2,162,276,700" insert "\$2,169,077,300"

1 Page 18, line 30, strike "\$2,115,801,200" insert "\$2,122,601,800"

2 Line 40, strike "\$17,656,000" insert "\$15,656,000"

3 Page 19, between lines 22 and 23, insert:

4 "Education learning and accountability system 6,200,000

5 Fund sources:

6 State general fund \$ 5,000,000

7 Education learning and accountability fund 1,200,000

8 For fiscal year 2012-2013, the state board of education, in
9 collaboration with the department, shall report quarterly by the last day of
10 each calendar quarter on its progress in implementing the education learning
11 and accountability system and other related projects that may be funded
12 through the education learning and accountability fund to the president of
13 the senate, the speaker of the house of representatives, the chairpersons of
14 the senate and house of representatives appropriations committees, the
15 director of the joint legislative budget committee and the director of the
16 governor's office of strategic planning and budgeting. The quarterly report
17 shall include an assessment of progress from an independent third party that
18 is not affiliated with state government."

19 Line 23, strike "\$9,458,200" insert "3,958,200"

20 Line 38, strike "3,291,400" insert "8,791,400"

21 Between lines 38 and 39, insert:

22 "The department may use a portion of the appropriated amount to fund a
23 new English language proficiency assessment."

24 Between lines 40 and 41, insert:

25 "K-3 reading 40,000,000

26 The appropriated amount is for funding costs of the K-3 reading weight
27 established in section 15-943, Arizona Revised Statutes, except that the
28 state board of education may use up to \$1,500,000 of the appropriated amount
29 on technical assistance and state level administration of the K-3 reading
30 program. The appropriated amount includes 2 FTE positions.

31 Innovative education program grants 3,000,000

32 The state board of education shall use the appropriated one-time amount
33 to fund innovative educational programs in public schools. The state board

of education shall award program funding on a competitive grant basis. Grants shall be awarded only for use in school districts and charter schools for innovative education programs that have a proven track record of success in improving student achievement and on related technology, instructional delivery and materials. Each grantee shall be required to match its state grant with an equal or greater amount of private sector funding. Grantees shall submit a report on program results to the state board of education on or before October 1, 2013."

Page 19, line 44, strike "\$894,300" insert "\$1,580,900"

Page 20, line 2, strike "\$525,600" insert "\$1,212,200"

Line 10, strike "\$2,544,551,300" insert "\$2,601,238,500"

Line 12, strike "\$2,488,792,000" insert "\$2,544,279,200"

Between lines 15 and 16, insert:

"Education learning and accountability fund 1,200,000"

Line 39, strike "\$4,821,700" insert "\$4,821,000"

Page 21, line 9, strike "247.5" insert "322.0"

Line 10, strike "\$44,807,200" insert "\$47,107,200"

Line 12, strike "20,119,500" insert "21,119,500"

Line 14, strike "\$64,926,700" insert "\$68,226,700"

Line 18, strike "25,536,100" insert "28,336,100"

Between lines 20 and 21, insert:

"Recycling fund 1,200,000"

Line 21, strike "1,917,500" insert "1,217,500"

Page 22, line 42, strike "55.1" insert "58.1"

Line 43, strike "\$3,660,300" insert "\$3,849,400"

Page 23, line 3, strike "733,300" insert "922,400"

Line 16, strike "\$2,281,300" insert "\$3,281,300"

Line 19, strike "\$3,052,000" insert "\$4,052,000"

Line 21, strike "\$3,052,000" insert "\$4,052,000"

Page 25, line 10, strike "\$129,383,900" insert "\$131,983,900"

Strike line 27

Line 35, strike "prescription" insert "seriously"

1 Page 25, strike line 36, insert:

2 "mentally ill services 95,238,000"

3 Line 41, strike "\$1,480,751,600" insert "\$1,512,043,600"

4 Line 43, strike "\$555,439,600" insert "\$586,731,600"

5 Line 44, strike "13,807,300" insert "12,487,100"

6 Page 26, line 14, strike "7,509,000" insert "8,829,200"

7 Between lines 29 and 30, insert:

8 "Of the \$1,125,000 for Alzheimer's disease research, \$1,000,000 of that
9 amount is from the tobacco tax and health care fund - health research
0 account."

11 Page 28, line 43, strike "169.0" insert "162.0"

12 Page 31, line 20, strike "\$148,460,900" insert "\$142,460,900"

13 Line 28, strike "4,120,200" insert "2,316,000"

14 Line 31, strike "18,816,800" insert "14,621,000"

15 Line 35, strike "601.8" insert "738.5"

16 Page 33, line 34, strike "\$16,156,000*" insert "\$17,156,000*"

17 Line 36, strike "\$16,156,000" insert "\$17,156,000"

18 Page 36, line 21, strike "142.5" insert "163.0"

19 Page 39, line 24, strike "\$186,969,500" insert "\$198,099,300"

20 Line 30, strike "\$216,986,400" insert "\$228,116,200"

21 Line 33, strike "95,961,000" insert "119,961,000"

22 Line 34, strike "24,000,000" insert "6,780,000"

23 Line 35, strike "18,522,300" insert "19,249,300"

24 Line 40, strike "11,030,500" insert "14,653,300"

25 Page 40, line 40, strike "\$2,536,400" insert "\$2,816,400"

26 Between lines 40 and 41, insert:

27	"Arizona breeders' award	250,000"
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28 Line 44, strike "\$4,315,900" insert "\$4,845,900"

29 Page 41, line 2, strike "\$1,779,500" insert "\$2,029,500"

30 Line 3, strike "2,536,400" insert "2,816,400"

31 Line 9, strike "28.0" insert "29.0"

32 Line 10, strike "\$1,558,600" insert "\$1,568,600"

33 Line 15, strike "551.000" insert "561.000"

1 Page 41, line 18, strike "55.0" insert "59.0"
2 Line 19, strike "\$2,656,700" insert "\$2,917,300"
3 Line 21, strike "\$2,656,700" insert "\$2,917,300"
4 Page 42, line 8, strike "843.3" insert "860.3"
5 Line 10, strike "5,632,000" insert "7,433,200"
6 Line 14, strike "\$68,401,400" insert "\$70,202,600"
7 Line 17, strike "22,532,600" insert "24,333,800"
8 Line 40, strike "\$1,313,600" insert "\$1,613,600"
9 Line 44, strike "\$173,411,200" insert "\$173,711,200"
10 Page 43, line 2, strike "\$173,411,200" insert "\$173,711,200"
11 Line 9, strike "133.3" insert "139.1"
12 Line 13, after "651,400" insert "*"

13 Page 44, between lines 12 and 13, insert:

14 "Sec. 93. OFFICE OF TOURISM

15		<u>2012-13</u>
16	FTE positions	25.0
17	Lump sum appropriation	\$ 7,000,000
18	Fund sources:	
19	State general fund	\$ 7,000,000"

20 Renumber to conform

21 Line 29, strike "86,880,400" insert "624,800"
22 Line 36, strike "239,494,200" insert "325,749,800"

23 Page 45, between lines 39 and 40, insert:

24	"Course redesign technology and capital	15,273,700
25	Performance funding	5,000,000"

26 Line 42, strike "\$16,926,200" insert "\$37,199,900"
27 Line 44, strike "\$16,926,200" insert "\$37,199,900"

28 After line 44, insert:

29 "The course redesign technology and capital appropriation shall become
30 available for use by Arizona state university and Northern Arizona university
31 after the Arizona board of regents approves an expenditure plan. The Arizona
32 board of regents shall review the expenditure plan before October 1, 2012.
33 The monies must be used for innovative course redesign technologies and

capital improvements that will maintain or improve learning outcomes and decrease per student costs for large enrollment or high failure rate classes. Of this amount, \$11,971,100 shall be distributed to the Arizona state university campuses and \$3,302,600 shall be distributed to Northern Arizona university. The Arizona board of regents shall notify the joint legislative budget committee staff of the amounts allocated to each Arizona state university campus. It is the intent of the legislature that these monies be budgeted to the individual campuses beginning in fiscal year 2013-2014. It is the intent of the legislature to appropriate funding to Arizona state university and Northern Arizona university in fiscal year 2013-2014 through fiscal year 2016-2017 with the goal of achieving per student funding parity between the universities under the jurisdiction of the Arizona board of regents at the beginning of fiscal year 2016-2017.

The following amounts have been allocated from the university campuses to the Arizona board of regents for performance funding: \$2,030,000 from Arizona state university - Tempe and downtown Phoenix campuses, \$156,300 from Arizona state university - East, \$271,700 from Arizona state university - West, \$834,600 from Northern Arizona university, and \$1,707,400 from the university of Arizona - main campus. The performance funding formula shall be as prescribed by law. The Arizona board of regents shall report the final allocation of performance funding to the joint legislative budget committee on or before July 1, 2012."

Page 46, line 11, strike "\$526,530,400" insert "\$524,500,400"

Line 16, strike "\$627,437,800" insert "\$625,407,800"

Line 18, strike "\$159,427,500" insert "\$157,397,500"

Line 22, strike "\$234,187,900" insert "\$232,157,900"

Line 24, strike "121" insert "131"

Page 47, line 4, strike "\$50,334,400" insert "\$50,178,100"

Line 7, strike "\$52,334,400" insert "\$52,178,100"

Line 9, strike "\$12,409,600" insert "\$12,253,300"

Line 14, strike "\$18,159,800" insert "\$18,003,500"

Line 17, strike "121" insert "131"

Line 36, strike "\$54,425,600" insert "\$54,153,900"

1 Page 47, line 39, strike "\$56,025,600" insert "\$55,753,900"

2 Line 41, strike "\$23,094,800" insert "\$22,823,100"

3 Page 48, line 2, strike "\$33,159,600" insert "\$32,887,900"

4 Line 5, strike "121" insert "131"

5 Line 24, strike "\$160,156,900" insert "\$159,322,300"

6 Line 28, strike "\$165,127,700" insert "\$164,293,100"

7 Line 30, strike "\$65,467,000" insert "\$64,632,400"

8 Line 33, strike "\$95,961,800" insert "\$95,127,200"

9 Line 35, strike "121" insert "131"

10 Page 49, line 15, strike "\$332,810,300" insert "\$331,102,900"

11 Line 19, strike "\$388,364,900" insert "\$386,657,500"

12 Line 21, strike "\$131,960,900" insert "\$130,253,500"

13 Line 29, strike "14,821,900" insert "20,821,900"

14 Line 31, strike "\$80,343,800" insert "\$86,343,800"

15 Line 33, strike "\$38,557,600" insert "\$44,557,600"

16 Line 36, strike "\$468,708,700" insert "\$473,001,300"

17 Line 38, strike "\$170,518,500" insert "\$174,811,100"

18 Line 41, strike "\$194,114,000" insert "\$192,406,600"

19 Line 43, strike "121" insert "131"

20 Page 50, line 2, strike "\$55,334,300" insert "\$61,334,300"

21 Line 5, strike "121" insert "131"

22 Page 51, line 3, strike "77.5" insert "90.0"

23 Line 14, strike "\$5,698,300" insert "\$11,998,300"

24 Line 15, strike "6,400,200" insert "100,200"

25 Line 36, strike "\$1,757,500" insert "\$1,787,500"

26 Line 40, strike "\$3,171,400" insert "\$3,201,400"

27 Line 42, strike "\$1,440,000" insert "\$1,470,000"

28 Page 52, between lines 1 and 2, insert:

29 "Sec. 106. Department of administration; state personnel
30 system; conditional supplemental appropriation;
31 2011-2012; conditional appropriation; 2012-2013

32 A. In addition to any other appropriations made in fiscal year
33 2011-2012, the sum of \$154,000 is appropriated from the personnel division

1 fund in fiscal year 2011-2012 to the department of administration for
2 operating costs, only if House Bill 2571, fiftieth legislature, second
3 regular session, relating to the state personnel system, becomes law.

4 B. The sum of \$2,000,000 is appropriated from the personnel division
5 fund in fiscal year 2012-2013 to the department of administration for
6 operating costs, only if House Bill 2571, fiftieth legislature, second
7 regular session, relating to the state personnel system, becomes law.

8 Sec. 107. Department of administration; risk management
9 revolving fund; supplemental appropriation;
10 2011-2012; review

11 A. The department of administration is authorized to negotiate and
12 settle with the federal government any debts incurred due to disallowed fund
13 transfers and expenditures of federal participation monies in fiscal years
14 2009-2010 and 2010-2011. Notwithstanding any other law, the sum of
15 \$10,400,000 is appropriated from the risk management revolving fund
16 established by section 41-622, Arizona Revised Statutes, in fiscal year
17 2011-2012 to the department of administration for this purpose.

18 B. Before expending monies pursuant to subsection A of this section,
19 the department of administration shall report to the joint legislative budget
20 committee on the final agreement with the federal government."

21 Renumber to conform

22 Page 52, line 9, strike "\$118,273,100" insert "\$112,600,700"

23 Line 10, strike "\$226,071,700" insert "\$372,544,100"

24 Line 13, strike "may" insert "shall"

25 Line 30, strike "\$25,00" insert "\$25,000"

26 Page 53, between lines 3 and 4, insert:

27 "Sec. 113. Department of health services; state hospital;
28 supplemental appropriation; 2011-2012

29 In addition to any other appropriations made in fiscal year 2011-2012,
30 the sum of \$2,500,000 is appropriated from the state general fund in fiscal
31 year 2011-2012 to the department of health services for operating expenses
32 associated with the Arizona state hospital."

33 Renumber to conform

Page 53, between lines 12 and 13, insert:

"Sec. 115. School facilities board; supplemental appropriation:
2011-2012

In addition to any other appropriation made in fiscal year 2011-2012, the sum of \$11,500,000 is appropriated from the state general fund in fiscal year 2011-2012 to the building renewal grant fund established by section 15-2032, Arizona Revised Statutes, for the purpose of maintaining the adequacy of existing school facilities."

ReNUMBER to conform

Line 13, strike "Appropriation" insert "Appropriations"; strike "year" insert "years"

Line 14, after "2011-2012" insert "and 2012-2013"

Line 15, strike "is" insert "in fiscal year 2011-2012 and the sum of \$200,000,000 in fiscal year 2012-2013 are"; strike "in"

Line 16, strike "fiscal year 2011-2012"

Between lines 17 and 18, insert:

"Sec. 117. Secretary of state; 2011-2012 appropriation:
exemption

The state general fund appropriation made to the secretary of state in fiscal year 2011-2012 for the library grants-in-aid special line item in the amount of \$651,400 is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations."

ReNUMBER to conform

Page 54, between lines 26 and 27, insert:

"Sec. 121. Department of health services; appropriation; fiscal
year 2012-2013; emergency and trauma services

The sum of \$300,000 is appropriated from the state general fund in fiscal year 2012-2013 to the department of health services for distribution to hospitals for the purpose of maintaining essential emergency department and level IV trauma services. In order to receive monies pursuant to this section, a hospital must meet all of the following criteria:

1. Be located in a county with a population of less than five hundred thousand persons.

2. Be licensed to operate twenty-five or fewer beds.

3. Not be designated as a critical access hospital, as of January 1, 2012, pursuant to 42 Code of Federal Regulations part 485, subpart F.

4. Be located within twenty-five miles of a hospital operated by the Indian health service.

Sec. 122. Department of health services; appropriations;
long-term care system fund; fiscal year 2012-2013

A. Notwithstanding section 36-2953, Arizona Revised Statutes, the sum of \$1,379,600 is appropriated from the long-term care system fund established by section 36-2953, Arizona Revised Statutes, in fiscal year 2012-2013 to the department of health services for agency services.

B. The sum of \$2,692,800 is appropriated from federal medicaid authority in fiscal year 2012-2013 to the department of health services to increase behavioral health provider reimbursement by two per cent beginning April 1, 2013.

Sec. 123. Independent redistricting commission; appropriation;
fiscal year 2012-2013; exemption

A. The sum of \$1,450,000 is appropriated from the state general fund in fiscal year 2012-2013 to the independent redistricting commission for the operating expenses of the commission. This appropriation may be used for the payment of obligations incurred in fiscal year 2011-2012.

B. The appropriation made in subsection A of this section is exempt from the provisions of section 35-190, Arizona Revised Statutes, relating to lapsing of appropriations, except that all monies remaining unexpended and unencumbered after the payment of fees, costs and expenses of the commission revert to the state general fund."

Renumber to conform

Page 54, line 27, strike "Appropriation" insert "Appropriations"; strike "year" insert "years"

Line 28, after "2012-2013" insert ", 2013-2014, 2014-2015 and 2015-2016"

Line 29, strike "\$35,800,000 is" insert "\$16,800,000 in fiscal year 2012-2013, the sum of \$20,000,000 in each of fiscal years 2013-2014 and 2014-2015 and the sum of \$23,000,000 in fiscal year 2015-2016 are"

Page 54, line 30, strike "in fiscal year 2012-2013 to" insert "for deposit into"

Line 34, strike "appropriation" insert "appropriations"

Line 35, strike "to" insert "for deposit into"

Page 55, line 10, strike "2009" insert "2010"

Strike lines 12 through 20

Renumber to conform

Between lines 28 and 29, insert:

"Fund Balance Transfers

Sec. 127. Fund balance transfers; fiscal years 2012-2013 and
2013-2014

A. Notwithstanding any other law, on or before June 30, 2013, the following amounts from the following sources are transferred to the state general fund for the purposes of providing adequate support and maintenance for agencies of this state:

1. Arizona department of administration:

Special employee health insurance trust fund - \$30,000,000

2. Department of environmental quality:

Emissions inspection fund - \$10,000,000

3. Judiciary - supreme court:

State aid to courts fund - \$50,000

Alternative dispute resolution fund - \$200,000

Arizona lengthy trial fund - \$100,000

Public defender training fund - \$25,000

4. Judiciary - superior court:

Judicial collection enhancement fund - \$400,000

Criminal justice enhancement fund - \$75,000

Drug treatment and education fund - \$150,000

Juvenile probation services fund - \$5,000,000

B. Notwithstanding any other law, on or before June 30, 2013, the sum of \$2,500,000 shall be transferred from the corrections fund established by section 41-1641, Arizona Revised Statutes, to the department of corrections building renewal fund established by section 41-797, Arizona Revised

1 Statutes, in fiscal year 2012-2013 for the purposes of providing adequate
2 support and maintenance for the department of corrections.

3 C. Notwithstanding any other law, on or before June 30, 2014, the
4 following amounts from the following sources are transferred to the state
5 general fund for the purposes of providing adequate support and maintenance
6 for agencies of this state:

7 1. Judiciary - supreme court:

8 State aid to courts fund - \$50,000

9 Alternative dispute resolution fund - \$200,000

10 Arizona lengthy trial fund - \$100,000

11 Public defender training fund - \$25,000

12 2. Judiciary - superior court:

13 Judicial collection enhancement fund - \$400,000

14 Criminal justice enhancement fund - \$75,000

15 Drug treatment and education fund - \$150,000

16 Juvenile probation services fund - \$5,000,000

17 D. The administrative office of the courts shall not assess a fee on
18 any political subdivision in order to offset the transfers prescribed in
19 subsections A and C of this section.

20 Sec. 128. Fund transfer; mortgage settlement; fiscal year
21 2012-2013; intent

22 A. Notwithstanding any other law, on or before June 30, 2013, the
23 attorney general shall direct a total of \$50,000,000 received pursuant to the
24 consent judgments in the National Mortgage Settlement to the state general
25 fund to compensate the state for costs resulting from the alleged unlawful
26 conduct of the defendants.

27 B. It is the intent of the legislature that the monies deposited into
28 the state general fund pursuant to subsection A of this section be used in
29 current state general fund efforts in areas covered by the National Mortgage
30 Settlement, including agencies such as the state real estate department,
31 department of insurance and attorney general - department of law, and for
32 other areas impacted by the alleged unlawful conduct of the defendants in the
33 National Mortgage Settlement."

Renumber to conform

Page 57, between lines 4 and 5, insert:

"Department of law pro rata adjustments (3,987,800)

Fund sources:

State general fund (3,987,800)

Annual retirement contribution rate adjustments 11,196,500

Fund sources:

State general fund 9,202,800

Other appropriated funds 1,993,700

Health insurance premium holiday adjustments (25,000,000)

Fund sources:

State general fund (25,000,000)"

Line 15, after the period insert "The adjustments will generate \$252,000 in net state general fund savings, which the joint legislative budget committee staff shall allocate to the department of administration for building renewal in fiscal year 2012-2013."

Line 22, after the period insert "It is the intent of the legislature that the auditor general not be charged rent for its state-owned space at 2910 N. 44th Street beginning in fiscal year 2013-2014 if this space continues to be maintained by the department of administration and the space still qualifies for the department of administration's building renewal monies. It is the intent of the legislature that the department of health services pay no more than \$908,900 in rent to the department of administration for the department of health services' state-owned space in fiscal year 2012-2013."

Strike lines 36 through 45

Strike page 58

Page 59, strike lines 1 through 10, insert:

"Department of law pro rata adjustment

The amount appropriated for department of law pro rata adjustments shall be for fiscal year 2012-2013 reductions in agency or department pro rata changes. The joint legislative budget committee staff shall determine and the department of administration shall allocate to each agency or department an amount for the pro rata reduction.

1 Annual retirement contribution rate adjustments

2 The amount appropriated for annual contribution rate adjustments shall
3 be for fiscal year 2012-2013 adjustments in agency or department contribution
4 rates, excluding universities and the judicial branch, due to the annual
5 contribution rate change process. The joint legislative budget committee
6 staff shall determine and the department of administration shall allocate to
7 each agency or department an amount for the annual contribution rate
8 adjustment. The joint legislative budget committee staff shall also
9 determine and the department of administration shall allocate adjustments, as
10 necessary, in expenditure authority to allow the implementation of retirement
11 rate adjustments.

12 Health insurance premium holiday

13 The amount appropriated for health insurance premium holiday
14 adjustments shall be for fiscal year 2012-2013 adjustments in agency or
15 department insurance premiums due to the one-time health insurance premium
16 holiday required by this act. The joint legislative budget committee staff
17 shall determine and the department of administration shall allocate to each
18 agency or department an amount for the health insurance premium holiday
19 adjustment. The joint legislative budget committee staff shall also
20 determine and the department of administration shall allocate adjustments, as
21 necessary, in expenditure authority to allow the implementation of health
22 insurance premium holiday adjustments.

23 Sec. 133. Retention payments; appropriation; fiscal year
24 2012-2013

25 A. From and after September 28, 2012, the sums of \$16,633,400 from the
26 state general fund and \$11,695,200 from other appropriated funds are
27 appropriated in fiscal year 2012-2013 to state agency units for personal
28 services and employee-related expenditures related to the one-time critical
29 retention payments authorized in subsection B of this section. The joint
30 legislative budget committee staff shall determine and the department of
31 administration shall allocate to each agency or department an amount
32 available for the payments. The joint legislative budget committee staff
33 shall also determine and the department of administration shall allocate

adjustments, as necessary, in expenditure authority to allow implementation of the payments.

B. Subject to available monies, the director of each state agency unit shall award a one-time critical retention payment to an employee who is uncovered as of September 29, 2012. The payment shall be equal to five per cent of the employee's annual salary level, prorated for the remainder of the fiscal year. The amount shall be distributed evenly throughout each remaining pay period in fiscal year 2012-2013.

C. On or before October 15, 2012, the department of administration shall report to the joint legislative budget committee, for each budget unit, the following information:

1. The number of employees awarded a retention payment by fund source.
2. The total amount of retention payments awarded by fund source.

D. Any monies appropriated to state agency units pursuant to this section that are not awarded as retention payments shall revert to the fund of origin at the close of fiscal year 2012-2013.

Sec. 134. Department of law; general agency counsel charges;
fiscal year 2012-2013

A. Pursuant to section 41-191.09, Arizona Revised Statutes, the following state agencies and departments are charged the following amounts for general agency counsel provided by the department of law:

1. Department of administration	\$127,700
2. Office of administrative hearings	\$ 3,000
3. Arizona arts commission	\$ 3,100
4. Automobile theft authority	\$ 1,400
5. Citizens clean elections commission	\$ 2,700
6. State department of corrections	\$ 2,000
7. Arizona criminal justice commission	\$ 8,700
8. Arizona state schools for the deaf and the blind	\$100,200
9. Commission for the deaf and hard of hearing	\$ 4,100
10. Arizona early childhood development	
and health board	\$ 47,100
11. Department of education	\$132,000

House Amendments to H.B. 2852

1	12. Department of emergency and military affairs	\$115,300
2	13. Department of environmental quality	\$135,600
3	14. Office of equal opportunity	\$ 100
4	15. Arizona exposition and state fair board	\$ 20,900
5	16. Department of financial institutions	\$ 1,900
6	17. Department of fire, building and life safety	\$ 2,500
7	18. State forester	\$ 12,100
8	19. Department of gaming	\$ 35,000
9	20. Arizona geological survey	\$ 6,800
10	21. Department of health services	\$170,000
11	22. Arizona historical society	\$ 700
12	23. Arizona department of housing	\$ 18,100
13	24. Department of insurance	\$ 10,500
14	25. Department of juvenile corrections	\$ 9,400
15	26. State land department	\$ 2,100
16	27. Department of liquor licenses and control	\$ 11,400
17	28. Arizona state lottery commission	\$ 24,800
18	29. State mine inspector	\$ 1,200
19	30. Arizona state parks board	\$ 45,800
20	31. State personnel board	\$ 600
21	32. Arizona pioneers' home	\$ 12,100
22	33. Commission for postsecondary education	\$ 1,800
23	34. Department of public safety	\$677,400
24	35. Arizona department of racing	\$ 2,300
25	36. Radiation regulatory agency	\$ 3,800
26	37. Arizona state retirement system	\$ 69,100
27	38. Department of revenue	\$ 4,900
28	39. School facilities board	\$ 2,400
29	40. Department of state - secretary of state	\$ 1,800
30	41. Office of tourism	\$ 8,100
31	42. State treasurer	\$ 9,200
32	43. Department of veterans' services	\$ 52,700
33	44. Department of weights and measures	\$ 4,200

1 B. This section is effective only if House Bill 2860, fiftieth
2 legislature, second regular session, relating to criminal justice budget
3 reconciliation, becomes law.

4 Sec. 135. State employee health insurance premium holiday;
5 report

6 For the purpose of instituting a one-time insurance premium holiday,
7 the department of administration shall not collect premiums for the
8 self-insured state employee health insurance program for sufficient pay
9 periods during fiscal year 2012-2013 to generate \$25,000,000 of state general
10 fund savings. The department may determine which pay periods will not have a
11 premium charged. This premium holiday applies to all premiums, including
12 employer, employee and retiree contributions. For entities that pay premiums
13 on a basis other than biweekly, the department shall calculate an equivalent
14 decrease in premiums and reduce their premium collection by that amount. On
15 or before September 1, 2012, the department shall report to the joint
16 legislative budget committee on its plans for implementing the premium
17 holiday."

18 Renumber to conform

19 Page 59, line 11, strike "": health insurance adjustments"

20 Line 13, strike "sections" insert "section"; strike "and 138"

21 Page 60, line 17, strike "\$8,898,910,900" insert "\$8,645,992,200"

22 Line 20, strike "\$8,826,355,700" insert "\$8,693,355,700"

23 Amend title to conform

JOHN KAVANAGH

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